

2nd SURVEILLANCE CREDIT RATING REPORT HOWLADER ENTERPRISE

Ref. no.: FR/2023/31826



Report Contents:

Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	2
Business Analysis	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 June 2023	11 June 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

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount Dated on 11.06.2023
Uttara Bank Limited	CC(H)	4.00	2.44
	OD	10.00	-

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	50.00	30.47
EBIT	2.76	2.00
Net Profit	2.64	1.80
Total Assets	45.97	13.51
Total Equity	34.35	9.31
Debt	11.62	4.20
Net Profit Margin (%)	5.3	5.9
CCC (Days)	57	42
ICR (X)	27.60	11.76

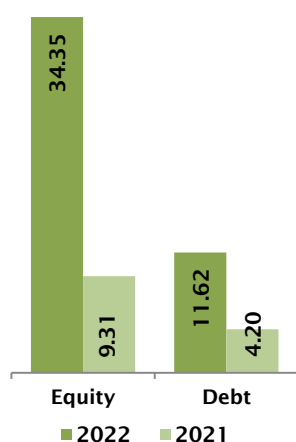
Financial Based on- Management prepared financial statements up to 31st December 2022.

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 **Howlader Enterprise** (hereinafter referred to as 'HE' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

Capital Structure
(BDT. in million)



The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- 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

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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 HE will be able to maintain its good fundamentals in the foreseeable future.