INITIAL CREDIT RATING REPORT
SAHAD JAHAN DAIRY FARM

Ref. no.: FR/2023/31184
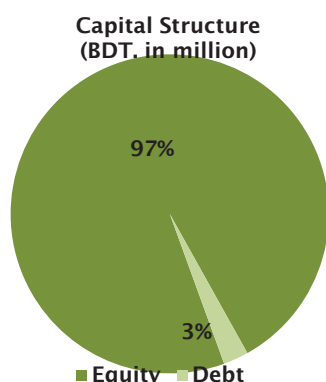
Report Contents:

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	06 May 2024

WCRSE 3 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*

Key Snapshot:

BDT. in million

Particulars	2022
Revenue	45.50
EBIT	4.83
Net Profit	4.83
Total Assets	43.83
Total Equity	42.71
Total debt	1.12
Net Profit Margin (%)	10.6%
CCC (Days)	21.00

RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Sahad Jahan Dairy Farm (hereinafter referred as "SJDF" 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:

- Owned business premises and storage facility
- Good business network
- Good interest coverage position
- Low levered capital structure

Capital Structure (BDT. in million)

97% Equity, 3% Debt

■ Equity ■ Debt

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

- 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 level of credit worthiness in relation to other small enterprises.

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

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