

1st SURVEILLANCE CREDIT RATING REPORT ALLIED RENEWABLE ENERGY LIMITED



Ref. no.: FR/2023/32883

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	28 August 2024

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 as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Allied Renewable Energy Limited** (hereinafter referred as "AREL" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

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

- Experienced and skilled management
- Good business network
- Low levered capital structure
- Satisfactory health and safety measures
- Average disclosure of financial statements

However, the above rating has been moderated to some extent due to some factors like:

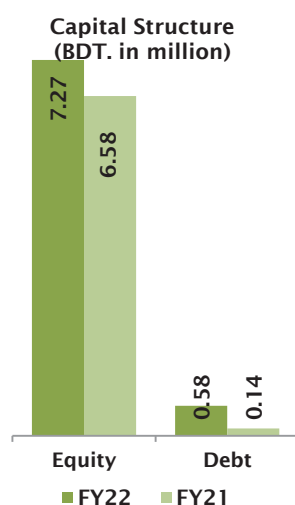
- Poor profitability margin
- No insurance policy
- Small scale of operation
- Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality.

WCRCL also viewed the company with "Stable" outlook and believes that AREL 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:

BDT. in million		
Particulars	FY22	FY21
Revenue	18.89	10.06
EBIT	1.01	1.41
Net Profit	0.70	0.95
Total Assets	7.85	6.72
Total Equity	7.27	6.58
Debt	0.58	0.14
Net Profit Margin (%)	3.7	9.5
Current Ratio (X)	12.81	44.57
ICR (X)	74.96	154.38



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