

# 4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT SIKDER ENTERPRISE



Ref. no.: CRAR-6197/2023

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SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	25 October 2023	24 October 2024

**Financial** Based on unaudited financial statements up to 2022.

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

## RATING RATIONALE

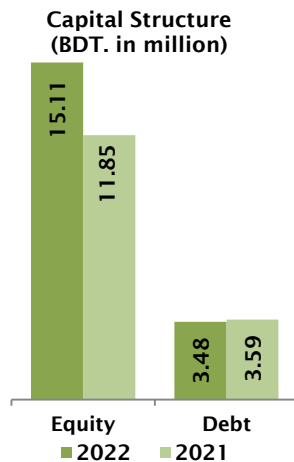
WCRCL has reaffirmed 'WCRSME4' rating (pronounced as WASO Credit Rating Small & Medium Enterprise Four) rating under the SME Rating to Sikder Enterprise (hereinafter referred as "SE" or "The enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. The above rating have been assigned based on the fundamentals of the enterprise which includes low levered capital structure, good mortgage security coverage against loan, good business network. However, the above factors are constrained to some extent by small scale of the business, tight liquidity position with long cash conversion cycle, poor disclosure of financial statements, Manual accounting system.

The rating implies that the enterprise has average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that SE 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:

Particulars	Tk. In Million	
	2022	2021
Revenue	13.45	10.90
EBIT	4.41	3.15
Net Profit	4.28	3.00
Total Assets	18.59	15.44
Total Equity	15.11	11.85
Debt	3.48	3.59
Net Profit Margin (%)	31.8%	27.5%
CCC (Days)	225	192
ICR (X)	41.19	24.59



## Analysts:

**Fatema Tuj Jahura Jhumu**  
jhumu@wasocreditrating.com

**Nazrul Islam**  
nazrul@wasocreditrating.com