

## Report Contents:

Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	2
Market Review	2
Business Analysis and Network	2
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 3	Stable	12 March 2023	14 March 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

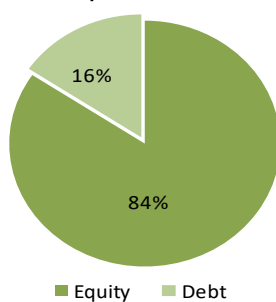
Bank Name	Mode of Investment	Limit Amount	Outstanding Amount	Outstanding Date
Social Islami Bank Limited	Baim-SME	5.00	7.39	07.03.2023

## Key Snapshot:

Tk. In million

Particulars	2022	2021
Revenue	54.00	48.50
EBIT	36.85	18.58
Net Profit	36.10	17.62
Total Assets	38.00	38.50
Total Equity	32.40	32.50
Total Liabilities	50.60	6.00
Net Profit Margin (%)	66.85	36.34
Current Ratio (X)	0.31	2.75
Debt to Equity (X)	1.56	0.18

Capital Structure



## Analysts:

**Monira Islam**  
monira@wasocreditrating.com

**Al Amin Jewel**  
jewel@wasocreditrating.com

**Financial Based on-** Unaudited financial statements up to 31 December 2022, and 2021.

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

## RATING RATIONALE

WCRCL has assigned **WCRSE 3** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **A.R Enterprise** (hereinafter referred to as 'ARE' 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 prime location of business shop, good banking conduct, low levered concern, and secured with insurance coverage. However, the above factors are constrained to some extent by small scale operation, stressed liquidity position with long cash conversion cycle, followed manual accounting procedures, and poor disclosure of financial statement.

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other SE's / ME's.

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