

# SURVEILLANCE CREDIT RATING REPORT ALIUL WEAVING FACTORY



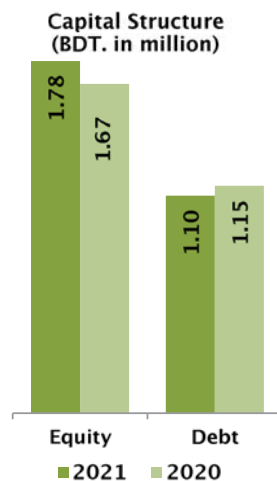
Ref. no.: FR/2022/29939

## Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	2,3
Financial Position Analysis	3,4
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

## Key Snapshot:

BDT. in million		
Particulars	2021	2020
Revenue	1.77	1.22
EBIT	0.25	0.14
Net Profit	0.15	0.14
Total Assets	2.88	2.82
Total Equity	1.78	1.67
Total debt	1.10	1.15
Net Profit Margin (%)	8.3%	11.5%
CCC (Days)	438	558
ICR (X)	2.43	278.22



## Analysts:

**Nazrul Islam**  
nazrul@wasocreditrating.com

**Md. Al Amin Jewel**  
jewel@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	27 December 2022	26 December 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
Uttara Bank Limited	CC (H)	1.00	0.815	20.12.2022
<b>Total</b>		<b>1.00</b>	<b>0.815</b>	

**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 upgrade 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Aliul Weaving Factory** (hereinafter referred as "AWF" 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 and storage facility
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- 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
- No Insurance coverage
- 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 **AWF** will be able to maintain its good fundamentals in the foreseeable future.