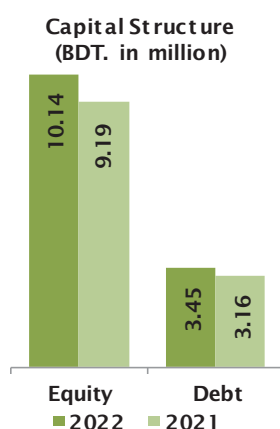


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Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	10.67	9.28
EBIT	2.32	2.15
Net Profit	2.24	2.15
Total Assets	13.58	12.35
Total Equity	10.14	9.19
Total debt	3.45	3.16
Net Profit Margin (%)	21.0%	23.2%
CCC (Days)	159	160
ICR (X)	29.04	n/a



SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	05 September 2023	04 September 2024

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 **Abul Bashar Sarkar Agro Farm** (hereinafter referred as “**ABSAF**” 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:

- Long business experience of the proprietor in the business
- Good profitability margin
- Low levered capital structure
- Comfortable interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Owned business premises and storage facility

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

- Poor disclosure of financial statements
- Small scale in the business
- Tight liquidity position with long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

The rating implies that the enterprise has above average credit quality.

WCRCL also viewed the enterprise with “Stable” outlook and believes that **ABSAF** 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.

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