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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	08 August 2022	07 August 2023

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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mercantile Bank Limited	CC (H)	4.50	0.81	04.08.2022

Tk. in million

**Key Snapshot:**

Particulars	BDT. in million	
	2021	2020
Revenue	20.13	17.50
EBIT	3.96	3.35
Net Profit	3.69	3.10
Total Assets	29.06	28.48
Total Equity	23.99	23.83
Debt	5.07	4.65
Net Profit Margin (%)	18.3	17.7
CCC (Days)	181	198
ICR (X)	14.40	13.40

Financial Based on-*unaudited* financial statements up to 31 December 2021.

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

**RATING RATIONALE**

WCRCL has reaffirmed ‘WCRSE 4’ (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Naeem Emporium (hereinafter referred as “NE” or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

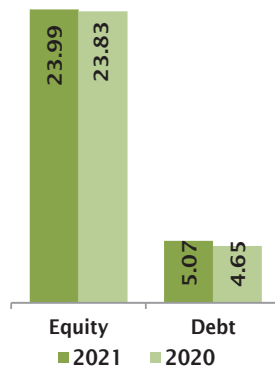
The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

**Capital Structure (BDT. in million)**



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

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