

2nd SURVEILLANCE CREDIT RATING REPORT
STYLUS TOWELS LIMITED

Ref. no.: CRAR-11391/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	17 October 2023	18 October 2024

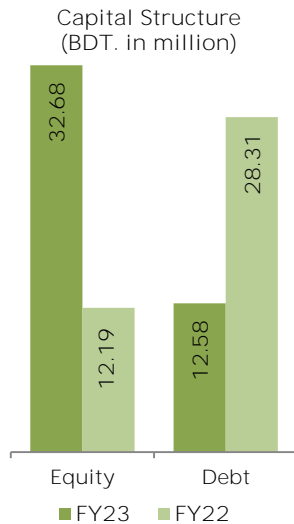
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh PLC	Composite Investment	10.00	10.01	30.06.2023

BDT. in million

Key Snapshot:

Tk. in million

Particulars	FY22	FY23
Revenue	56.31	82.26
EBIT	5.39	6.99
Net Profit	3.86	5.42
Total Assets	40.59	45.26
Total Equity	12.19	32.68
Debt	28.31	12.58
Net Profit Margin (%)	6.9	6.6
CCC (Days)	67	58
ICR (X)	10.41	9.37



Financial Based on- Audited financial statements up to 30th June 2023.

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

RATING RATIONALE

WCRCL has reaffirmed WCRSME3 (Pronounced WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Stylus Towels Limited (hereinafter referred to as 'STL' 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
- Strong buyer base
- Strong business network
- good infrastructural arrangement
- Low leverage capital structure
- Good interest coverage position
- Satisfactory health and safety measures

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

- Average disclosure in the financial statement
- Poor security arrangement
- Rented factory premises

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 STL 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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