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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	26 December 2023	25 December 2024

*Financial Based on-unaudited financial statements up to 31 December 2022.*

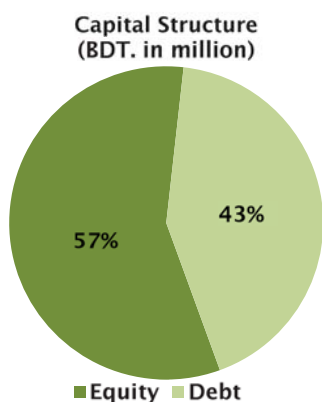
*Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)*

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (H)	6.00	4.39	24.12.2023

Tk. in million

**Key Snapshot:**

Particulars	Tk. in million	2022
Revenue		35.67
EBIT		2.50
Net Profit		1.48
Total Assets		13.34
Total Equity		7.65
Debt		5.70
Net Profit Margin (%)		4.1
CCC (Days)		97
ICR (X)		2.52



**RATING RATIONALE**

WCRCL has upgraded 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Fahim Traders** (hereinafter referred as "FT" 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 reaffirmed based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good Net Worth of the Proprietor
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- No disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

**Analysts:**

**Md. Monjur Alam Bappy**  
 bappy@wasocreditrating.com

**Nazrul Islam**  
 nazrul@wasocreditrating.com

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

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