

SURVEILLANCE CREDIT RATING REPORT ASS-SAFA WAAL MARWA TRADING LIMITED

Ref. no.: FR/2022/024563



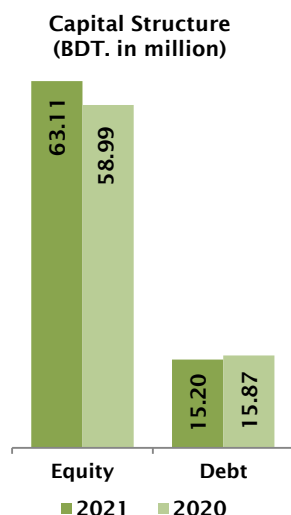
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Key Snapshot:

Tk. In million

Particulars	FY21
Revenue	321.53
EBIT	26.96
Net Profit	23.14
Total Assets	78.31
Total Equity	63.11
Debt	15.20
Net Profit Margin (%)	7.2%
CCC (Days)	55.25
ICR (X)	7.05



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB1	ST-3	Stable	29 June 2022	28 June 2023

Name of the Bank	Mode of Investment	Sanctioned/ Limit Amount	Outstanding Amount as on 28.06.2022	Bank Loan rating
Uttara Bank Limited	CC(IH)	80.00	9.56	
	L/C	200.00	--	blr ST-3
	PIF	80.00	42.85	

Financial Based on- Audited statement of 30th June 2021.

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

RATING RATIONALE

WCRCL has reaffirmed 'BBB1' (pronounced as Triple B One) rating for the Long Term and 'ST-3' (pronounced as Short Term Three) rating for Short Term to Ass-Safa Waal Marwa Trading Limited (hereinafter referred to as 'ASWMTL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL Also assigned "blr ST-3" (pronounced as Bank Loan Rating Short Term Three) to short term loan limit. The above ratings have been assigned based on the fundamentals of the company which include strong business network, positioning of business at prime area, good performance trend from other concerns, long business experiences of the sponsors, low leverage position in the capital structure and moderate liquidity position. However, the above factors are constrained by high inventory pileup may create the tight liquidity position, manual accounting process and price volatility of trading products.

The long term rating implies that the entity is subject to medium credit risk. And considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the entity has an acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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