

2nd SURVEILLANCE CREDIT RATING REPORT SIM POWER GENERATION



Ref. no.: FR/2023/33789

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 September 2023	18 September 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mutual Trust Bank Limited	LC	3.00	-	18.09.2023
	LTR	(2.00)	-	
	SOD	3.00	2.99	

BDT. in million

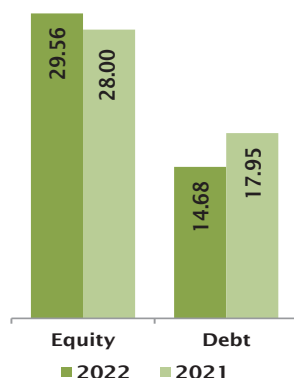
Financial Based on-Management prepared financial statements up to 31st December 2021.

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

Key Snapshot:

Particulars	2022	2021
Revenue	34.89	34.54
EBIT	7.55	7.39
Net Profit	6.58	6.45
Total Assets	44.23	45.94
Total Equity	29.56	28.00
Debt	14.68	17.95
Net Profit Margin (%)	18.9	18.7
CCC (Days)	89	93
ICR (X)	27.97	32.85

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Sim Power Generation (hereinafter referred as "SPG" 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 business network
- Good interest coverage position
- Comfortable security arrangement
- Low levered capital structure

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

- Inventory holding risk
- Tight liquidity position
- Low disclosure of financial statements
- 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 SPG 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.

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