

# INITIAL CREDIT RATING REPORT SEMPER TEXTILE MILLS LIMITED



Ref. no.: FR/2023/33407

## Report Contents:

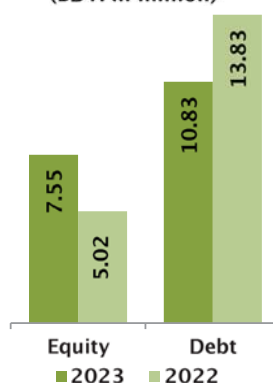
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## Key Snapshot:

BDT. in million

Particulars	FY23	FY22
Revenue	103.09	8.88
EBIT	3.40	0.02
Net Profit	2.55	0.02
Total Assets	18.39	18.85
Current Assets	17.93	18.34
Total Equity	7.55	5.02
Total debt	10.83	13.83
Net Profit Margin (%)	2.5	0.2
CCC (Days)	26	-
ICR (X)	4.02	-

Capital Structure  
(BDT. in million)



## Analysts:

**Md. Akter Hossain**  
akter@wasocreditrating.com

**Md. Rafiul Bary**  
rafi@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	07 August 2024

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

## RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Semper Textile Mills Limited (hereinafter referred as "STML" 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 enterprise which includes experienced and skilled management, good business network, insurance coverage for the inventory in stock, good liquidity position with short cash conversion cycle, comfortable interest coverage position, industrial area may endow with the location advantage, good market demand of the product and satisfactory banking relationship

However, the above rating has been moderated to some extent due to some factors like highly levered capital structure, low disclosure in the financial statement, market saturation or high competition, price volatility of the products, low management information system (MIS) and Manual accounting system

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

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