

CREDIT RATING REPORT LIBAN (SURVEILLANCE)

Ref. no.: FR/2019/08103



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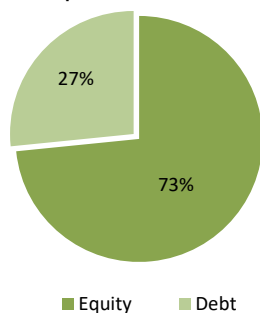
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Key Snapshot:

BDT. in million

Particulars	2018	2017
Revenue	34.05	29.52
COGS/Sales (%)	73.40	51.66
Operating profit	6.02	7.77
Net Profit	4.78	7.20
Total Assets	22.18	13.16
Total Equity	17.74	7.70
Total Liabilities	6.43	5.46
Net Profit Margin (%)	14.04	24.40
Current Ratio (X)	2.04	0.35
CCC (Days)	76	05
Debt/Equity	0.41	0.71
ICR (X)	10.85	13.81

Capital Structure in 2018



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	07 May 2019	06 November 2019

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Tk. In Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 10 February 2019
Islami Bank Bangladesh Limited	Bai Murabaha (TR)	05.00	5.72

Financial Based on- Management prepared financial statement for the period ended on 31st March 2018.

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSE 4** (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to **Liban** (hereinafter referred to as 'Liban' 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 include positioning of selling point at prime area, maintained insurance coverage, moderate liquidity position and comfortable security arrangement. However, the above rating has been moderated to some extent due to some factors like lack of disclosure in the financial statements, high leverage position in the capital structure, manual accounting system, small scale of business operation, and price volatility of trading products.

The SME rating implies that the enterprise is adjudged average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that Liban will be able to maintain its good fundamentals in the foreseeable future.