

Report Contents:

Particulars	Page
Rating Rationale	1
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	4

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	30 August 2023	29 August 2024

Tk. In Million			
Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding amount as on 06 August 2023
Islami Bank Bangladesh PLC	Bai-Murabaha TR	3.75	0.72

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	45.53	39.59
EBIT	2.78	2.42
Net Profit	2.18	1.89
Total Assets	25.44	22.12
Total Equity	18.31	15.92
Debt	7.13	6.20
Net Profit Margin (%)	4.8	4.8
CCC (Days)	32	34
ICR (X)	4.65	4.65

Financial Based on- Un-audited financial statements as on 31st December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small And Medium Enterprise Three) rating under the SME Rating to Shapla Enterprise (hereinafter referred to as 'SE' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Long business experiences of the proprietor
- Good business network
- Low leverage position in the capital structure
- Good liquidity position
- Good banking conduct
- Comfortable interest coverage ratio

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

- Lack of disclosure in the financial statement
- No insurance coverage
- Manual accounting process

The SME rating implies that the enterprise is adjudged to 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.

Analysts:

Shudhan Mallick
shudhan@wasocreditrating.com

Maharan Nasrin
maharan@wasocreditrating.com

