

3rd SURVEILLANCE CREDIT RATING REPORT MONDAL HARDWARE & PAINT

Ref. no.: FR/2023/030287



Report Contents:

Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship and Security	3
Risk Factor Analysis	4
Rating Observation	4

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	28 March 2023	27 March 2024

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as On 23.03.2023
Uttara Bank Limited	CC (H)	5.00	5.26

Key Snapshot:

BDT. in million

Particulars	2021	2022
Revenue	42.72	49.12
EBIT	4.31	5.01
Net Profit	3.83	4.48
Total Assets	25.20	26.91
Total Equity	20.70	22.01
Debt	4.50	4.90
Net Profit Margin (%)	9.0	9.1
CCC (Days)	151	140
ICR (X)	9.07	9.58

Financial Based on- Management prepared financial statements up to 31st December 2022.

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

RATING RATIONALE

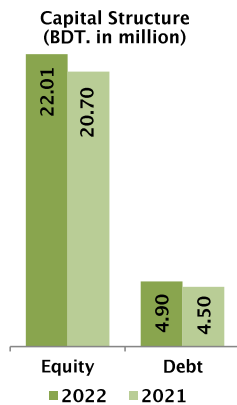
WCRCL has reaffirmed **WCRSE 4** (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to **Mondal Hardware & Paint** (hereinafter referred to as 'MH&P' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include good management team, good interest coverage position, moderated leverage position, and comfortable security arrangement.

However, the above factors are constrained to some extent by vulnerability in price in the local market may impact profitability, manual accounting system, tight liquidity position, no insurance coverage for the inventory in stock, lack of disclosure in the financial statements, and poor limit utilization.

The SME rating implies that Mondal Hardware & Paint is adjudged to average level of credit worthiness in relation to other small enterprises.

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



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