

## 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT ROTO SMART LIMITED

Ref. no.: FR/2022/28779



### Report Contents:

Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship & Security	4
Risk Factor Analysis	5
Rating Observation	6

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	27 December 2022	26 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

Bank Name	Mode of Investment	Limit Amount	Outstanding Amount as on 18 December 2022
Islami Bank Bangladesh Limited	Composite Investment (LC/Bills/MPI/Bai-Murabaha with TR)	70.00	48.25

BDT. in million

### Key Snapshot:

BDT. in million

Particulars	FY21	FY20
Revenue	117.79	147.49
EBIT	10.73	12.37
Net Profit	2.40	4.12
Total Assets	237.70	303.54
Total Equity	149.78	149.33
Debt	87.93	154.22
Net Profit Margin (%)	2.0	2.8
CCC (Days)	547	524
ICR (X)	1.49	1.97

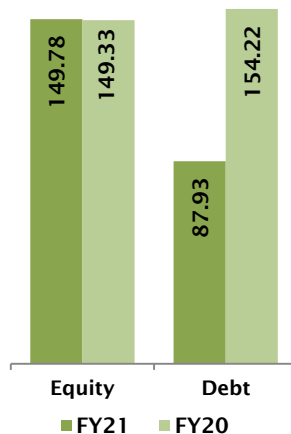
**Financial Based on-** Management prepared financial statements up to 30 June 2021.

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

### RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Roto Smart Limited** (hereinafter referred to as 'RSL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

Capital Structure  
(BDT. in million)



The above ratings have been assigned based on the fundamentals of the enterprise which include experienced and skilled Management team, have renowned corporate clients (Pharmaceuticals Grade), good infrastructural arrangement, equipped with sufficient power backup, significantly increased sales revenue, low levered capital structure and give good supportive facilities to the workers. However, the above factors are constrained to some extent by tight liquidity position with long cash conversion cycle, dependency on bank loan for working capital, vulnerability in raw- materials price in the local market may impact, and low disclosure of financial statements.

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

WCRCL also viewed Roto Smart Limited with "Stable" outlook and believes that the company will be able to maintain its good fundamentals in the foreseeable future.