

INITIAL CREDIT RATING REPORT J AND C IMPEX LIMITED



Ref. no.: FR/2023/32282

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 3	Stable	04 July 2023	03 July 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 03/07/2023	Bank Loan Rating (blr)
Mercantile Bank Limited	LC	160.00	--	blr ST 3
	LTR	(120.00)	--	
	BG	280.00	220.10	

Key Snapshot:

	BDT. in million	
Particulars	2022	2021
Revenue	76.94	54.68
EBIT	6.50	9.47
Net Profit	4.71	9.47
Total Assets	335.65	375.34
Total Equity	315.51	310.80
Total debt	20.15	64.54
Net Profit Margin (%)	6.1%	17.3%
Current Ratio (X)	16.60	5.79

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

RATING RATIONALE

WCRCL has assigned BBB (Pronounced Triple B) rating for the Long Term and ST 3 (Pronounced Short Term Three) rating for Short Term to J And C Impex Limited (hereinafter referred to as 'JACIL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration. WCRCL also assigned blr ST 3 (Pronounced Bank Loan Rating Short Term Three) for the aggregated short term loan limit.

The above ratings have been assigned based on the fundamentals of the company which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Low levered capital structure

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

- Low disclosure of financial statements
- High Administrative Expense
- Decreasing Trend in Profitability position
- Low management information system (MIS) and Manual accounting system

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The long term rating implies that the entity has Average Credit Quality. The short term rating implies that, the company has average ability to meet short term financial commitments.

WCRCL also viewed the company with Stable outlook and believes that JACIL 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.

