

**Report Contents:**

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

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	27 December 2022	20 December 2023

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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh Limited	Bai-Murabaha TR	3.50	3.79	21.12.2022

**Note:** The enterprise enjoyed the Bai-Murabaha TR limit BDT. 1.00 million interchangeably with its sister concern Nurjahan Gobadi Pashu Farm.

*Financial Based on-*management prepared financial statements up to 30<sup>th</sup> June FY1.

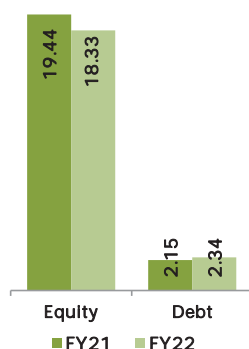
*Methodology:* SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

**Key Snapshot:**

BDT. In Million

Particulars	FY21	FY22
Revenue	30.10	34.62
EBIT	1.19	1.41
Net Profit	1.19	1.41
Total Assets	21.59	20.67
Total Equity	19.44	18.33
Debt	2.15	2.34
Net Profit Margin (%)	3.9	4.1
CCC (Days)	48	35.69
ICR (X)	397.00	428

**Capital Structure**  
(BDT. in million)



**RATING RATIONALE**

WCRCL has reaffirmed 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Abed Rifat Matsha Arot & Fish Feed (hereinafter referred as "ARMAFF" 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 business network
- Satisfactory banking relationship
- Low levered capital structure
- Good interest coverage position

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

- Lack of disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- Low management information system (MIS) and Manual accounting system
- No insurance coverage
- Proprietorship concern has no legal entity

The rating may further downgrade if the enterprise will not improve its banking contract as substandard status in future.

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

**Analysts:**

**Mst. Irin Akter**  
[irin@wasocreditrating.com](mailto:irin@wasocreditrating.com)

**Md. Al Amin Jewel**  
[jewel@wasocreditrating.com](mailto:jewel@wasocreditrating.com)