

3rd SURVEILLANCE CREDIT RATING REPORT J&H TRADING



Ref. no.: CRAR- 7399/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	07 November 2023	06 November 2024

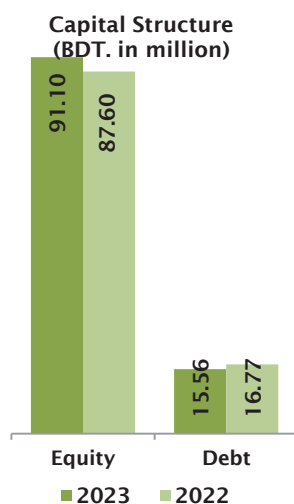
BDT. in million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Bangladesh Commerce Bank Limited	Composite Limit	16.50	11.49	06.11.2023

Financial Based on-Audited financial statements up to 30th June 2023.

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

Key Snapshot:

BDT. in million		
Particulars	FY23	FY22
Revenue	112.13	70.54
EBIT	16.17	9.68
Net Profit	14.30	8.82
Total Assets	106.66	104.38
Total Equity	91.10	87.60
Debt	15.56	16.77
Net Profit Margin (%)	12.8	12.5
CCC (Days)	235	375
ICR (X)	19.13	19.12



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RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **J&H Trading** (hereinafter referred as "JHT" 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
- Good business network
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- 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
- 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 JHT 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.