

INITIAL CREDIT RATING REPORT SHYAMOLI FOOD PRODUCTS LTD.

Ref. no.: FR/2023/33177



Report Contents:

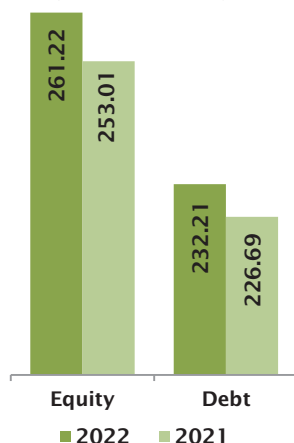
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	423.43	453.97
EBIT	20.49	19.60
Net Profit	8.21	9.87
Total Assets	493.43	479.70
Total Equity	261.22	253.01
Total debt	232.21	226.69
Net Profit Margin (%)	1.9%	2.2%
CCC (Days)	250	226
ICR (X)	2.34	3.94

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	22 August 2023	21 August 2024

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

RATING RATIONALE

WCRCL has assigned 'WCRSME4' (pronounced as WASO Credit Rating Small and Medium Enterprise Four) rating under the SME Rating to **Shyamoli Food Products Ltd** (hereinafter referred as "SFPL" 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
- Owned business premises and storage facility
- 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 interest coverage ratio
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- Irregular loan repayment history

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

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