

3rd SURVEILLANCE CREDIT RATING REPORT BARNALI ENTERPRISE



Ref. no.: FR/2023/33035

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	08 August 2023	07 August 2024

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME4' (pronounced as WASO Credit Rating Small and Medium Enterprise Four) rating under the SME Rating to Barnali Enterprise (hereinafter referred as "BE" 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 reaffirmed based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good mortgage security coverage against loan
- Good business network
- Regular loan repayment history
- Long experience track of the proprietor
- 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 average credit quality.

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

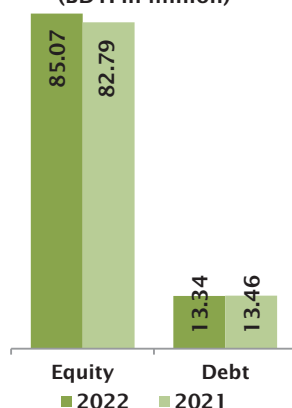
This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	96.00	85.82
EBIT	10.91	9.35
Net Profit	9.33	7.83
Total Assets	98.41	96.26
Total Equity	85.07	82.79
Debt	13.34	13.46
Net Profit Margin (%)	9.7	9.1
CCC (Days)	121	132
ICR (X)	6.88	6.13

Capital Structure
(BDT. in million)



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