

4th SURVEILLANCE CREDIT RATING REPORT DIPU ENTERPRISE

Ref. no.: FR/2023/029900



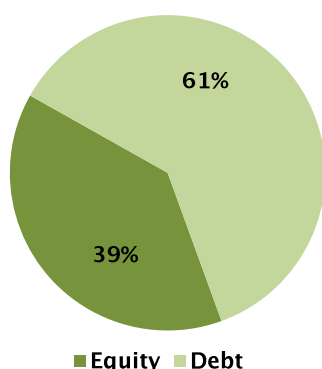
Report Contents:

Particulars	Page
Rating Rationale	1
Business Profile	2
Owners Synopsis	2
Business Management	2
Business Analysis	3
Financial Strength Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observations	5

Key Snapshot:

Particulars	Tk. In Million	
	2022	2021
Revenue	72.00	127.50
EBIT	6.00	9.20
Net Profit	3.50	8.25
Total Assets	41.00	31.00
Total Equity	11.00	12.00
Debt	30.00	19.00
Net Profit Margin (%)	4.9%	6.5%
CCC (Days)	158	79
ICR (X)	3.00	10.22

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 March 2023	11 March 2024

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				
Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Mercantile Bank Limited	CC (Hypo)	14.00	10.76	
	BG	10.00	5.00	
	WC (Stimulus)	3.00	3.00	31.01.2023

Financial Based on– Management prepared financial statements up to on 31st December 2022. 2021.

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 **S.R. Traders** (hereinafter referred to as ‘SRT’ 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 include good business network, profitable business, good interest coverage ratio, maintained insurance coverage and comfortable security arrangement. However, the above rating has been moderated to some extent due to some factors like lack of disclosure in the financial statements, tight liquidity position with long cash conversion cycle, high leverage position in the capital structure, and price volatility of trading products.

The SME rating implies that the enterprise is adjudged above average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with “Stable” outlook and believes that SRT will be able to maintain its good fundamentals in the foreseeable future.