

1st SURVEILLANCE CREDIT RATING REPORT SHARMIN ACCESSORIES LIMITED

Ref. no.: FR/2023/31610



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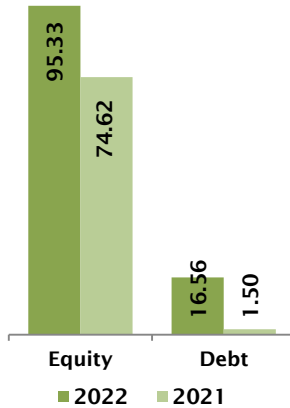
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	134.07	116.58
EBIT	25.46	21.60
Net Profit	24.04	21.28
Total Assets	111.89	76.12
Total Equity	95.33	74.62
Total debt	16.56	1.50
Net Profit Margin (%)	17.9	18.3
CCC (Days)	84	91
ICR (X)	20.83	107.98

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 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.

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mutual Trust Bank Limited	Term Loan	15.00	13.15	23.05.2023
	CC(H)	10.00	7.00	
	IDBP	20.00	-	
	LC	21.47	-	

Financial Based on- unaudited 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 3** (Pronounced WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Sharmin Accessories Limited** (hereinafter referred to as 'SAL' or 'The company') 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 directors and management team
- Maintained sound relation with supplier, buyer and lender
- Strong business network
- Low levered capital structure
- Good interest coverage position

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

- Low disclosure of financial statements
- Rented factory premises
- No insurance policy
- Extensive competition to the market
- 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 SAL will be able to maintain its good fundamentals in the foreseeable future.