

# 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT SHAMA ENTERPRISE



Ref. no.: FR/2023/31800

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 2024

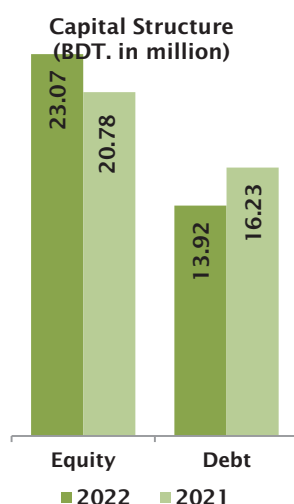
WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
	CC (H)	12.00	12.33	
Uttara Bank Limited	LC	3.00	-	11.06.2023
	LTR	2.00	-	

## Key Snapshot:

	BDT. in million	
Particulars	2022	2021
Revenue	47.54	50.02
EBIT	4.34	8.75
Net Profit	3.04	6.02
Total Assets	36.99	37.01
Total Equity	23.07	20.78
Debt	13.92	16.23
Net Profit Margin (%)	6.4	12.0
CCC (Days)	277	277
ICR (X)	3.39	3.89



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Financial Based on-Management prepared financial statements up to 31<sup>st</sup> December 2022.

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

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Shama 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 interest coverage position
- Good mortgage security coverage against loan
- Satisfactory banking relationship
- Good business network
- Low levered capital structure

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

- Low disclosure of financial statements
- Inventory holding risk
- Tight liquidity position with long cash conversion cycle
- 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 SE will be able to maintain its good fundamentals in the foreseeable future.