

# 1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT SABUJ PACKAGING LIMITED

Ref. no.: FR/2023/033480



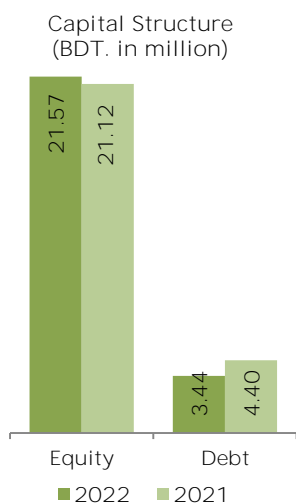
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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 September 2023	11 September 2024

## Key Snapshot:

Particulars	BDT. in million	
	2021	2022
Revenue	39.34	42.95
EBIT	7.00	5.57
Net Profit	6.00	4.72
Total Assets	25.52	25.02
Total Equity	21.12	21.57
Debt	4.40	3.44
Net Profit Margin (%)	15.3	11.0
CCC (Days)	87	101
ICR (X)	7.00	6.51



## Analysts:

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Bank	Facilities	Limit Amount	BDT. in million	
			Outstanding Amount	Outstanding Date
Uttara Bank Ltd.	LC	30.00	-	
	PIF	11.00	-	11.09.2023
	IBP	50.00	-	

Financial Based on- Audited financial statements up to 31<sup>st</sup> December 2022.

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

## RATING RATIONALE

WCRCL has reaffirmed WCRSME3 (Pronounced WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Sabuj Packaging Limited (hereinafter referred to as 'SPL' or 'The company') 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 directors and management team
- Owned factory premises
- Maintained sound relation with supplier, buyer and lender
- Good interest coverage position
- Low levered capital structure

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

- Average disclosure of financial statements
- No insurance policy
- Small scales of business operation
- Extensive competition to the market
- Low management information system (MIS) and Manual accounting system

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

WCRCL also viewed the enterprise with "Stable" outlook and believes that SPL 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.