

SURVEILLANCE CREDIT RATING REPORT
ASSOCIATION OF DEVELOPMENT FOR ECONOMIC & SOCIAL HELP (ADESH)



Ref. no.: FR/2023/029914

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-3	Stable	12 March 2023	24 March 2024

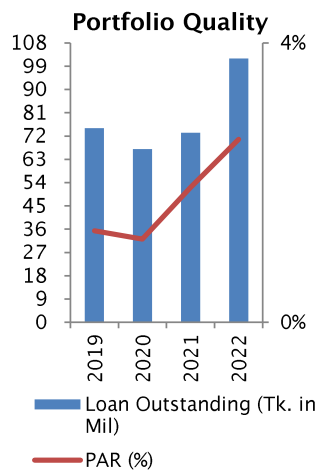
Tk. In million			
Bank Name	Mode of Investment	Limit	Outstanding as on 20.02.2023
Basic Bank Limited	Short Term loan	40.00	8.03

Financial Based on- Audited Financial Statements up to 30 June 2022, 2021, and 2020.

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

Key Snapshot:

Tk. In million		
Particulars	2022	2021
No. of Branches	15	15
No. of Members	5,010	4,533
No. of Borrowers	3,521	3,195
No. of Field Officers	17	17
Total Loan Outstanding	101.9	73.29
Yearly Loan Disbursement	169.7	119.3
Total Savings	54.90	47.59



RATING RATIONALE

WCRCL has reaffirmed **'BBB2'** (pronounced as Triple B Two) rating for the Long Term and reaffirmed **'ST-3'** (pronounced as Short Term Three) rating for Short Term to **'Association of Development for Economic & Social Help'** (hereinafter referred to as 'ADESH' or 'The Organization') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above ratings have been assigned based on the fundamentals of the organization which include long track record of operation, good banking relationship, diversified loan portfolio, moderate spread between cost and benefit of fund, good risk coverage position, and net surplus from operation. However, the above factors are constrained lack of geographical diversification, stagnant savings, lower loan loss provision expenses, highly levered organization.

The long term rating implies that the MFI rated in this category is subject to medium credit risk. It is considered medium grade and as such may possess certain speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

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

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