

SURVEILLANCE CREDIT RATING REPORT PRIYANKA RICE AGENCY

Ref. no.: FR/2022/027469

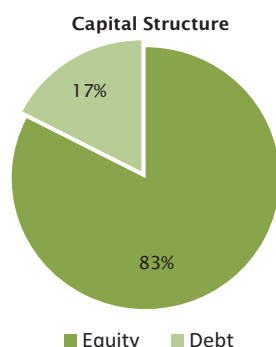


Report Contents:

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

Key Snapshot:

Tk. In Million		
Particulars	2021	2020
Sales	5.47	6.05
EBIT	1.15	1.29
Net Profit	0.83	0.97
Total Assets	4.53	5.45
Total Equity	4.30	4.30
Total debt	1.15	1.15
Net Profit Margin (%)	15.21	16.04
Current Ratio (X)	3.50	4.30
CCC (Days)	242	217
ICR (X)	4.18	4.64



Analysts:
Monira Islam
monira@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	06 December 2022	06 December 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

Tk. in million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC(H)	1.00	0.99	02.12.2022

Financial Based on-Unaudited financial statements up to 31 December 2021, 2020, and 2019.

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

RATING RATIONALE

WCRCL has reaffirmed **‘WCRSE 3’** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Priyanka Rice Agency** (hereinafter referred as “PRA” 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 reaffirmed based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Low levered capital structure
- Healthy debt coverage

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Small scale operation
- Lower profit margin
- 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 PRA will be able to maintain its good fundamentals in the foreseeable future.