

2nd SURVEILLANCE CREDIT RATING REPORT JAGUA KHAN BROTHERS

Ref. no.: FR/2023/32372



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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

Tk. In million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount Dated on 05.06. 2023
Al- Arafah Islami Bank Limited	Composite investment(Bai-Muajjal + BG)	80.85	93.93

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	58.00	50.00
EBIT	2.60	2.97
Net Profit	2.00	2.45
Total Assets	18.60	19.50
Total Equity	12.40	13.20
Debt	6.20	6.30
Net Profit Margin (%)	3.4	4.9
CCC (Days)	36	45
ICR (X)	4.33	5.73

Note: According to Sanction letter, the enterprise has a sister concern namely Jaguar Khan Fisheries Poltry & Dairy Firm, which is enjoying the Bai-Muajjal (Agri) Investment limit of BDT. 5.00 million against outstanding amount at BDT. 6.65 million as on 05.06.2023

Financial Based on- Management prepared financial statements up to 31st December 2022.

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

RATING RATIONALE

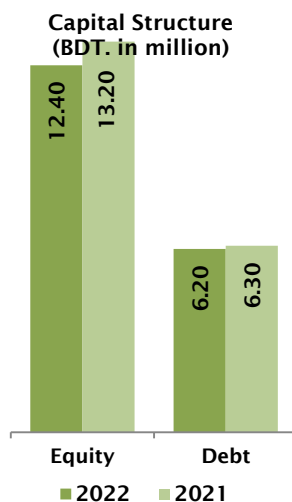
WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Jagua Khan Brothers** (hereinafter referred to as 'JKB' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include of long business experiences of the proprietor, low leverage position in the capital structure, good interest coverage position & Comfortable security arrangement.

However, the above factors are constrained to some extent by low disclosure of financial statement, tight liquidity position, no insurance coverage & manual accounting process.

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



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