

# 6<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT M.R. SHIPPING CORPORATION

Ref. no.: CRAR-577/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	06 December 2024

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Mercantile Bank PLC	Term Loan	20.00	8.93	19.11.2023
	Term Loan	30.00	9.67	
	SOD	50.00	2.75	
	Stimulus	30.00	25.00	

BDT. in million

## Key Snapshot:

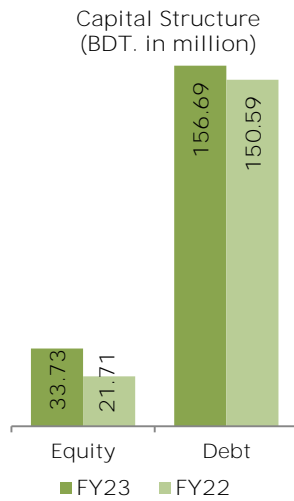
Particulars	BDT. in million	
	FY23	FY22
Revenue	231.35	208.39
EBIT	12.02	9.36
Net Profit	12.02	9.36
Total Assets	190.42	172.29
Total Equity	33.73	21.71
Debt	156.69	150.59
Net Profit Margin (%)	5.2	4.5
CCC (Days)	0.80	5.46

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)*

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to M.R. Shipping Corporation (hereinafter referred to as 'MRSC' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.



The above ratings have been assigned based on the fundamentals of the enterprise which include wide business network with diversified services, long experiences of the proprietor in the business, good personal net worth of the proprietor and low leverage position in the capital structure, good interest coverage position, owned twenty cargo vessels and good banking conduct.

However, the above factors are constrained to some extent by average disclosure in the financial statement, vulnerability in lubricant price in the local and international market may impact profitability, poor profitability margin, manual accounting process, tight security arrangement and Proprietorship concern has low legal obligation as an entity.

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 MRSC 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.