

# 4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT SHIFA MONI ENTREPRISE

Ref. no.: FR/2023/33355



## Report Contents:

Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	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	30 August 2023	29 August 2024

**Methodology:** SME Rating Methodology published on the WCRCL website at [www.wasocreditrating.com](http://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 **Shifa Moni Enterprise** (hereinafter referred to as ‘SME’ 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:

- Long business experience of the proprietor in the business.
- Good business network
- Good Profitability margin
- Low levered capital structure
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Low disclosure in the financial statements.
- Tight liquidity position considering long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

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

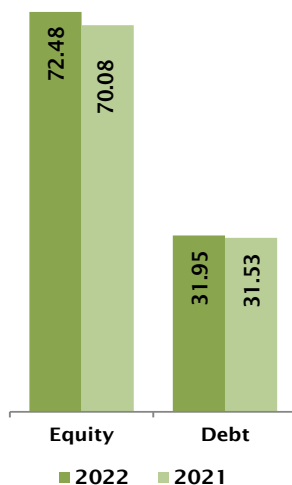
WCRCL also viewed the enterprise with “Stable” outlook and believes that SME will be able to maintain its good fundamentals in the foreseeable future.

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 changes in any macro and micro factors in the economy.

## Key Snapshot:

Particulars	Tk. In Million	
	2022	2021
Revenue	207.53	195.97
EBIT	34.50	31.47
Net Profit	32.50	29.53
Total Assets	104.43	101.61
Total Equity	72.48	70.08
Debt	31.95	31.53
Net Profit Margin (%)	15.7	15.1
CCC (Days)	140	146
ICR (X)	17.25	16.18

**Capital Structure**  
(BDT. in million)



## Analysts:

**Nowrin Yesmin**  
[nowrin@wasocreditrating.com](mailto:nowrin@wasocreditrating.com)

**Md Rafiul Bary**  
[rafi@wasocreditrating.com](mailto:rafi@wasocreditrating.com)