

# 4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT SADIA SHOES PRODUCTS

Ref. no.: FR/2023/34126



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	03 October 2023	02 October 2024

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

## RATING RATIONALE

WCRCL has downgraded and assigned **WCRSME4** (pronounced as WASO Credit Rating Small & Medium Enterprise Four) rating under the SME Rating to **Sadia Shoes Products** (hereinafter referred to as 'SSP' 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 of the proprietor, regular loan repayment history, has own showroom at Dhaka Trade Center, good position in value to loan ratio, and have insurance coverage. However, the above factors are constrained to some extent by followed manual accounting procedures, tight liquidity position, seasonality risk high for the traded items, lack of disclosure in the financial statements, and rating may downgrade if the company fails to improve its banking conduct in future.

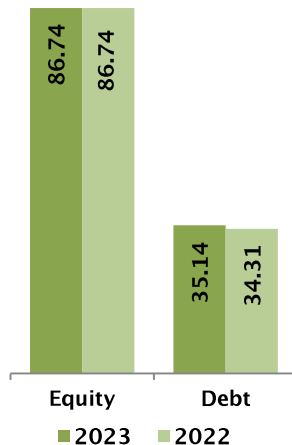
The SME rating implies that Sadia Shoes Products is adjudged to average credit quality.

WCRCL also viewed Sadia Shoes Products 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	FY23	FY22
Revenue	199.84	173.77
EBIT	15.97	13.45
Net Profit	10.47	8.28
Total Assets	121.87	121.05
Total Equity	86.74	86.74
Debt	35.14	34.31
Net Profit Margin (%)	5.2%	4.8%
CCC (Days)	81.10	81.25
ICR (X)	4.39	4.07

Capital Structure  
(BDT. in million)



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