

2nd SURVEILLANCE CREDIT RATING REPORT CHANDONA ENTERPRISE



Ref. no.: FR/2022/28822

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	27 December 2022	27 December 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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Social Islami Bank Limited	BAIM-SME	3.50	3.47	19.12.2022
	STIMULUS	7.50	1.23	

BDT. in million

Key Snapshot:

Particulars	2021	2020
Revenue	27.47	29.52
EBIT	6.89	8.06
Net Profit	6.11	7.02
Total Assets	54.21	54.43
Total Equity	42.53	42.71
Total debt	11.68	11.73
Net Profit Margin (%)	22.3	23.8
CCC (Days)	258	248
ICR (X)	9.23	7.96

BDT. in million

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

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

RATING RATIONALE

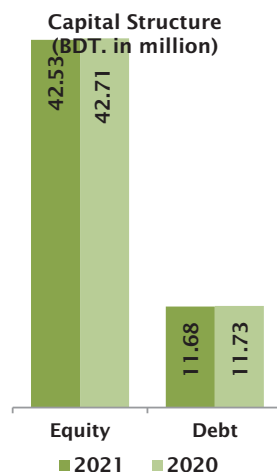
WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Chandona Enterprise (Hereinafter referred as "CE" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

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

- Experienced & skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Low levered capital structure
- Good interest coverage position
- Owned business premise

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

- No insurance coverage
- Tight liquidity position
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system



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

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