

# 3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT MOLLIK FASHION EMBROIDERY

Ref. no.: FR/2023/32816



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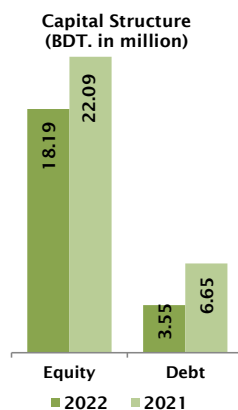
SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	25 July 2023	24 July 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 18.07.2023
Uttara Bank Limited	CC(H)	6.00	5.1

**Methodology:** SME Rating Methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## Key Snapshot:

Particulars	2022	2021
Revenue	38.84	51.51
EBIT	4.63	2.85
Net Profit	4.50	2.58
Total Assets	21.74	28.74
Total Equity	18.19	22.09
Debt	3.55	6.65
Net Profit Margin (%)	11.6	5.0
CCC (Days)	164	122
ICR	34.57	10.56



## RATING RATIONALE

WCRCL has reaffirmed WCRSME4 (pronounced as WASO Credit Rating Small and Medium Enterprise Four) rating under the SME Rating to Mollik Fashion Embroidery (hereinafter referred as “MFE” or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration. The above ratings have been assigned based on the fundamentals of the enterprise which include maintained sound relationship with suppliers and buyers, long track record of business operation, low levered capital structure. However, the above factors are constrained to some extent by poor Disclosures of financial statements to review and analyze the true financial attributes, stressed liquidity position, manual accounting process.

The SME rating implies that the Enterprise has average credit quality.

WCRCL also viewed the enterprise with “Stable” outlook and believes that MFL will be able to maintain its good fundamentals in the foreseeable future.

This rating may be revised in case of any extraordinary changes in line with the sponsor’s equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.

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