

2nd SURVEILLANCE CREDIT RATING REPORT
CDM ACCESSORIES LIMITED



Ref. no.: CRAR-8908/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	05 November 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	BDT. in million	
				Date of Outstanding	
Uttara Bank PLC	CC(H)	10.00	8.93		
	LC	25.00	0.61	22.11.2023	
	IBP	15.00	9.44		

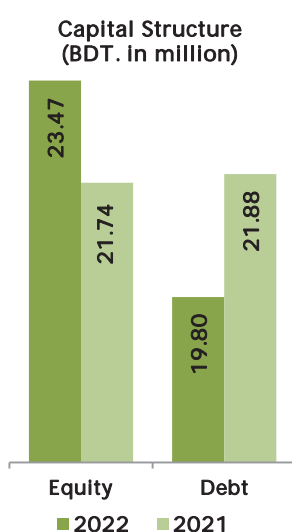
Financial Based on-Management prepared financial statements of 31st December 2022.

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

Key Snapshot:

BDT. In Million

Particulars	2021	2022
Revenue	57.65	75.06
EBIT	6.38	8.50
Net Profit	5.53	7.50
Total Assets	43.62	43.27
Total Equity	21.74	23.47
Debt	21.88	19.80
Net Profit Margin (%)	9.6	10.0
CCC (Days)	91	70
ICR (X)	7.45	8.50



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to CDM Accessories Limited (hereinafter referred as "CDMAL" or "The Company") 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
- Good business network
- Strong buyers profile which reflects revenue
- Good interest coverage position
- Owned factory premises
- Have Insurance coverage
- Satisfactory safety measures

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

- No disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- High levered capital structure
- Poor security arrangement
- Low management information system (MIS) and Manual accounting system

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

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

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