

3rd SURVEILLANCE CREDIT RATING REPORT SHAMSUL HAQUE & SONS



Ref. no.: FR/2023/032471

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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

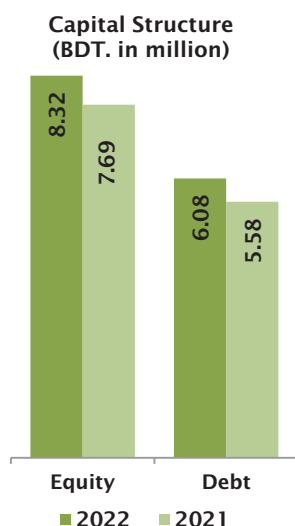
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	5.00	5.23	30.03.2023

Financial Based on-unaudited financial statements up to 2022.

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

Key Snapshot:

Particulars	2022	2021
Revenue	30.59	26.60
EBIT	1.93	1.60
Net Profit	1.37	1.08
Total Assets	14.40	13.27
Total Equity	8.32	7.69
Debt	6.08	5.58
Net Profit Margin (%)	4.5%	4.1%
CCC (Days)	144	149
ICR (X)	3.71	3.38



RATING RATIONALE

WCRCL has upgraded 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Shamsul Haque & Sons (hereinafter referred as "SHS" 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
- Satisfactory banking relationship
- Good business network
- 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 average level of credit worthiness in relation to other small enterprises.

Analysts:

Ummay Fatema
fatema@wasocreditrating.com

Monira Islam
monira@wasocreditrating.com

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