

4th SURVEILLANCE CREDIT RATING REPORT SAKIB IRON AGENCY

Ref. no.: FR/2023/033968



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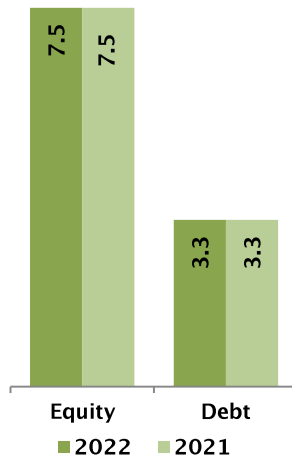
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	13.70	13.60
COGS/Sales (%)	81.75	82.35
Operating profit	1.66	1.56
Net Profit	1.40	1.30
Total Assets	10.80	10.80
Total Equity	7.50	7.50
Total Liabilities	3.30	3.30
Net Profit Margin (%)	10.22	9.56
Current Ratio (X)	3.20	3.20
CCC (Days)	278	278
Debt/Equity (X)	0.44	0.44
ICR (X)	7.52	7.07

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	03 October 2023	05 November 2024

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

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSME3** (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to **Sakib Iron Agency** (hereinafter referred to as 'SIA' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which experience manage team, moderated leverage position, good debt coverage position, owned business premises, and comfortable security arrangement. However, the above factors are constrained to some extent by manual accounting system, stressed liquidity position due to huge inventory in stock, lack of disclosure in the financial statements, and no insurance coverage for the inventory in stock.

The SME rating implies that Sakib Iron Agency is adjudged to above average credit quality.

WCRCL also viewed Sakib Iron Agency with "Stable" outlook and believes that the enterprise 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.