

SURVEILLANCE CREDIT RATING REPORT AL AMIN STEEL WORKS



Ref. no.: FR/2022/26240

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	11 October 2022	14 September 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

BDT. In Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	1.50	1.34	11.09.2022

Financial Based on-management prepared financial statements for 31st December 2021.

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

Key Snapshot:

BDT. in million

Particulars	2021
Revenue	8.35
EBIT	0.59
Net Profit	0.45
Total Assets	3.78
Total Equity	2.08
Debt	1.69
Net Profit Margin (%)	5.4%
CCC (Days)	155
ICR (X)	4.49

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Al Amin Steel Works (hereinafter referred as "AASW" 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
- Good business network
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Low levered capital structure

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

- Lack of disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- No insurance policy
- Low management information system (MIS) and Manual accounting system

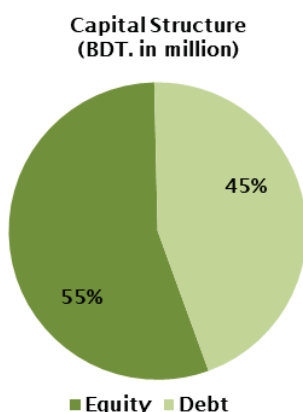
The SME rating implies that the enterprise is adjudged to average level of credit worthiness in relation to other small enterprises.

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

Analysts:

Moni Khondoker
moni@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com



■ Equity ■ Debt