

3rd SURVEILLANCE CREDIT RATING REPORT LIZA WATCH & GIFT CORNER

Ref. no.: CRAR/6445/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	17 October 2023	16 October 2024

Financial Based on- Unaudited financial statements up to 31 December 2022, 2021, and 2020.

Methodology: SME Rating Methodology published on the WCRCL website at 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 **Liza Watch & Gift Corner** (hereinafter referred to as 'LW&G' 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 good market reputation and strong business network, low levered firm, and strong debt coverage position. However, the above factors are constrained to some extent by manual accounting system, lower profit margin, stressed liquidity position with long cash conversion cycle, price volatility of trading products, and poor disclosure of financial statement.

The SME rating implies that the enterprise has adjudged to above average level of credit quality.

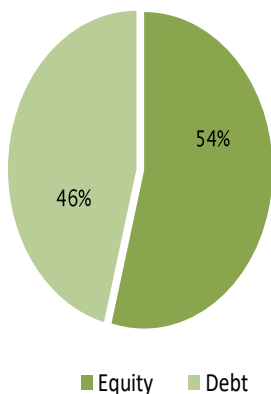
WCRCL also viewed the enterprise with "Stable" outlook and believes that LW&GC will be able to maintain its good fundamentals in the foreseeable future.

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.

Key Snapshot:

Particulars	2021	2022
Revenue	36.00	41.40
EBIT	3.02	3.58
Net Profit	2.23	2.74
Total Assets	19.83	20.42
Total Equity	11.23	11.03
Total Liabilities	8.60	9.39
Net Profit Margin (%)	6.20	6.61
Current Ratio (X)	1.50	1.51
Debt to Equity (X)	0.77	0.85

Capital Structure



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