

SURVEILLANCE CREDIT RATING REPORT SHAHJALAL WIRE NAIL INDUSTRIES



Ref. no.: FR/2022/25732

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	19 September 2022	14 June 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

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	70.00	12.45	14.09.2022

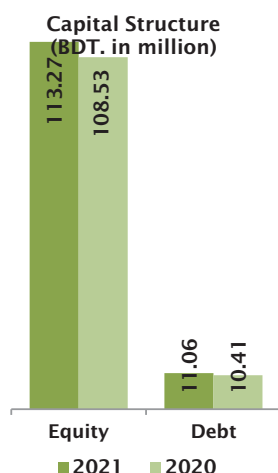
Financial Based on-Management prepared financial statements up to 31st December 2021.

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

Key Snapshot:

BDT. in million

Particulars	2021	2020
Revenue	264.81	216.16
EBIT	17.53	11.02
Net Profit	14.53	8.02
Total Assets	124.33	118.93
Total Equity	113.27	108.53
Debt	11.06	10.41
Net Profit Margin (%)	5.5	3.7
CCC (Days)	100	118
ICR (X)	5.84	3.67



RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Shahjalal Wire Nail Industries** (hereinafter referred as "SWNI" 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 interest coverage position
- Good business network
- Low levered capital structure

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
- Low management information system (MIS) and Manual accounting system

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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 SWNI will be able to maintain its good fundamentals in the foreseeable future.