

4th SURVEILLANCE CREDIT RATING REPORT SURMI TILES GALLERY

Ref. no.: FR/2023/033076



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	28 August 2024

Financial Based on- Management prepared 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 **Surmi Tiles Gallery** (hereinafter referred to as 'STG' 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 strong business network, long business experiences of the proprietor, good banking conduct, low leverage position, have owned showroom with warehouses for inventory in stock, and good value to loan ratio. However, the above factors are constrained to some extent by vulnerability in price in the local market may impact profitability, liquidity was in stressed position, lack of disclosure in the financial statements, and no insurance coverage for the inventory in stock.

The SME rating implies that Surmi Tiles Gallery is adjudged to above average credit quality.

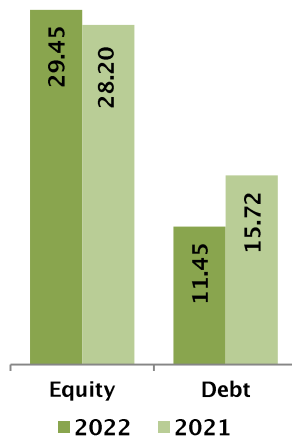
WCRCL also viewed Surmi Tiles Gallery with "Stable" outlook and believes that the enterprise will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management,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

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	67.84	56.28
EBIT	10.50	8.53
Net Profit	9.00	7.22
Total Assets	40.90	43.92
Total Equity	29.45	28.20
Debt	11.45	15.72
Net Profit Margin (%)	13.3%	12.8%
CCC (Days)	188	245
ICR (X)	7.00	6.48

Capital Structure (BDT. in million)



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