

SURVEILLANCE CREDIT RATING REPORT MIZAN STEEL CORPORATION



Ref. no.: FR/2023/031062

Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Owner's Profile	2
Management Evaluation	2
Market Review	2
Business Analysis	4
Financial Strength Analysis	5
Credibility and Banking Relationship	5
Risk Factor Analysis	6
Rating Observations	7

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	11 May 2024

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

Tk. in Million				
Bank's Name	Mode	Limit Amount	Amount of Outstanding	Date of Outstanding
Trust Bank Limited	BG	10.00	10.00	03.05.2023

Financial Based on- Audited financial statements up to 2022.

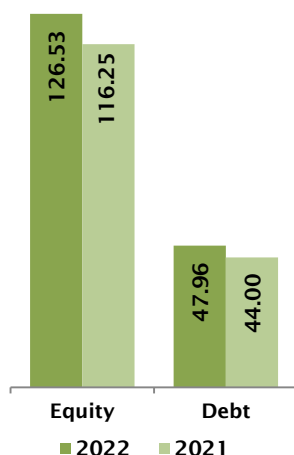
Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	878.52	763.93
EBIT	74.66	64.63
Net Profit	74.39	64.35
Total Assets	174.49	160.25
Total Equity	126.53	116.25
Debt	47.96	44.00
Net Profit Margin (%)	8.5%	8.4%
CCC (Days)	44	46
ICR (X)	280.45	267.07

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



RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Mizan Steel Corporation (hereinafter referred to as MSC or The Enterprise) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above ratings have been assigned based on the fundamentals of the enterprise which include experienced management, owned showroom and good storage facility, good business network, satisfactory banking relationship, low levered capital structure and good coverage position. However, the above rating has been moderated to some extent due to some factors like small scale of operation in a very local area, no insurance coverage for store and goods and low disclosure of financial statements.

The SME rating implies that the enterprise is adjudged above average level of credit worthiness in relation to other SEs/MEs.

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

Analysts:

Ummay Fatema
fatema@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com