

1st SURVEILLANCE CREDIT RATING REPORT SAYMON GARMENTS



Ref. no.: FR/2023/030415

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	28 March 2023	27 March 2024

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	5.00	Nil	27.03.2023

Financial Based on-Unaudited financial statements up to 31 December 2022.

Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

Particulars	2022	2021
Revenue	80.50	70.00
EBIT	11.32	9.80
Net Profit	11.22	9.71
Total Assets	48.28	47.40
Total Equity	42.63	42.22
Total debt	5.65	5.18
Net Profit Margin (%)	13.9%	13.9%
CCC (Days)	131	135
ICR (X)	114.3	108.8

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Saymon Garments (hereinafter referred as "SG" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

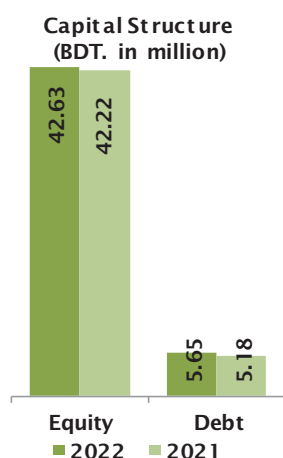
- Experienced & skilled management
- Owned business premises
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Low levered capital structure
- Good interest coverage position
- Good loan utilization ratio

However, the above rating has been moderated to some extent due to some factors like:

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Outdated trade license
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged above average level of credit worthiness in relation to other small enterprises.

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



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