

CREDIT RATING REPORT ALIM ENTERPRISE (5TH SURVEILLANCE)

Ref. no.: FR/2023/030783



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	23 May 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

BDT. in million

Bank Name	Mode of Investment	Limit Amount	Outstanding Amount as on 30.04.2023
Mercantile Bank Limited	CC (H)	25.00	23.61

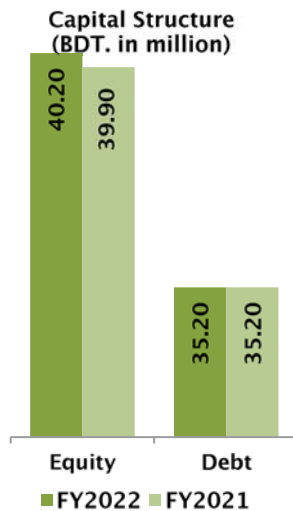
Financial Based on- Management prepared financial statements up to 30 June 2022.

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

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	104.50	100.50
EBIT	8.70	8.60
Net Profit	6.00	6.00
Total Assets	75.40	75.10
Total Equity	40.20	39.90
Debt	35.20	35.20
Net Profit Margin (%)	5.7%	6.0%
CCC (Days)	238	247
ICR (X)	3.63	3.74



RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Alim 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 declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include long experiences of the proprietress in this business, ready succession plan, comfortable infrastructure arrangement, good collateral position against loan, and have insurance coverage for the inventory in stock. However, the above factors are constrained to some extent by followed manual accounting procedures, price volatility of trading products, stressed liquidity position due to long cash conversion cycle, moderated leverage position, and lack of disclosure in the financial statements.

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

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

Analysts:

Maharan Nasrin
maharan@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com