

1st SURVEILLANCE CREDIT RATING REPORT
NAHAR ENTERPRISE
Ref. no.: FR/2023/030741



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	06 May 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

BDT. In million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mercantile Bank Limited	CC (H)	3.00	2.74	
	SOD	1.00	1.13	16.04.2023
	BG	1.50	Nil	
	Total	5.50	3.87	

Key Snapshot:

BDT. In Million

Particulars	2022
Revenue	61.84
EBIT	3.96
Net Profit	3.64
Total Assets	14.23
Total Equity	9.28
Debt	4.95
Net Profit Margin (%)	5.9
CCC (Days)	68
ICR (X)	12.34

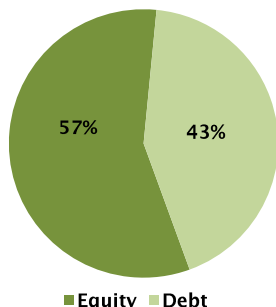
Financial Based on- Management prepared financial statements up to 31st December, 2022.

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 Nahar Enterprise (hereinafter referred to as 'NE' 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 ratings have been assigned based on the fundamentals of the enterprise which include experienced and skilled management, satisfactory banking relationship, good business network, low levered capital structure and owned business area. However, the above factors are constrained to some extent by lack of disclosure in the financial statements, tight liquidity position considering long cash conversion cycle, inventory holding risk, market outlook derived tight related to linking industry (i.e. real estate) and low management information system (MIS) and Manual accounting system in the business.

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