

3rd SURVEILLANCE CREDIT RATING REPORT JANANEE ENTERPRISE



Ref. no.: FR/2023/34067

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	03 October 2023	02 October 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mercantile Bank PLC	CC(H)	6.00	6.62	02.10.2023
	Term Loan	1.18	1.20	
	Term Loan	1.32	1.37	
	Term Loan	1.10	1.14	

BDT. in million

Key Snapshot:

Particulars	2022	2021
Revenue	15.69	13.64
EBIT	3.04	2.65
Net Profit	2.02	1.76
Total Assets	18.96	16.49
Total Equity	10.87	9.45
Debt	8.10	7.04
Net Profit Margin (%)	12.9	12.9
CCC (Days)	425	455
ICR (X)	2.97	2.97

Financial Based on-Management prepared financial statements up to 31st December 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 **Jananee 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
- 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
- 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 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.

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