

3rd SURVEILLANCE CREDIT RATING REPORT SELIM JEWELLERS



Ref. no.: FR/2023/031897

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Tk. in million Date of Outstanding
Islami Bank Bangladesh Limited	Bai-Murabaha TR	4.00	4.06	22.05.2023

Key Snapshot:

Particulars	2022	2021
Revenue	40.92	35.58
EBIT	9.17	7.89
Net Profit	8.51	7.29
Total Assets	21.62	19.96
Total Equity	14.58	13.50
Debt	7.05	6.46
Net Profit Margin (%)	20.8%	20.5%
CCC (Days)	101	110
ICR (X)	13.90	13.15

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 Enterprise Three) rating under the SME Rating to Selim Jewellers (hereinafter referred as "SJ" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

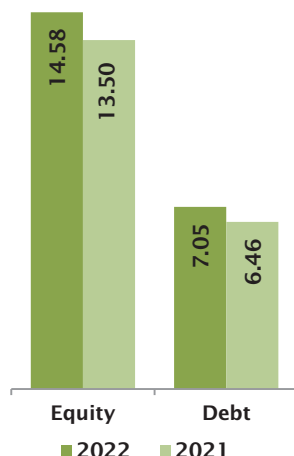
The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Good mortgage security coverage against loan
- Good business network
- Good Net Worth of the Proprietor
- Low levered capital structure

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
- Low management information system (MIS) and Manual accounting system
- Competition intensity is high
- No Insurance Coverage

Capital Structure
(BDT. in million)



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

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