

3rd SURVEILLANCE CREDIT RATING REPORT
JULEKHA AGRO INDUSTRIES



Ref. no.: CRAR-1367/2023

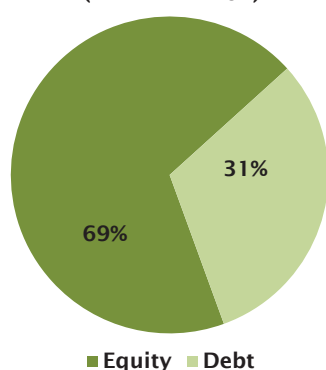
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Key Snapshot:

Particulars	2022
Revenue	320.28
EBIT	28.59
Net Profit	28.49
Total Assets	176.13
Total Equity	121.24
Debt	54.89
Net Profit Margin (%)	8.9
CCC (Days)	94

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	17 October 2023	16 October 2024

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 Enterprise Three) rating under the SME Rating to **Julekha Agro Industries** (hereinafter referred as "JAI" 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:

- Skilled management
- Satisfactory banking relationship
- Owned business premises & storage facility
- Good mortgage security coverage against loan
- Maintained insurance coverage
- Low levered capital structure

However, the above rating has been moderated to some extent due to some factors like:

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and 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 JAI 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.