6th SURVEILLANCE CREDIT RATING REPORT **DELWAR HOSSAIN & BROTHERS**

Ref. no.: FR/2023/33302



Report Contents:		D	Rating Notch		Outlook	Date of De	Date of Declaration		Date of Expiration	
Particulars	Page	SME Rating	WCRSME3		Stable	30 August 2023		07 August 2024		
Rating Rationale	1	~ ~								
Business Profile	2									
Proprietor's Profile									Tk. in Million	
Management's Profile		Bank		Facility		Limit	Outstanding		Outstanding	
Business Analysis	2	Duine	Tuelley			Amount			J	
Financial Analysis	3			Rai-M	Bai-Murabaha- TR	5.50	6.02		Date	
Banking Position Analysis	4	Islami Bank Bangladesh PLC		Dai-IV						
Risk Factors Analysis	4								06/08/2023	
Rating Observations	5			Sti	imulus	1.00	0.05			
1	Total				6.50	6.04				

Key Snapshot:

Particulars FY22 FY21 71.83 79.54 5.66 4 94 5.17 4.70 73.26 68.65

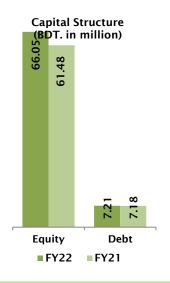
Tk. In Million

Revenue FRIT Net Profit Total Assets **Total Equity** 66.05 61.48 Debt 7.21 7.18 Net Profit 6.5 Margin (%) 192 CCC (Davs) 184 ICR (X) 12.95 24.24 Financial Based on: Audited financial statements up to 30th June 2022.

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

RATING RATIONALE

WCRCL has reaffirmed WCRSME3 (Pronounced WASO Credit Rating Small And Medium Enterprise Three) rating to Delwar Hossain & Brothers (hereinafter referred to as 'DHB' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.



The above ratings have been assigned based on the fundamentals of the enterprise which include long business experiences of the proprietor, good business network, maintained sound business relation with supplier & buyer, low leverage position in the capital structure, good interest coverage position, comfortable security arrangement, satisfactory banking relationship with regular loan repayment history, the entity is a profitable concern and owned business premises.

However, the above factors are constrained to some extent by average disclosure in the financial statement, market saturation or high competition, tight liquidity position considering long cash conversion cycle, high inventory pile-up affecting working capital, informal accounting system, proprietorship concern has low legal obligation as an entity, price volatility of trading products and no insurance coverage.

Analysts: Shudhan Mallick shudhan@wasocreditrating.com Maharan Nasrin maharan@wasocreditrating.com The SME rating implies that the enterprise is adjudged above average credit quality.

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