

# CREDIT RATING REPORT SULTAN RICE AGENCY

Ref. no.: FR/2022/025572



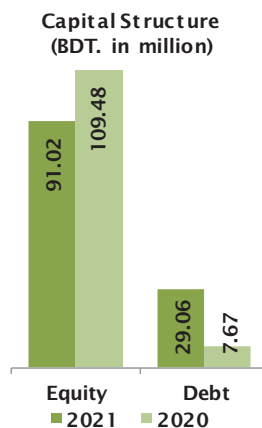
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## Key Snapshot:

BDT. in million

Particulars	2021	2020
Revenue	26.89	25.21
EBIT	2.14	1.99
Net Profit	2.09	1.95
Total Assets	120.08	117.15
Total Equity	91.02	109.48
Total debt	29.06	7.67
Net Profit Margin (%)	7.8%	7.7%
CCC (Days)	198	176
ICR (X)	53.59	61.33



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	29 August 2022	28 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
Uttara Bank Limited	CC (H)	5.00	5.00	28.08.2022

Financial Based on-Audited 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 **Sultan Rice Agency** (hereinafter referred as "SRA" 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
- Satisfactory banking relationship
- 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:

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- 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 SRA will be able to maintain its good fundamentals in the foreseeable future.