

# 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT SHAHABULLAH TRAVEL BAG



Ref. no.: CRAR-10602/2023

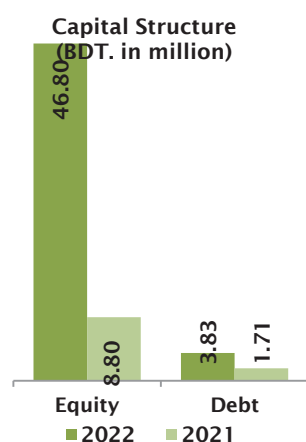
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## Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	25.32	22.02
EBIT	1.84	1.57
Net Profit	1.82	1.55
Total Assets	50.63	10.52
Total Equity	46.80	8.80
Total debt	3.83	1.71
Net Profit Margin (%)	7.2%	7.1%
CCC (Days)	73	103
ICR(X)	107.50	100.92



## Analysts:

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	25 October 2023	24 October 2024

*Financial Based on-unaudited financial statements up to 31 December 2022.*

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

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Shahabullah Travel Bag (hereinafter referred as "STB" 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
- 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
- No Insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS)

The SME rating implies that the Enterprise has above Average Credit Quality.

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