

1st SURVEILLANCE CREDIT RATING REPORT

SIKDER REAL ESTATE LIMITED

Ref. no.: FR/2023/031321



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB3	ST-4	Stable	31 May 2023	09 April 2024

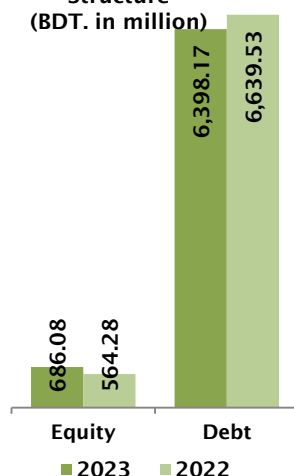
Tk. in Million				
Name of Bank	Mode of Investment	Limit Amount	Outstanding Amount as on 31.03.2023	Bank Loan Rating
EXIM Bank Ltd.	IBB	3,053.70	3,339.74	blr BBB3
	Baim (Hypo)	2,950.00	3,292.89	blr ST-4

*blr-Bank Loan Rating

Key Snapshot:

BDT. in million		
Particulars	2023	2022
Revenue	888.62	871.20
EBIT	413.14	405.04
Net Profit	121.80	129.81
Total Assets	7,084	7,203
Total Equity	686.08	564.28
Debt	6,398	6,639
Net Profit Margin (%)	13.7	14.9
Debt/Equity (X)	9.33	11.77
ICR (X)	1.43	1.49

Projected Capital Structure
(BDT. in million)



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Financial Based on- Projected financial statements up to 30 June 2023.

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

RATING RATIONALE

WCRCL has reaffirmed the long term rating to 'BBB3' (pronounced as Triple B Three) and 'ST-4' rating (pronounced as Short Term Four) for the short term to **Sikder Real Estate Limited** (hereinafter referred to as '**SREL**' or '**The Company**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also assigned "blr BBB3" (pronounced as Bank Loan Rating Triple B Three) rating to long term outstanding and "blr ST-4" (pronounced as Bank Loan Rating Short Term Four) rating to short term limit.

The above ratings have been assigned based on experienced & proactive management, strong group support and the company has few big on-going projects, comfortable security arrangement against loan.

However, the above factors are constrained to some extent by projected financial statement, high levered in the capital structure, poor banking conduct, adverse shock in real estate industry may affect revenue growth.

The long term rating implies that the company is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the company is regarded as having some speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it may face uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

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