

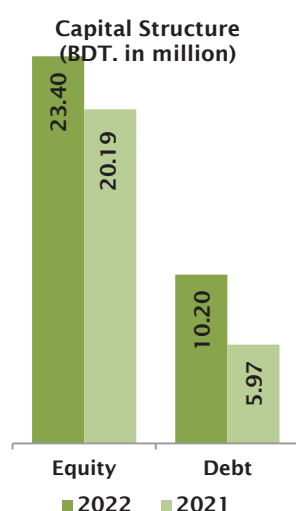
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## Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	55.00	46.70
EBIT	9.63	5.55
Net Profit	8.99	5.38
Total Assets	33.60	26.16
Total Equity	23.40	20.19
Total debt	10.20	5.97
Net Profit Margin (%)	16.3%	11.5%
CCC (Days)	176	182
ICR (X)	15.40	34.18



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SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	07 November 2023	08 November 2024

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

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Polash Garments** (hereinafter referred as "PG" 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 and skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Regular loan repayment history
- Long experience track of the proprietor
- Owned business premises and storage facility
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- No Transport Facility
- No Insurance Coverage

The SME rating implies that the enterprise has above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that **PG** 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.