

# 3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT MOLLAH TRADERS



Ref. no.: FR/2023/030974

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	07 May 2023	06 May 2024

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
National Bank Limited	CC (H)	3.00	2.52	03.05.2023

BDT. in million

Financial Based on-Unaudited financial statements up to 31<sup>st</sup> December 2022.

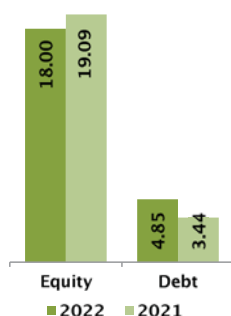
Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## Key Snapshot:

BDT. in million

Particulars	2021	2022
Revenue	62.37	67.36
EBIT	8.36	9.09
Net Profit	8.16	8.92
Total Assets	22.53	22.85
Total Equity	19.09	18.00
Debt	3.44	4.85
Net Profit Margin (%)	13.1	13.2
CCC (Days)	120	112
ICR (X)	50.03	58.27

Capital Structure  
(BDT. in million)



## RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to **Mollah Traders** (hereinafter referred as "MT" or "The Enterprise") 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 and skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good 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
- Tight liquidity position with long cash conversion cycle
- Inventory holding risk
- Rented business premises
- Low management information system (MIS) and Manual accounting system

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

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