

1st SURVEILLANCE CREDIT RATING REPORT SHAHJALAL PHARMACY & POULTRY FEED



Ref. no.: FR/2023/31392

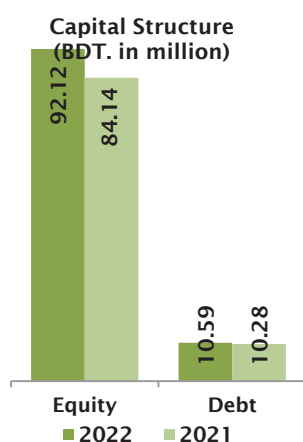
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Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	67.27	51.24
EBIT	7.74	1.93
Net Profit	6.54	1.83
Total Assets	102.71	94.42
Total Equity	92.12	84.14
Total debt	10.59	10.28
Net Profit Margin (%)	9.7%	3.6%
CCC (Days)	244	283
ICR (X)	6.71	22.92



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	31 May 2023	30 May 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

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh Limited	Bim-TR	9.50	7.65	11.04.2023
	Stimuls	2.10	2.64	

Financial Based on-audited financial statements up to 30 June 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 Shahjalal Pharmacy & Poultry Feed (hereinafter referred as "SPPF" 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 storage facility
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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 SPPF will be able to maintain its good fundamentals in the foreseeable future.