

4th SURVEILLANCE CREDIT RATING REPORT

AKASH ENTERPRISE

Ref. no.: CRAR- 6732/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 December 2023	09 December 2024

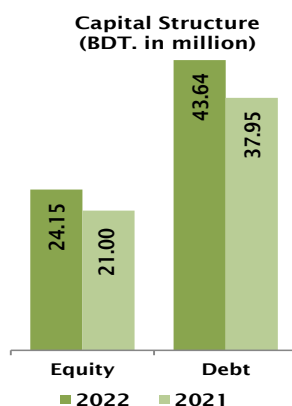
Financial Based on- Management prepared financial statements up to 31st December 2022.

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

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	119.00	112.25
EBIT	19.63	18.25
Net Profit	17.34	15.16
Total Assets	58.95	46.10
Total Equity	21.00	14.92
Total debt	37.95	31.18
Net Profit Margin (%)	14.6	13.5
CCC (Days)	134	121
ICR (X)	8.70	5.96



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Akash Enterprise** (hereinafter referred to as 'AE' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include of long business experiences of the proprietor, good business network, Good mortgage security coverage against loan & good interest coverage position.

However the above factors are constrained to some extent by lack of disclosure in the financial statement, tight liquidity position with long cash conversion cycle, highly levered position in the capital structure & manual accounting process.

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

WCRCL also viewed the enterprise with "Stable" outlook and believes that AE 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.

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