

2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT  
ALI CHEMICAL

Ref. no.: CRAR-3762/2023



**Report Contents:**

Particulars	Page
Rating Rationale	1
Business Profile	2
Owners Synopsis	2
Business Management	2
Business Analysis	2
Financial Strength Analysis	3
Banking Relationship	3
Risk Factor Analysis	4
Rating Observations	4

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 December 2023	18 December 2024

Tk. In Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 18.12.2023
Islami Bank Bangladesh PLC	CFIL	15.00	-

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

**Key Snapshot:**

Tk. In Million

Particulars	FY21	FY22
Revenue	51.54	54.37
EBIT	6.20	47.43
Net Profit	4.44	45.62
Total Assets	154.29	155.60
Total Equity	143.01	144.55
Debt	11.29	11.05
Net Profit Margin (%)	8.6	83.9
CCC (Days)	276	866
ICR (X)	11.12	117.53

**RATING RATIONALE**

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Ali Chemical (hereinafter referred to as 'AC' or 'The Enterprise') 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 enterprise which include experienced and skilled management, good business network, satisfactory banking relationship, good mortgage security coverage against loan, low levered capital structure and good interest coverage position.

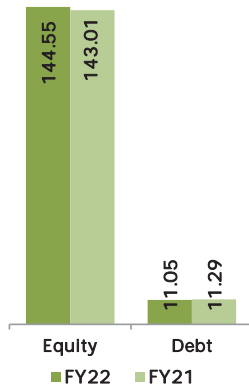
However, the above rating has been moderated to some extent due to some factors like low disclosure of financial statements, tight liquidity position with long cash conversion cycle and Manual accounting system.

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

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

Capital Structure (BDT. in million)



**Analysts:**

Mst. Irin Akter  
irin@wasocreditrating.com

Monira Islam  
monira@wasocreditrating.com