

3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT  
CITY STORE



Ref. no.: CRAR- 7852/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 December 2023	19 November 2024

Financial Based on-Audited financial statements up to 30<sup>th</sup> June 2023.

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

Key Snapshot:

BDT. in million

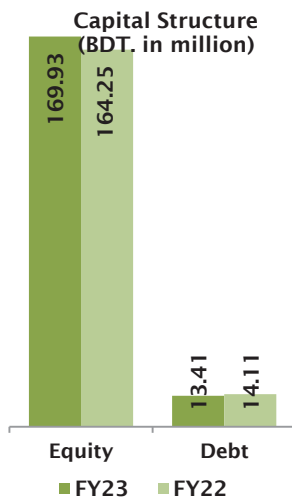
Particulars	FY23	FY22
Revenue	142.83	129.85
EBIT	12.56	11.06
Net Profit	9.35	8.50
Total Assets	183.34	178.35
Total Equity	169.93	164.25
Debt	13.41	14.11
Net Profit Margin (%)	6.5	6.5
CCC (Days)	297	331
ICR (X)	19.93	n/a

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to City Store (hereinafter referred as "CS" 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
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position
- Low levered capital structure



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

- Average disclosure of financial statements
- Inventory holding risk
- Tight liquidity position
- Manual accounting system

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

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