

4th SURVEILLANCE CREDIT RATING REPORT SHIBLY & MOHSHIN TRADERS

Ref. no.: FR/2023/033880



Report Contents:

Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	2
Market Review	2
Business Analysis and Network	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	26 September 2023	25 September 2024

Financial Based on– Unaudited financial statements up to 31 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 & Medium Enterprise Three) rating under the SME Rating to **Shibly & Mohshin Traders** (hereinafter referred to as ‘S&MT’ or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include long experience and active management team, low levered firm, good debt coverage position, and good value to loan ratio. However, the above factors are constrained to some extent by manual accounting system, price volatility of trading products, stressed liquidity position due to pile up inventory in stock, and lack of disclosure in the financial statements.

The SME rating implies that the enterprise is adjudged to above of credit quality.

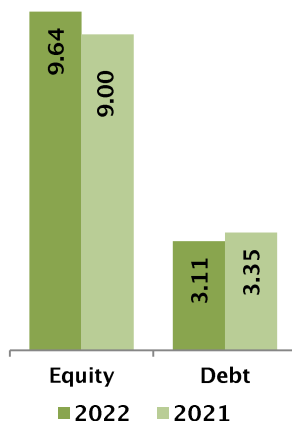
WCRCL also viewed the enterprise with “Stable” outlook and believes that S&MT will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor’s equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.

Key Snapshot:

BDT. In million

Particulars	2022	2021
Revenue	17.00	16.40
EBIT	1.75	1.53
Net Profit	1.44	1.26
Total Assets	12.75	12.35
Total Equity	9.64	9.00
Total Liabilities	3.11	3.35
Net Profit Margin (%)	8.5%	7.7%
Current Ratio (X)	178	185
Debt to Equity (X)	11.67	13.66

Capital Structure
(BDT. in million)



Analysts:

Maharan Nasrin
maharan@wasocreditrating.com

Md. Rafiul Bary
rafi@wasocreditrating.com