

# CREDIT RATING REPORT ABUL BASHAR SARKAR AGRO FARM

Ref. no.: FR/2022/025252

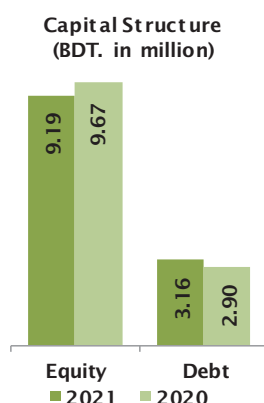


## Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

## Key Snapshot:

BDT. in million		
Particulars	2021	2020
Revenue	9.28	8.07
EBIT	2.15	1.87
Net Profit	2.15	1.87
Total Assets	12.35	12.57
Total Equity	9.19	9.67
Total debt	3.16	2.90
Net Profit Margin (%)	23.2%	23.2%
CCC (Days)	160	167



## Analysts:

Fatema-Tuj-Jahura Jhumu  
jhumu@wasocreditrating.com

Monira Islam  
monira@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	08 August 2022	07 August 2023

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

BDT. in Million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh Limited	Bai-Murabaha TR	2.50	0.21	07.08.2022

Financial Based on-Unaudited financial statements up to 31 December 2021.

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

## RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Abul Bashar Sarkar Agro Farm** (hereinafter referred as "ABSAF" 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
- Owne business premises and storage facility
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network

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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- 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 level** of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that **ABSAF** will be able to maintain its good fundamentals in the foreseeable future.