

# SURVEILLANCE CREDIT RATING REPORT RASHID ENTERPRISE



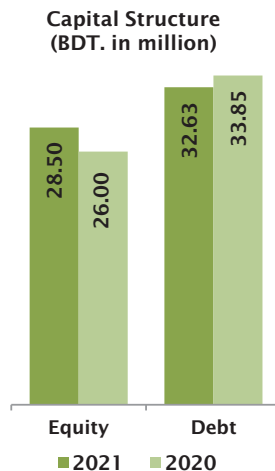
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## Key Snapshot:

BDT. in million		
Particulars	2021	2020
Revenue	91.03	89.01
EBIT	11.28	10.85
Net Profit	9.83	9.50
Total Assets	61.13	59.85
Total Equity	28.50	26.00
Debt	32.63	33.85
Net Profit Margin (%)	10.8	10.7
CCC (Days)	231	230
ICR (X)	7.89	8.17



## Analysts:

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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

BDT. in million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Al-Arafah Islami Bank Limited	Composite Investment	30.00	-	10.10.2022
	Stimulus	10.00	10.52	

Financial Based on-Management prepared financial statements up to 31<sup>st</sup> 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 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Rashid Enterprise** (hereinafter referred as "RE" 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 interest coverage position
- Good mortgage security coverage against loan
- Good business network

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

- Tight liquidity position with long cash conversion cycle
- Inventory holding risk
- Highly levered capital structure
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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 RE will be able to maintain its good fundamentals in the foreseeable future.