

5th SURVEILLANCE CREDIT RATING REPORT CHOWDHURY TRADERS

Ref. no.: FR/4222/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	10 October 2023	29 September 2024

BDT. in million

Bank Name	Mode of Investment	Limit Amount	Outstanding Amount as on 30.09.2023
Al-Arafah Islami Bank Limited	Bai-Muajjal	4.00	4.55
	Bai-Murabaha TR	4.00	4.82
	Baim Stimulus	1.00	0.55

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

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	28.75	26.19
EBIT	2.40	2.26
Net Profit	1.64	1.52
Total Assets	14.67	14.20
Total Equity	5.28	5.00
Debt	9.39	9.21
Net Profit Margin (%)	5.7%	5.8%
CCC (Days)	185	201
ICR (X)	3.20	3.10

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

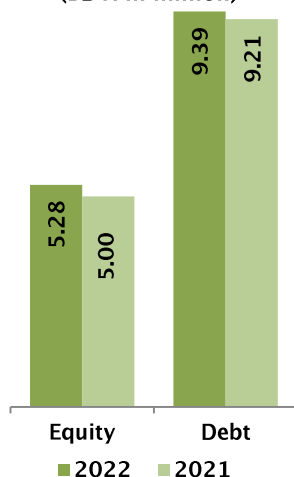
RATING RATIONALE

WCRCL has reaffirmed **WCRSME3** (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to **Chowdhury Traders** (hereinafter referred to as 'CT' 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 experience and active management team, moderated liquidity position, good debt coverage position, good value to loan ratio, have Insurance coverage for the inventory in stock, and good limit utilization. However, the above factors are constrained to some extent by manual accounting system, price volatility of trading products, high leverage position, lack of disclosure in the financial statements, and rating may downgrade if the company fails to improve its banking conduct in future

The SME rating implies that Chowdhury Traders is adjudged to above average credit quality.

Capital Structure
(BDT. in million)



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