

1st SURVEILLANCE CREDIT RATING REPORT SHIMANTA ENTERPRISE



Ref. no.: FR/2023/33078

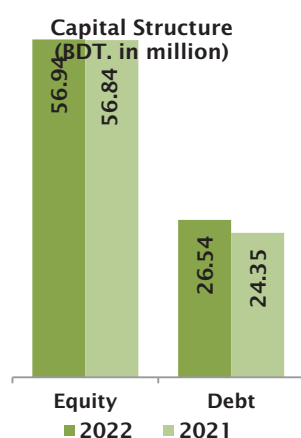
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	91.11	79.22
EBIT	13.25	11.25
Net Profit	11.10	9.30
Total Assets	83.48	81.18
Total Equity	56.94	56.84
Debt	26.54	24.35
Net Profit Margin (%)	12.2%	11.7%
CCC (Days)	146	159
ICR (X)	6.18	5.77



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	07 August 2024

Financial Based on- Un-audited financial statements for 2021 and 2022

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

RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise **Three**) rating under the SME Rating to **Shimanta Enterprise** (hereinafter referred as "SE" 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 profitability margin
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship

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
- High Competition in market
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the Enterprise has above Average Credit Quality.

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