INITIAL CREDIT RATING REPORT
SALIM STORE
Ref. no.: CRAR-18215/2023

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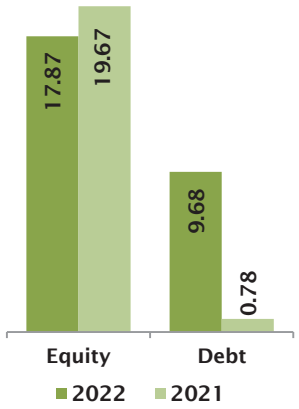
Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	52.68	35.13
EBIT	7.14	4.84
Net Profit	6.92	4.82
Total Assets	27.55	20.45
Total Equity	17.87	19.67
Total debt	9.68	0.78
Net Profit Margin (%)	13.1%	13.7%
CCC (Days)	92	130
ICR (X)	37.00	n/a

Capital Structure (BDT. in million)



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SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	31 October 2023	30 October 2024

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

RATING RATIONALE

WCRCL has assigned '**WCRSME3'** (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Salim Store** (hereinafter referred as "**SS**" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Regular loan repayment history
- Long experience track of the proprietor
- Owned business premises and storage facility
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- No Transport Facility
- No Insurance Coverage

The SME rating implies that the enterprise has above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that **SS** 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.