

3rd SURVEILLANCE CREDIT RATING REPORT RASIB & SONS



Ref. no.: FR/2023/030295

Report Contents:

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

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	28 March 2023	27 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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mercantile Bank Limited	SOD	3.50	3.46	27.03.2023

Tk. in million

Financial Based on unaudited financial statements up to 31 December 2022.

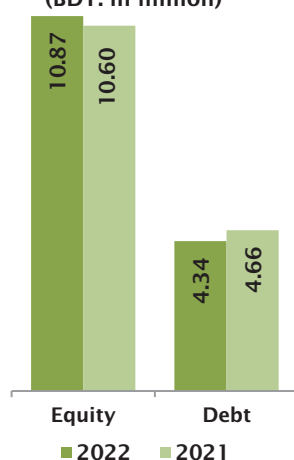
Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	31.78	28.89
EBIT	4.94	4.65
Net Profit	4.67	4.40
Total Assets	16.03	16.17
Total Equity	10.87	10.60
Total debt	4.34	4.66
Net Profit Margin (%)	14.7%	15.2%
CCC (Days)	175	188
ICR (X)	25.19	26.10

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has upgraded 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Rasib & Sons (hereinafter referred as "RS" 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 Net Worth of the Proprietor
- Good interest coverage position
- Low levered capital structure

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

- Low disclosure of financial statements
- 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 RS will be able to maintain its good fundamentals in the foreseeable future.

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