

# 3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT HAZI JABBER ENTERPRISE



Ref. no.: FR/2023/031597

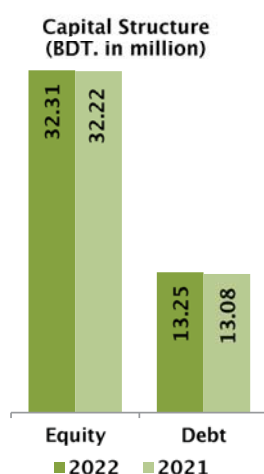
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## Key Snapshot:

BDT. in million

Particulars	2021	2022
Revenue	68.50	82.20
EBIT	3.53	3.93
Net Profit	2.63	3.03
Total Assets	45.30	45.56
Total Equity	32.22	32.31
Debt	13.08	13.25
Net Profit Margin (%)	3.8	3.7
CCC (Days)	256	188
ICR (X)	3.92	4.36



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	15 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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
EXIM Bank Limited	Bai- Muajjal	10.00	10.74	11.06.2023

BDT. in million

**Financial Based on**—management prepared financial statements up to 31<sup>st</sup> December 2022.

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Hazi Jabber Enterprise (hereinafter referred as "HJE" 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
- Owned business premises and storage facility
- Satisfactory banking relationship
- Good business network
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Sales revenue was phase with negative growth
- Inventory holding risk
- 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 HJE will be able to maintain its good fundamentals in the foreseeable future.