

2nd SURVEILLANCE CREDIT RATING REPORT MOZUMDER PROPERTIES



Ref. no.: CRAR-11526/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	21 November 2023	20 November 2024

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh PLC	Bai-Murabaha T.R	5.00	5.608	05.11.2023
	Stimulus fund	1.00	1.064	

Financial Based on—unaudited financial statement for 30th June 2023.

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

Key Snapshot:

BDT. in million

Particulars	2023	2022
Revenue	38.06	34.59
EBIT	4.33	3.71
Net Profit	3.55	3.01
Total Assets	20.89	18.41
Total Equity	12.42	10.71
Debt	8.48	7.70
Net Profit Margin (%)	9.3%	8.7%
CCC (Days)	86	84
ICR (X)	7.17	6.86

RATING RATIONALE

WCRCL has reaffirmed ‘**WCRSME3**’ (pronounced as WASO Credit Rating Small & Medium Enterprise **Three**) rating under the SME Rating to **Mozumder Properties** (hereinafter referred as “**MP**” 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
- Good business network
- Good mortgage security coverage against loan
- Low levered capital structure
- Satisfactory banking relationship

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

- Low disclosure of financial statement
- Tight liquidity position with long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

The rating implies that the enterprise has above average credit quality.

WCRCL also viewed the enterprise with “**Stable**” outlook and believes that **MP** 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.

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