

SURVEILLANCE CREDIT RATING REPORT JOYNAL KHAN STEEL HOUSE

Ref. no.: FR/2023/32305



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	06 May 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	Limit Amount	Outstanding Amount as on 03.05.2023
Uttara Bank Limited	CC(H)	17.50	17.46

Financial Based on- Management prepared financial statement as on 31 December 2022.

Key Snapshot:

Particulars	2022	2021
Revenue	75.55	65.70
COGS/Sales (%)	6.67	5.55
Operating profit	6.56	5.44
Net Profit	49.84	51.50
Total Assets	37.78	40.43
Total Equity	12.06	11.07
Total Liabilities	8.7%	8.3%
Net Profit Margin (%)	68	74
FFO	6.56	5.53

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 **Joynal Khan Steel House** (hereinafter referred to as 'JKSH' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include long experiences of The Proprietor in this business, owned showroom with one warehouse facility, satisfactory banking relationship, good mortgage security coverage against loan, good business network, good interest coverage position and low levered capital structure. However, the above factors are constrained to some extent by lack disclosure of financial statements, low management information system (MIS) and Manual accounting system, no insurance coverage, no transportation facility and stressed liquidity position.

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

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