

Report Contents:

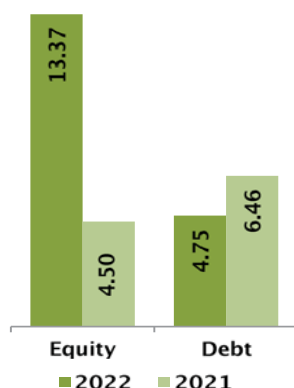
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Risk Factor Analysis	4
Rating Observation	5

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	42.22	25.71
EBIT	9.00	2.08
Net Profit	8.00	1.76
Total Assets	18.24	10.95
Total Equity	13.36	4.50
Total debt	4.75	6.45
Net Profit Margin (%)	18.95	6.84
CCC (Days)	96	69
ICR (X)	9.00	6.50

Capital Structure
(BDT. in million)



Analysts:

Monira Islam
monira@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 March 2023	22 February 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

Financial Based on—Unaudited financial statements up to 31 December 2021, 2020, 2019.

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

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSE 3’ (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Rahman Enterprise** (hereinafter referred as “RE” 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 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
- High levered capital structure
- Tight liquidity position with long cash conversion cycle
- Price volatility of the products

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

WCRCL also viewed the enterprise with “**Stable**” outlook and believes that RE will be able to maintain its good fundamentals in the foreseeable future.