

CREDIT RATING REPORT SATHI ENTERPRISE (4TH SURVEILLANCE)

Ref. no.: FR/2023/031687



Report Contents:

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

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

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

RATING RATIONALE

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

The above ratings have been assigned based on the fundamentals of the enterprise which include good business network, long business experiences of The Proprietor, have an distributorship license of P & G, increased sales revenue, good debt coverage position, low leveraged position, and comfortable security arrangement. However, the above factors are constrained to some extent by manual accounting process, stressed liquidity position due to huge inventory pile up in the stock, price volatility of trading products, no disclosure in the financial statements, and no insurance coverage for the inventory in stock.

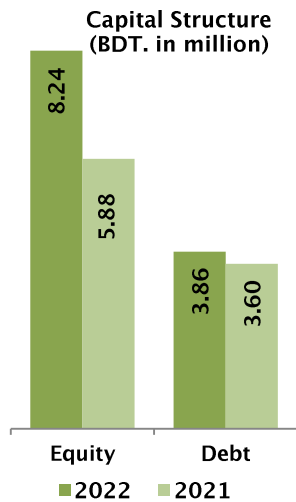
The SME rating implies that Sathi Enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

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

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	38.83	24.75
EBIT	3.40	2.29
Net Profit	3.16	2.04
Total Assets	12.09	9.48
Total Equity	8.24	5.88
Debt	3.86	3.60
Net Profit Margin (%)	8.1%	8.3%
CCC (Days)	67	105
ICR (X)	14.24	9.17



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