

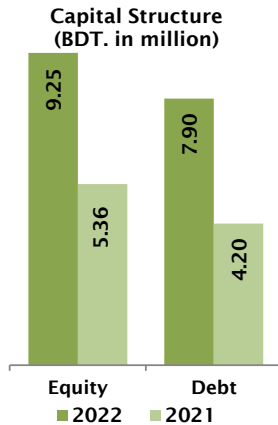
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**Key Snapshot:**

Tk. in million

Particulars	2022	2021
Revenue	98.05	21.82
EBIT	3.68	1.54
Net Profit	3.55	1.41
Total Assets	17.15	9.56
Total Equity	9.25	5.36
Debt	7.90	4.20
Net Profit Margin (%)	3.6	6.4
CCC (Days)	37	165
ICR (X)	29.58	11.75



**Analysts:**

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SME Rating	WCRSE/WCRE	Outlook	Date of Declaration	Date of Expiration
	WCRSME 3	Stable	04 July 2023	03 July 2024

WCRSME 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Tk. in million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 03.07.2023
Social Islami Bank Limited	Bai-Muazzal	2.50	0.99
	BG	5.00	5.00

**Financial Based on-** Management prepared financial statements of 31<sup>st</sup> December, 2022.

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

**RATING RATIONALE**

WCRCL has reaffirmed 'WCRSME 3' (pronounced as WASO Credit Rating Small and Medium Enterprise three) rating under the SME Rating to **Farmland Khanjahan Ali Traders** (hereinafter referred to as 'FKAT' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include strong business network, long experience of the proprietor in the business, low leverage position in the capital structure, good liquidity position with short cash conversion cycle, comfortable security arrangement and good profit margin. However, the above factors are constrained to some extent by lack of disclosure in the financial statements, manual accounting system, moderate market price volatility of rod in local market, no Insurance coverage.

The SME rating implies that the enterprise is adjudged to above average credit quality in relation to other small and medium enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that FKAT will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.