

3rd SURVEILLANCE CREDIT RATING REPORT CHOWDHURY TRADERS

Ref. No.: CRAR- 6295/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	10 October 2023	09 October 2024

Tk. In million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount Dated on 09.10.2023
Standard Bank Limited	LC	10.00	1.91
	LTR	7.50	-
	Baim	7.50	7.50

Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	181.25	172.62
EBIT	23.33	24.15
Net Profit	21.75	20.71
Total Assets	169.49	188.60
Total Equity	157.40	155.65
Debt	12.09	32.94
Net Profit Margin (%)	12.0	12.0
CCC (Days)	273	308
ICR (X)	34.58	9.38

Financial Based on- Management prepared financial statements up to 30th June 2022.

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 and 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 assessment.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- 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:

- Low disclosure of financial statements
- Inventory holding risk
- Tight liquidity position with long cash conversion cycle
- Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality.

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

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