

1st SURVEILLANCE CREDIT RATING REPORT M/S DIAMED



Ref. no.: FR/2023/31243

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 2	Stable	31 May 2023	30 May 2024

WCRSE 2 rating is equivalent to Bangladesh Bank SME rating scale of SME 2 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
	LC	250.00	120.10	
Mercantile Bank Limited	LTR (Inner of LC)	(100.00)	-	30.05.2023
	BG	80.00	67.60	

Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	546.46	591.35
EBIT	40.47	49.31
Net Profit	40.22	48.91
Total Assets	83.08	91.14
Total Equity	82.38	90.41
Total debt	0.70	0.74
Net Profit Margin (%)	7.4%	8.3%
CCC (Days)	4.44	6.30
ICR (X)	161.74	122.97

Financial Based on—Audited financial statements up to 30th June 2022.

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 2' (pronounced as WASO Credit Rating Small Enterprise Two) rating under the SME Rating to M/S Diamed (hereinafter referred as "MD" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good Profitability margin
- Good liquidity position with short cash conversion cycle
- Low levered capital structure
- Comfortable interest coverage position
- Insurance coverage for the inventory in stock
- Maintained sound business relation with supplier & buyer

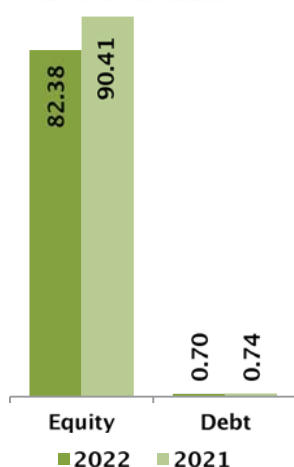
However, the above rating has been moderated to some extent due to some factors like:

- Average disclosure in the financial statements
- Low management information system (MIS) and Manual accounting system

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

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

Capital Structure
(BDT. in million)



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