

SURVEILLANCE CREDIT RATING REPORT JARIN PLASTIC INDUSTRIES



Ref. no.: FR/2022/25898

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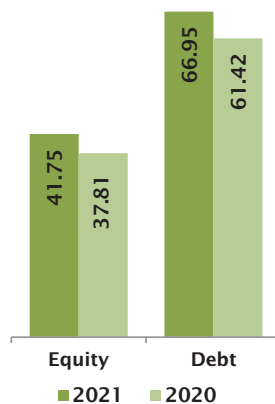
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Key Snapshot:

BDT. in million

| Particulars | 2021 | 2020 |
|-----------------------|--------|--------|
| Revenue | 118.87 | 103.37 |
| EBIT | -0.45 | -2.39 |
| Net Profit | -0.97 | -2.89 |
| Total Assets | 108.70 | 99.23 |
| Total Equity | 41.75 | 37.81 |
| Debt | 66.95 | 61.42 |
| Net Profit Margin (%) | -0.8 | -2.8 |
| CCC (Days) | 160 | 174 |
| ICR (X) | -0.87 | -5.04 |

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



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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
| | WCRSE 3 | Stable | 19 September 2022 | 18 September 2023 |

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

BDT. in million

| Bank Name | Mode of Investment | Sanctioned Amount | Outstanding Amount | Date of Outstanding |
|---------------------|--------------------|-------------------|--------------------|---------------------|
| Uttara Bank Limited | CC(H) | 18.00 | 16.01 | 15.09.2022 |

Financial Based on-Management prepared financial statements up to 31st December 2021.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Jarin Plastic Industries (hereinafter referred as "JPI" 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
- Good mortgage security coverage against loan
- Good business network

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

- Inventory holding risk
- Poor interest coverage position
- High levered capital structure
- Tight liquidity position
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that JPI will be able to maintain its good fundamentals in the foreseeable future.