

Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Allied Concern	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	4

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	05 December 2023	06 December 2024

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (H)	10.00	8.30	14.11.2023

Financial Based on-unaudited financial statements up to 31st December 2022.

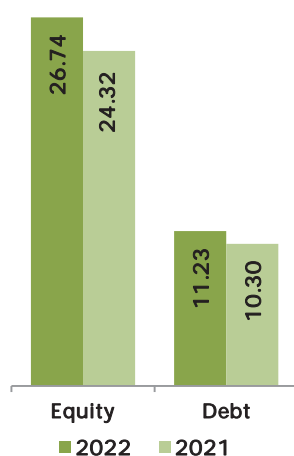
Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

BDT. In million

Particulars	2021	2022
Revenue	53.59	61.63
EBIT	4.50	5.25
Net Profit	4.00	4.70
Total Assets	34.62	37.97
Total Equity	24.32	26.74
Debt	10.30	11.23
Net Profit Margin (%)	7.5	7.6
CCC (Days)	162	160
ICR (X)	9.00	9.54

Capital Structure (BDT. in million)



Analysts:

Mst. Irin Akter
 irin@wasocreditrating.com

Monira Islam
 monira@wasocreditrating.com

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Dawlat Bhandar (hereinafter referred as "DB" 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 experiences of the proprietor in the business
- Good business network
- Good Net Worth of the Proprietor
- Low levered capital structure
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- No disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- 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 DB 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.