

# INITIAL CREDIT RATING REPORT SUMI OIL STORE



Ref. no.: FR/2023/32002

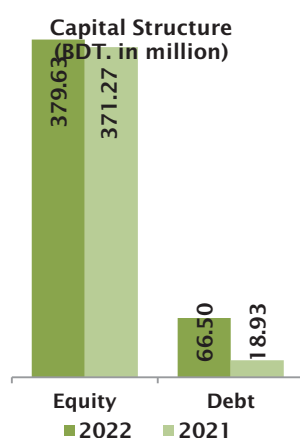
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## Key Snapshot:

BDT. in million

| Particulars           | 2022   | 2021   |
|-----------------------|--------|--------|
| Revenue               | 322.58 | 280.50 |
| EBIT                  | 33.64  | 28.55  |
| Net Profit            | 30.94  | 26.79  |
| Total Assets          | 446.13 | 390.20 |
| Total Equity          | 379.63 | 371.27 |
| Total debt            | 66.50  | 18.93  |
| Net Profit Margin (%) | 9.6%   | 9.5%   |
| CCC (Days)            | 112    | 90     |
| ICR (X)               | 12.46  | 16.19  |



## Analysts:

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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
|            | WCRSME3     | Stable  | 04 July 2023        | 03 July 2024       |

WCRSME3 rating is equivalent to Bangladesh Bank SME rating scale of SME3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

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

## RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Sumi Oil Store (hereinafter referred as "SOS" 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 mortgage security coverage against loan
- Good business network
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- 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 SOS will be able to maintain its good fundamentals in the foreseeable future.