

3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT  
JARIN PLASTIC INDUSTRIES



Ref. no.: CRAR- 7587/2023

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| SME Rating | Rating Notch | Outlook | Date of Declaration | Date of Expiration |
|------------|--------------|---------|---------------------|--------------------|
|            | WCRSME3      | Stable  | 31 October 2023     | 30 October 2024    |

| Bank Name       | Mode of Investment | Sanctioned Amount | Outstanding Amount | Date of Outstanding |
|-----------------|--------------------|-------------------|--------------------|---------------------|
| Uttara Bank PLC | CC(H)              | 25.00             | 24.82              | 16.10.2023          |

BDT. in million

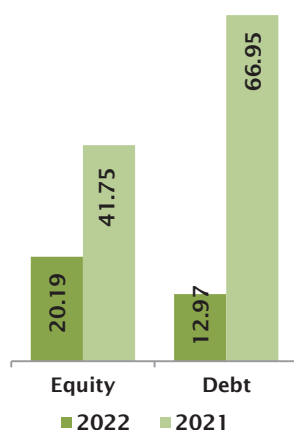
Financial Based on-Management prepared financial statements up to 31<sup>st</sup> December 2022.

Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

Key Snapshot:

| Particulars           | BDT. in million |        |
|-----------------------|-----------------|--------|
|                       | 2022            | 2021   |
| Revenue               | 46.70           | 118.87 |
| EBIT                  | 5.57            | -0.45  |
| Net Profit            | 5.40            | -0.97  |
| Total Assets          | 33.16           | 108.70 |
| Total Equity          | 20.19           | 41.75  |
| Debt                  | 12.97           | 66.95  |
| Net Profit Margin (%) | 11.6            | -0.8   |
| CCC (Days)            | 333             | 168    |
| ICR (X)               | 34.29           | -0.87  |

Capital Structure (BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Jarin Plastic Industries (hereinafter referred as "JPI" 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
- Low levered capital structure
- Good interest coverage position
- Good mortgage security coverage against loan

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
- Manual accounting system

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

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