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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
|            | WCRSE 3     | Stable  | 19 September 2022   | 04 October 2023    |

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

| Bank Name           | Mode of Investment | Sanctioned Amount | Outstanding Amount | Date of Outstanding |
|---------------------|--------------------|-------------------|--------------------|---------------------|
| Uttara Bank Limited | CC (H)             | 1.20              | 0.07               | 30.08.2022          |

BDT. in million

*Financial Based on- unaudited financial statements up to 31 December 2021.*

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

**Key Snapshot:**

BDT. in million

| Particulars           | 2021   | 2020   |
|-----------------------|--------|--------|
| Revenue               | 25.32  | 22.02  |
| EBIT                  | 1.84   | 1.57   |
| Net Profit            | 1.82   | 1.55   |
| Total Assets          | 11.03  | 10.52  |
| Total Equity          | 9.16   | 8.80   |
| Debt                  | 1.86   | 1.71   |
| Net Profit Margin (%) | 7.2%   | 7.1%   |
| CCC (Days)            | 94     | 103    |
| ICR(X)                | 107.50 | 100.92 |

**RATING RATIONALE**

WCRCL has assigned ‘WCRSE 3’ (pronounced as WASO Credit Rating Small Enterprise **Three**) rating under the SME Rating to **Mitu Enterprise** (hereinafter referred as “ME” or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

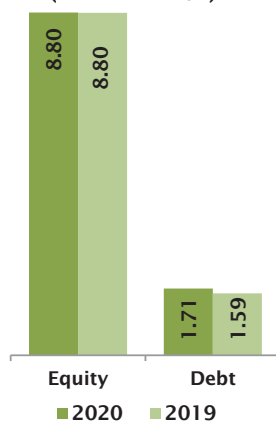
The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Good mortgage security coverage against loan
- Low levered capital structure
- Satisfactory banking relationship

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

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

**Capital Structure (BDT. in million)**



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

WCRCL also viewed the enterprise with “**Stable**” outlook and believes that **ME** will be able to maintain its good fundamentals in the foreseeable future.