

3rd SURVEILLANCE CREDIT RATING REPORT ALIF ENTERPRISE

Ref. no.: FR/2023/31808



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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
| | WCRSE 3 | Stable | 12 June 2023 | 11 June 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.

Tk. in Million

| Bank | Facilities | Limit Amount | Outstanding Amount | Outstanding Date |
|---------------------|------------|--------------|--------------------|------------------|
| Uttara Bank Limited | CC(H) | 3.00 | 1.86 | 22/06/2023 |
| Total | | 3.00 | 1.86 | |

Key Snapshot:

BDT. in million

| Particulars | 2022 | 2021 |
|-----------------------|--------|--------|
| Revenue | 212.78 | 185.03 |
| EBIT | 28.93 | 25.07 |
| Net Profit | 6.33 | 2.72 |
| Total Assets | 171.12 | 155.67 |
| Total Equity | 167.41 | 152.27 |
| Debt | 3.71 | 3.40 |
| Net Profit Margin (%) | 3.0 | 1.5 |
| CCC (Days) | 262 | 267 |
| ICR (X) | 10.52 | 10.03 |

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

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (Pronounced WASO Credit Rating Small Enterprise Three) rating to **Alif 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 enterprise.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- 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
- 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.

Analysts:

Shudhan Mallick
shudhan@wasocreditrating.com

Md. Rafiul Bary
rafi@wasocreditrating.com

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

