

CREDIT RATING REPORT JONAKI FURNITURE



Ref. no.: FR/2022/25308

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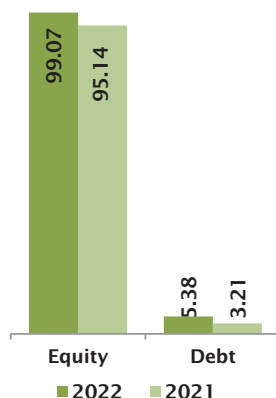
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Key Snapshot:

BDT. in million

Particulars	FY22	Fy21
Revenue	129.92	84.49
EBIT	16.52	9.61
Net Profit	12.47	7.41
Total Assets	104.45	98.36
Total Equity	99.07	95.14
Total debt	5.38	3.21
Net Profit Margin (%)	9.6%	8.8%
CCC (Days)	87	121
ICR (X)	-	-

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	08 August 2022	07 August 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

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Jonaki Furniture (hereinafter referred as "JF" 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 business network
- Good Net Worth of the Proprietor
- Good Profitability margin
- Low levered capital structure
- Maintained sound business relation with supplier & buyer

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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage for the inventory in stock
- Lack of disclosure in the 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 JF will be able to maintain its good fundamentals in the foreseeable future.