

2nd SURVEILLANCE CREDIT RATING REPORT ANOWAR ENTERPRISE

Ref. no.: FR/2023/030224



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	28 March 2023	27 March 2024

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Mercantile Bank Limited	CC (Hypo)	13.00	12.76	15.03.2023

Tk. in million

Key Snapshot:

Tk. In Million

Particulars	2022	2021
Revenue	34.50	30.00
EBIT	4.09	3.48
Net Profit	3.52	2.96
Total Assets	49.32	47.59
Total Equity	35.16	34.53
Debt	14.16	13.06
Net Profit Margin (%)	10.2%	9.9%
CCC (Days)	462	515
ICR (X)	7.15	6.69

Financial Based on- Unaudited financial statements up to 31 December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to **Anowar Enterprise** (hereinafter referred to as 'AE' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include positioning of selling point at prime area, good business network and long business experiences of the proprietor, low leverage position in the capital structure, comfortable security arrangement and owned business premises.

However, the above factors are constrained to some extent by average disclosure in the financial statement, market saturation or high competition, poor profitability margin, price volatility of trading products and Proprietorship concern has low legal obligation as an entity, stressed liquidity position, marginal interest coverage position.

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

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

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