

4th SURVEILLANCE CREDIT RATING REPORT ADIL ENTERPRISE

Ref. no.: FR/2023/33384



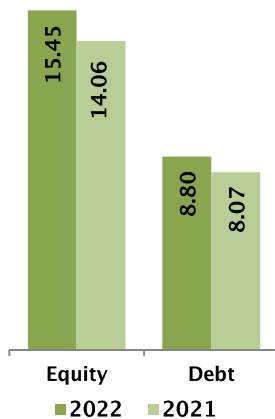
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Key Snapshot:

| Particulars | Tk. in Million | |
|-----------------------|----------------|-------|
| | 2022 | 2021 |
| Revenue | 49.83 | 43.33 |
| EBIT | 4.65 | 4.01 |
| Net Profit | 4.28 | 3.67 |
| Total Assets | 24.25 | 22.13 |
| Total Equity | 15.45 | 14.06 |
| Debt | 8.80 | 8.07 |
| Net Profit Margin (%) | 8.6% | 8.5% |
| CCC (Days) | 117 | 139 |
| ICR (X) | 12.35 | 11.72 |

Capital Structure
(BDT. in million)



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| SME Rating | Rating Notches | Outlook | Date of Declaration | Date of Expiration |
|------------|----------------|---------|---------------------|--------------------|
| | WCRSME4 | Stable | 04 July 2023 | 03 July 2024 |

| Tk. in Million | | | | |
|---------------------|-----------|--------------|--------------------|------------------|
| Bank | Facility | Limit Amount | Outstanding Amount | Outstanding Date |
| Uttara Bank Limited | CC (Hypo) | 7.00 | 7.159 | 30.05.2023 |
| Total | | 7.00 | 7.159 | |

Financial Based on: Unaudited financial statements for 2022, 2021 and 2020.

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

RATING RATIONALE

WCRCCL has reaffirmed **WCRSME4** (Pronounced WASO Credit Rating Small & Medium Enterprise Four) rating to **Adil 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 long experience of the Promoter helps to form stronger relationship with suppliers, customers and lenders, satisfactory coverage position of the concern, comfortable interest coverage position, highly levered concern etc. However, the above factors are constrained to some extent by poor disclosure in financial statements, risk associated with procurement of products, small scales of operation, high competitive intensity of the traded products, and liquidity of the firm was in stressed position due to payment nature of the customers.

The rating implies that the enterprise has an average credit quality.

WCRCCL also viewed the enterprise with **Stable** outlook and believes that **AE** will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.