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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 March 2023	11 March 2024

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	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (Hypo)	2.00	1.84	23.02.2023

BDT. in million

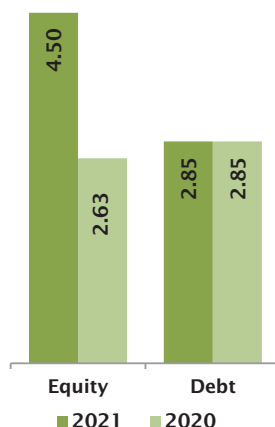
Financial Based on-Unaudited financial statements up to 31 December 20201

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

Key Snapshot:

BDT. in million		
Particulars	2021	2020
Revenue	5.85	4.25
EBIT	0.92	0.66
Net Profit	0.77	0.51
Total Assets	7.35	6.35
Total Equity	4.50	2.63
Total debt	2.85	2.85
Net Profit Margin (%)	13.2%	12.1%
CCC (Days)	281	336
ICR (X)	6.54	4.68

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 **Hossain Traders** (hereinafter referred as "HT" 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:

- Good business network
- Long business experiences of the Proprietor
- Good personal net worth of the Proprietor
- Low levered capital structure
- Good interest coverage position
- Comfortable security arrangement against loan
- Satisfactory banking relationship

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

- No disclosure of financial statements
- Market saturation or high competition
- Small scale in the business
- Tight liquidity position with long cash conversion cycle
- Price volatility of the products
- Poor limit utilization

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

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