

2nd SURVEILLANCE CREDIT RATING REPORT SHAHBAZ TRADERS

Ref. no.: FR/2023/029147



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	16 January 2023	15 January 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 Name	Mode of Investment	Limit Amount	Outstanding Amount	Outstanding Date
Mercantile Bank Limited	CC(Hypo)	10.00	12.37	30.12.2022

Key Snapshot:

Tk. In million

Particulars	2021	2020
Revenue	96.59	110.13
EBIT	7.05	8.27
Net Profit	5.70	6.81
Total Assets	47.77	52.82
Total Equity	33.70	42.27
Total Liabilities	14.07	10.55
Net Profit Margin (%)	5.90	6.18
Current Ratio (X)	1.39	2.32
Debt to Equity (X)	0.42	0.25

Financial Based on– Unaudited financial statements up to 31 December 2021, 2020, and 2019.

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

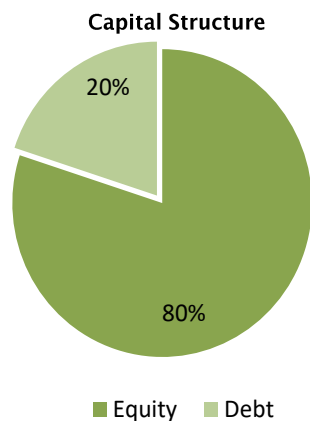
RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Shahbaz Traders** (hereinafter referred to as ‘ST’ or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which experienced and proactive management, appropriate geographical location, low levered concern and healthy debt coverage position. However, the above factors are constrained to some extent by small scale operation, long cash conversion cycle, lower profit margin, and no disclosure in the financial statements.

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other SE’s / ME’s.

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



Analysts:

Monira Islam
monira@wasocreditrating.com

Maharan Nasrin
maharan@wasocreditrating.com