

# INITIAL CREDIT RATING REPORT SHAH AMANAT STORE



Ref. no.: FR/2023/33831

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## Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	138.49	120.43
EBIT	19.75	14.35
Net Profit	18.71	13.35
Total Assets	76.27	50.86
Total Equity	56.49	39.03
Total debt	19.79	11.83
Net Profit Margin (%)	13.5%	11.1%
CCC (Days)	156	131
ICR (X)	18.91	14.42



## Analysts:

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SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	05 September 2023	04 September 2024

*Financial Based on—unaudited financial statements up to 30 June 2022.*

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

## RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to Shah Amanat Store (hereinafter referred as "SAS" 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:

- Long business experience of the proprietor in the business
- Good business network
- Low levered capital structure
- Comfortable interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Average disclosure of financial statements
- 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 an above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that SAS 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.