

2nd SURVEILLANCE CREDIT RATING REPORT ATIK SEMI AUTO RICE MILL



Ref. no.: FR/2023/031626

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	12 June 2023	18 June 2024

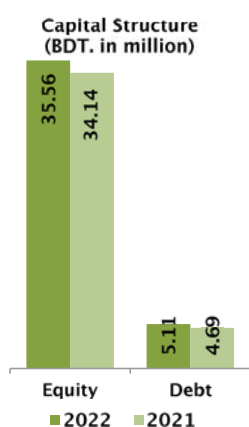
WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

BDT. In Million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank	Bai-Murabaha TR	3.50	3.82	11.06.2023
Bangladesh Limited	Stimulus Loan	0.50	0.54	

Key Snapshot:

BDT. In Million

Particulars	2021	2022
Revenue	107.63	123.77
EBIT	3.19	3.80
Net Profit	2.88	3.46
Total Assets	38.83	40.68
Total Equity	34.14	35.56
Debt	4.69	5.11
Net Profit Margin (%)	2.7%	2.8%
CCC (Days)	46	44
ICR (X)	13.51	14.62



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

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

RATING RATIONALE

WCRCL has reaffirmed '**WCRSE 4**' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to **Atik Semi Auto Rice Mill** (hereinafter referred as "**ASARM**" 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 reaffirmed based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Good business network
- Low levered capital structure

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

- Tight liquidity position considering long cash conversion cycle
- Lack of disclosure in the financial statements
- No insurance policy
- Small scale in the business
- Low interest coverage ratio
- Low management information system (MIS) and Manual accounting system

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

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