

# 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT SIRAJ & BROTHERS



Ref. no.: FR/2023/34135

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SME Rating	SME Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	03 October 2023	02 October 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (Hypo)	7.00	1.85	19.09.2023

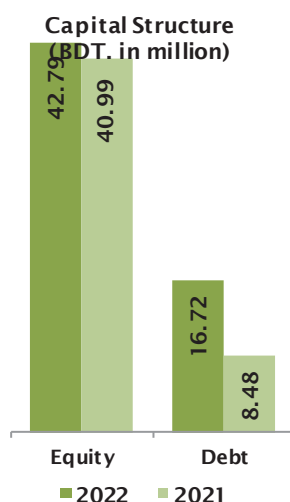
Tk. in million

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)

## Key Snapshot:

Particulars	2022	2021
Revenue	59.44	53.02
EBIT	7.40	7.23
Net Profit	6.03	7.00
Total Assets	59.51	49.47
Total Equity	42.79	40.99
Total debt	16.72	8.48
Net Profit Margin (%)	10.1	13.2
CCC (Days)	193	201
ICR (X)	5.37	31.43



## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Siraj & Brothers (hereinafter referred as "SB" 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
- Owned business premises and storage facility
- Good Net Worth of the Proprietor
- Moderate 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

The SME rating implies that the enterprise is adjudged to above average credit quality.

## Analysts:

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WCRCL also viewed the Enterprise with "Stable" outlook and believes that SB 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.