

# 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT RASHIQUE TEXTILE MILLS LIMITED



Ref. no.: FR/2023/034034

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	03 October 2023	18 September 2024

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh PLC	Composite investment	35.00	0.00	13.09.2023
	HPSM	9.88	6.70	
	<b>Total</b>	<b>44.88</b>	<b>6.70</b>	

## Key Snapshot:

BDT. In Million

Particulars	2022	2021
Revenue	118.32	110.58
EBIT	14.57	12.37
Net Profit	12.66	11.30
Total Assets	90.85	78.49
Total Equity	75.15	72.83
Debt	15.70	5.66
Net Profit Margin (%)	10.7	10.2
CCC (Days)	56	41
ICR (X)	10.99	11.52

*Financial Based on-Submitted audited prepared financial statements up to 31<sup>st</sup> December 2022.*

*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 Company Three) rating under the SME Rating to **Rashique Textile Mills Limited** (hereinafter referred as "RTML" or "The Company") 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 company which includes:

- Experienced and proactive management
- Good business network
- Low levered capital structure
- Good liquidity position in the capital structure
- Owned business premises and good infrastructural arrangement
- Availability of the supply of raw materials

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

- No insurance coverage
- Low management information system (MIS) and Manual accounting system
- Low Disclosure of financial statement

The SME rating implies that the company is adjudged to above average credit quality.

WCRCL also viewed the company with "Stable" outlook and believes that RTML 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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