

4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT  
LUCKY SHOE STORE  
Ref. no.: CRAR- 6213/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 December 2023	06 December 2024

**Financial Based on-** Management prepared financial statements up to 31<sup>st</sup> December 2022.

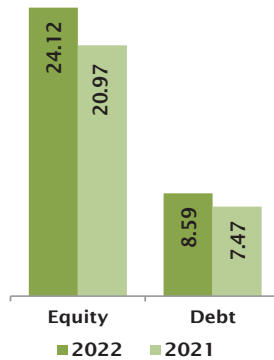
**Methodology:** SME Rating Methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

**Key Snapshot:**

Tk. in million

Particulars	2022	2021
Revenue	26.45	23.00
EBIT	2.27	1.98
Net Profit	1.68	1.46
Total Assets	32.71	28.45
Total Equity	24.12	20.97
Debt	8.59	7.47
Net Profit Margin (%)	6.4	6.4
CCC (Days)	405	433
ICR (X)	3.99	3.99

**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 **Lucky Shoe Store** (hereinafter referred to as 'LSS' 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:

- Experienced and skilled management
- Good interest coverage position
- Good mortgage security coverage against loan
- Good business network
- Low levered capital structure

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

- No disclosure of financial statements
- Inventory holding risk
- Tight liquidity position
- 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 LSS 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](mailto:shudhan@wasocreditrating.com)

**Maharan Nasrin**  
[maharan@wasocreditrating.com](mailto:maharan@wasocreditrating.com)