

**Report Contents:**

Particulars	Page
Rating Rationale	1
Entity Profile	2
Allied Concern	2
Business Management	2
Industry Analysis	2
Business Analysis	3
Financial Position Analysis	4
Banking Relationship	5
Risk Factor Analysis	5
Rating Observation	5

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 December 2023	11 December 2024

*Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)*

Bank Name	Mode of Investment	Limit Amount	Outstanding Amount	Date of Outstanding
Dutch Bangla Bank PLC	CC (Hypo)	100.00	99.97	31.10.2023
Agrani Bank PLC	CC (Hypo)	150.00	142.20	10.12.2023

Tk. in million

*Financial Based on-unaudited financial statements up to 30 June 2023.*

*Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)*

**Key Snapshot:**

Particulars	Tk. in million	
	FY23	FY22
Revenue	302.85	283.86
EBIT	23.32	23.73
Net Profit	0.97	2.42
Total Assets	449.33	443.04
Total Equity	193.08	192.11
Debt	256.25	250.93
Net Profit Margin (%)	0.3%	0.9%
CCC (Days)	387.95	476.83
ICR (X)	1.04	1.11

**RATING RATIONALE**

WCRCL has reaffirmed ‘WCRSME3’ (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to M/S Arif Traders (hereinafter referred as “AT” or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

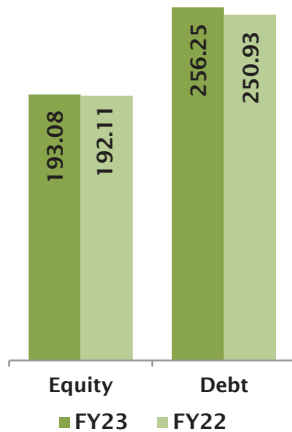
The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises
- Satisfactory banking relationship
- Good interest coverage position
- Levered Capital Structure

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

- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- High competition in the market

**Capital Structure (BDT. in million)**



**Analysts:**

**Md. Rafiul Bary**  
rafi@wasocreditrating.com

**Maharan Nasrin**  
maharan@wasocreditrating.com

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 AT 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.