

# 1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT RATAN ENTERPRISE

Ref. no.: FR/2023/031786

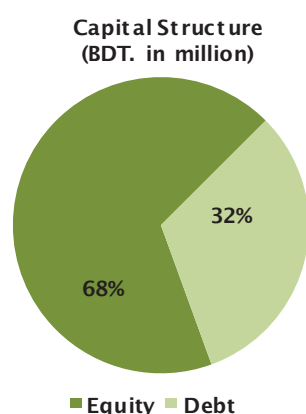


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## Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	56.35	49.00
EBIT	4.81	4.03
Net Profit	4.62	4.03
Total Assets	30.73	28.03
Total Equity	20.92	19.03
Total debt	9.81	9.00
Net Profit Margin (%)	8.2%	8.2%
CCC (Days)	43	48
ICR (X)	26.70	n/a



## Analysts:

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	12 June 2023	11 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
National Bank Limited	OD (BB)	3.00	2.22	11.06.2023
	BG (BB/PG)	5.00	1.83	

Financial Based on-Unaudited financial statements up to 31 December 2022.

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

## RATING RATIONALE

WCRCL has downgraded 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise **Four**) rating under the SME Rating to **Ratan Enterprise** (hereinafter referred as "RE" 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
- 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 **average level** of credit worthiness in relation to other small enterprises.

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