

INITIAL CREDIT RATING REPORT PADMA ENTERPRISE



Ref. no.: FR/2023/30717

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 5	Negative	10 April 2023	09 April 2024

WCRSE 5 rating is equivalent to Bangladesh Bank SME rating scale of SME 5 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
Mercantile Bank Limited	Stimulus	4.50	4.50	09.04.2023
	OD (G)	5.50	5.18	
	BG	5.00	0.55	

Key Snapshot:

BDT. in million

Particulars	FY21	FY20
Revenue	27.96	24.96
EBIT	8.21	7.18
Net Profit	7.77	6.75
Total Assets	13.49	13.69
Total Equity	8.71	8.48
Total debt	4.78	5.21
Net Profit Margin (%)	27.8	27.0
CCC (Days)	-41	-54
ICR (X)	28.72	25.14

Financial Based on-Management prepared financial statements up to 30th June 2021.

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 5' (pronounced as WASO Credit Rating Small Enterprise Five) rating under the SME Rating to **Padma Enterprise** (hereinafter referred as "PE" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

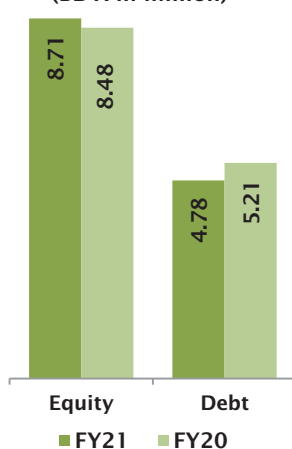
The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good interest coverage position
- Good mortgage security coverage against loan
- Satisfactory banking relationship
- Low levered capital structure

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

- Low disclosure of financial statements
- No new project work in hand
- Low management information system (MIS) and Manual accounting system

Capital Structure
(BDT. in million)



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

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