

1st SURVEILLANCE CREDIT RATING REPORT METRO TRADING



Ref. no.: FR/2023/31698

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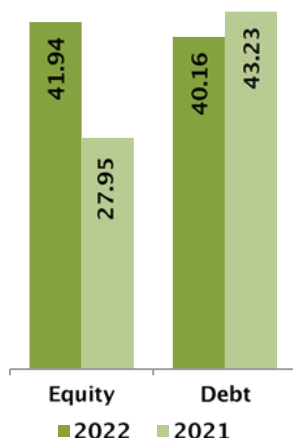
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	210.00	302.00
EBIT	29.98	58.13
Net Profit	27.22	54.33
Total Assets	82.10	71.18
Total Equity	41.94	27.95
Debt	40.16	43.23
Net Profit Margin (%)	13.0%	18.0%
CCC (Days)	114	86
ICR (X)	10.90	15.37

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	31 May 2023	30 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

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 **Metro Trading** (hereinafter referred as "MT" 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
- Owned business premises
- Good profitability margin
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship

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

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

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

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