

# SURVEILLANCE CREDIT RATING REPORT SRN (PVT) LIMITED



Ref. no.: FR/2022/30345

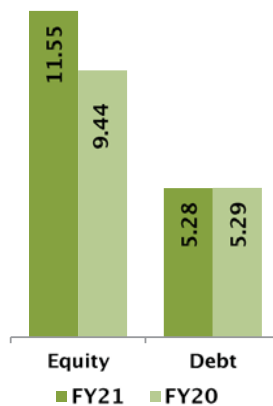
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## Key Snapshot:

Particulars	2021	2020
Revenue	22.87	16.83
EBIT	3.47	2.04
Net Profit	2.70	1.42
Total Assets	16.82	14.73
Total Equity	11.55	9.44
Total debt	5.28	5.29
Net Profit Margin (%)	11.8%	8.4%
CCC (Days)	168	160
ICR (X)	5.60	3.28

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



## Analysts:

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	27 December 2022	20 December 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
	CC (H)	5.00	4.99	
Uttara Bank Limited	LC	5.00	nil	21.12.2022
	LTR	3.0	nil	

*Financial Based on*—Audited financial statements for 30<sup>th</sup> December, 2021.

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

## RATING RATIONALE

WCRCL has re-affirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **SRN (PVT) Limited** (hereinafter referred as "SRNPL" 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:

- Skilled management
- Highly satisfactory banking relationship
- Good interest coverage position
- Owned business premises
- Good security coverage against loan
- Low levered capital structure

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

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

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

WCRCL also viewed the enterprise with "Stable" outlook and believes that SRNPL will be able to maintain its good fundamentals in the foreseeable future.