

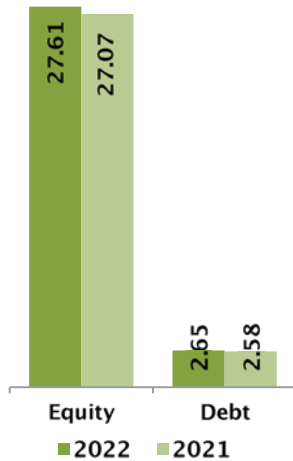
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## Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	45.68	40.01
EBIT	40.85	5.13
Net Profit	39.35	4.02
Total Assets	30.26	29.65
Total Equity	27.61	27.07
Total debt	2.65	2.58
Net Profit Margin (%)	86.2%	10.0%
CCC (Days)	n/a	63.13
ICR (X)	27.23	4.60

Capital Structure  
(BDT. in million)



## Analysts:

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SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	17 July 2024

WCRSME3 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](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has reaffirmed **WCRSME3** (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to **R S Traders** (hereinafter referred as “RST” 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 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 credit quality to other small & medium enterprises. 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.

WCRCL also viewed the enterprise with “Stable” outlook and believes that “RST” will be able to maintain its good fundamentals in the foreseeable future.