

# SURVEILLANCE CREDIT RATING REPORT MODERN DIAGNOSTIC CENTRE LIMITED



Ref. no.: FR/2023/029499

## Report Contents:

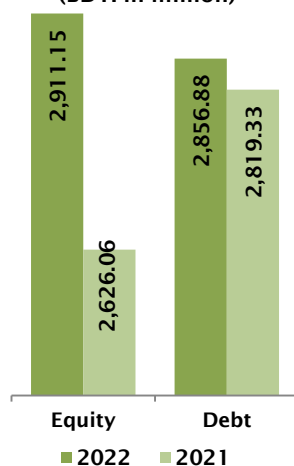
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## Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	2,507	2,334
EBIT	652.58	533.04
Net Profit	285.09	208.90
Total Assets	5,768	5,445
Total Equity	2,911	2,626
Debt	2,856	2,819
Net Profit Margin (%)	11.37	8.95
Current Ratio (X)	0.46	0.52
Debt/Equity (X)	0.98	1.07
ICR (X)	2.66	2.38

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



## Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A2	ST-3	Stable	13 February 2023	27 December 2023

Banks Name	Mode of Investment	Sanctioned/ Limit Amount	Outstanding Amount	Tk. in Million Bank Loan Rating
ONE Bank Ltd. (30.11.2022)	Term Loan	100.00	131.51	blr A2
	Term Loan	142.50	174.78	
	OD	30.00	30.76	blr ST-3
EXIM Bank of Bangladesh Ltd. (30.09.2022)	IBB (HPSM)	515.86	570.24	blr A2
Social Islami Bank Ltd. (30.11.2022)	HPSM	1,140.00	1,037.72	blr A2
	Baim (Com)	180.00	171.66	blr ST-3
	TR	180.00	15.25	
Mutual Trust Bank Ltd. (30.11.2022)	Term Loan	157.10	156.86	blr A2
	Term Loan	110.00	78.31	
	Term Loan	100.00	94.09	blr ST-3
	CC (Hypo) Stimulus	150.00 20.00	156.35 14.61	
Shahjalal Islami Bank Limited (30.11.2022)	HPSM	170.00	170.10	blr A2
Premier Bank Ltd. (30.11.2022)	Loan General	180.00	195.40	blr A2
	LTR	40.00	31.30	blr ST-3
Mercantile Bank Ltd. (30.11.2022)	Term Loan	140.00	117.13	blr A2
SBAC Bank Ltd. (30.11.2022)	CC (Hypo)	220.00	220.00	blr ST-3
	Stimulus	29.00	28.98	
Standard Bank Ltd. (30.11.2022)	HPSM	300.00	367.37	blr A2
	Baim (G)	90.00	99.18	blr ST-3
	Stimulus	27.00	26.35	
Uttara Finance & Investment Ltd. (31.12.2022)	Term Loan	100.00	73.15	blr A2

*Financial Based on-Management prepared financial statements up to 30 June 2022.*

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

## RATING RATIONALE

WCRCL has reaffirmed 'A2' (pronounced as Single A Two) rating for the Long Term and 'ST-3' (pronounced as Short Term Three) rating for Short Term to **Modern Diagnostic Centre Limited** (hereinafter referred to as '**MDCL**' or '**The Company**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has assigned 'blr A2' (pronounced as Bank Loan Rating Single A Two) rating to the long term loan outstanding and 'blr ST-3' (pronounced as Bank Loan Rating Short Term Three) rating to short term loan limit.

The above ratings have been assigned based on the fundamentals of the company which include financial and operational flexibility arising from Modern Group, experience of promoter in healthcare industries, experienced and proactive management, wide acceptability of medical and pathological report, sustainable growth rate, diversified sources of revenue, large pool of professionals, most transactions are in cash, satisfactory banking relationship, good interest coverage position, large network (6 branch in Dhaka, Narayanganj area and 5 branch proposed), good infrastructural arrangement with state of art lab equipment's.

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However, the above factors are constrained by average disclosure of financial statements, moderate levered capital structure, stressed liquidity position considering high current liabilities, high dependency on external borrowings.

The long term rating implies that the entity is an upper medium grade and subject to low credit risk. The short term rating implies that the entity has an acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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

--- End of Rationale ---