

# 4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT DHAKA MOSAIC COMPANY

Ref. no.: FR/2023/3305



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	30 August 2023	26 August 2024

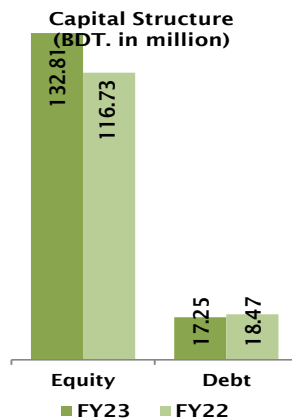
Tk. In million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh PLC	Composite investment (Bai-Murabaha + BG+Stimulus)	28.70	4.92	20.08.2023

## Key Snapshot:

Tk. in million

Particulars	FY23	FY22
Revenue	219.68	199.25
EBIT	40.51	37.56
Net Profit	30.33	28.24
Total Assets	150.06	135.20
Total Equity	132.81	116.73
Debt	17.25	18.47
Net Profit Margin (%)	13.8	14.2
CCC (Days)	171	167
ICR (X)	118.58	202.54



## Analysts:

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**Financial Based on-** Audited financial statements up to 30<sup>th</sup> June 2023.

**Methodology:** SME Rating Methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small And Medium Enterprise Three) rating under the SME Rating to **Dhaka Mosaic Company** (hereinafter referred to as 'DMC' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Low levered capital structure
- Good interest coverage position
- Good mortgage security coverage against loan

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

- Average disclosure of financial statements
- Tight liquidity position
- Inventory holding risk
- Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that DMC will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.