

2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT  
DEWAN ELECTRIC & CO.

Ref. no.: CRAR-1164/2024



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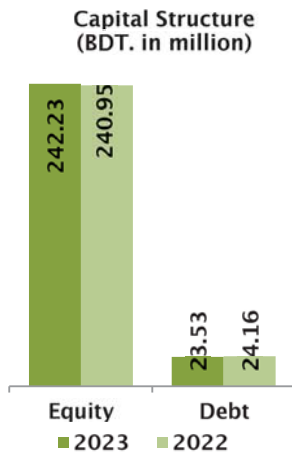
SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	24 January 2024	23 January 2025

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

Tk. in million				
Name of the Bank	Mode of Investment	Amount Sanctioned	Outstanding Amount	Outstanding Date
Rupali Bank Limited	CC (Hypo)	19.00	19.36	22.01.2024

Key Snapshot:

Particulars	Tk. In Million	
	2023	2022
Revenue	205.68	195.88
EBIT	49.40	48.77
Net Profit	46.28	45.59
Total Assets	265.76	265.11
Total Equity	242.23	240.95
Debt	23.53	24.16
Net Profit Margin (%)	22.5	23.3
CCC (Days)	279	293
ICR (X)	25.32	24.21



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RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Dewan Electric & Co.** (hereinafter referred to as 'DEC' 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 strong business network, long experiences of the proprietor in the business, good personal net worth of the proprietor, sales revenue was increased in phase, low leverage position in the capital structure, good interest coverage position and comfortable security arrangement and owned business premises.

However, the above factors are constrained to some extent by vulnerability in price in the local market impact profitability, average disclosure in the financial statement, market saturation or high competition, tight liquidity position with long cash conversion cycle, manual accounting process.

The SME rating implies that the enterprise has **above average credit quality**.

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