

2nd SURVEILLANCE CREDIT RATING REPORT HOSPICARE (BD) LIMITED



Ref. no.: FR/2023/031915

Report Contents:

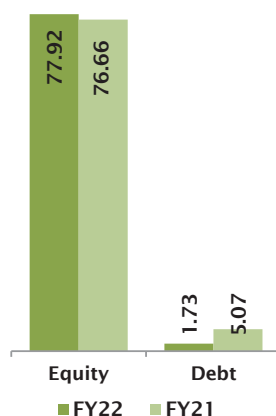
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	124.09	152.69
EBIT	7.62	12.98
Net Profit	0.78	8.64
Total Assets	79.44	81.67
Total Equity	77.92	76.66
Debt	1.73	5.07
Net Profit Margin (%)	0.6%	5.7%
CCC (Days)	256	201
ICR (X)	3.43	92.67

**Capital Structure
(BDT. in million)**



Analysts:

Md. Rafiul Bary
rafi@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	14 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

Tk. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
AB Bank Limited	Over draft	5.00	4.33	12.06.2023
	Time Loan	25.00	-	
	LTR	30.00	10.69	
	Rev. L/C BLC	45.00	19.58	
	BG(Bid/PG)	1.00	-	

Financial Based on-unaudited financial statements up to 31 December 2022.

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 Company Three) rating under the SME Rating to Hospicare (BD) Limited (hereinafter referred as "HL" 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 company which includes:

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

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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

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