

# INITIAL CREDIT RATING REPORT JOARDER ENTERPRISE

Ref. no.: FR/2023/32256



## Report Contents:

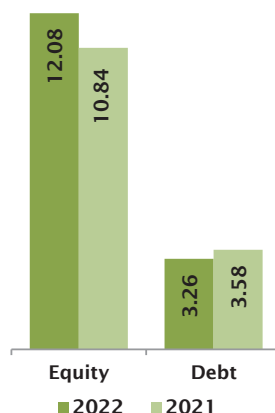
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

## Key Snapshot:

BDT. in million

Particulars	2021	2020
Revenue	134.02	134.02
EBIT	10.35	10.35
Net Profit	10.07	10.07
Total Assets	198.22	198.22
Total Equity	171.22	171.22
Total debt	27.00	27.00
Net Profit Margin (%)	7.5%	7.5%
CCC (Days)	251	251
ICR (X)	66.36	66.36

Capital Structure  
(BDT. in million)



## Analysts:

Sazedul Islam  
sazedul@wasocreditrating.com

Ummay Fatema  
fatema@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	03 July 2024

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

## RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Joarder Enterprise** (hereinafter referred as "JE" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Regular loan repayment history
- Long experience track of the proprietor
- Owned business premises and storage facility
- 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
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise has above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that JE 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.