

2nd SURVEILLANCE CREDIT RATING REPORT SATATA TRADERS

Ref. no.: FR/2023/33873



Report Contents:		SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
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Tk. in Million

Bank	Facilities	Limit Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh PLC.	Composite Investment	18.00	4.75	16/07/2023
Total		18.00	4.75	

Key Snapshots:

Tk. in Million

Particulars	FY23	FY22
Revenue	20.55	18.60
EBIT	3.02	1.77
Net Profit	2.21	1.62
Total Assets	64.26	60.22
Total Equity	53.73	53.26
Debt	10.53	6.97
Net Profit Margin (%)	10.8	8.7
CCC (Days)	292	300
ICR (X)	4.06	19.27

Financial Based on: Unaudited financial statements up to 30th June 2023.

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

RATING RATIONALE

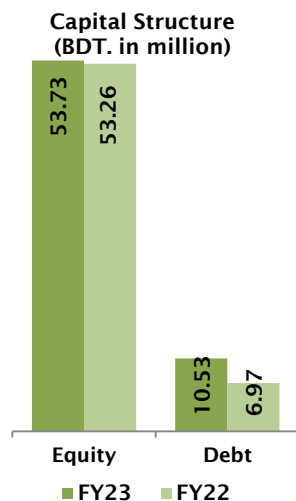
WCRCL has reaffirmed **WCRSME3** (Pronounced WASO Credit Rating Small and Medium Enterprise Three) rating to **Satata Traders** (hereinafter referred to as 'ST' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.

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

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

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

- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- Manual accounting system



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The SME rating implies that the enterprise is adjudged above average credit quality.

WCRCL also viewed the Company with **Stable** outlook and believes that **ST** 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.