

2nd SURVEILLANCE CREDIT RATING REPORT JAYEN MATSHYA KHAMAR



Ref. no.: FR/2023/031533

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 2024

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

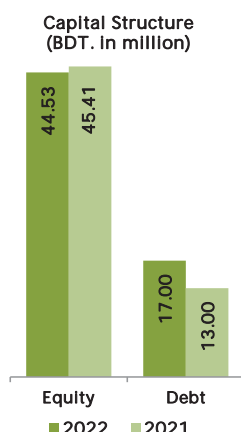
BDT. In Million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
BRAC Bank Limited	OD	17.00	-	11.06.2023

Financial Based on-Management prepared financial statements for 31st December 2019-2022.

Key Snapshot:

BDT. In Million

Particulars	2022	2021
Revenue	108.50	102.06
EBIT	9.84	4.32
Net Profit	9.09	4.02
Total Assets	45.45	45.41
Total Equity	44.53	43.54
Debt	17.00	13.00
Net Profit Margin (%)	8.4	3.9
FFO	10.53	4.52



RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Jayen Matshya Khamar (hereinafter referred as "JMK" 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
- Owned business premises
- Satisfactory banking relationship
- Low levered capital structure
- Positive FFO

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

- Lack of disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- Inventory holding risk
- No insurance coverage
- Low management information system (MIS) and Manual accounting system

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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 JMK will be able to maintain its good fundamentals in the foreseeable future.