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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	11 October 2022	10 October 2023

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank Name	Mode of Investment	Limit Amount	Outstanding Amount	Date of Outstanding
Dutch Bangla Bank Limited	CC (Hypo)	100.00	99.52	02.10.2022
Agrani Bank Limited	CC (Hypo)	150.00	148.49	29.09.2022

Tk. in million

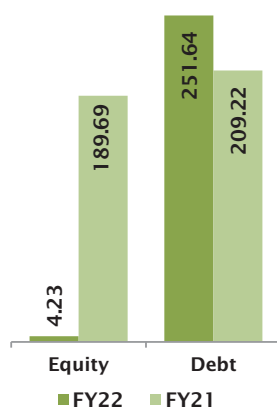
Financial Based on unaudited financial statements up to 30 June 2022.

## Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	283.86	875.54
EBIT	23.41	14.11
Net Profit	2.11	7.06
Total Assets	255.87	398.91
Total Equity	4.23	189.69
Debt	251.64	209.22
Net Profit Margin (%)	0.7%	0.8%
CCC (Days)	335	167
ICR (X)	1.10	2.00

Capital Structure  
(BDT. in million)



## RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to M/S Arif Traders (hereinafter referred as "AT" 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 business network
- Good Net Worth of the Proprietor
- Good interest coverage position
- Low levered capital structure

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

- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- High competition in the market

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

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