

2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT  
TAJ FOOD PRODUCT



Ref. no.: FR/2023/34024

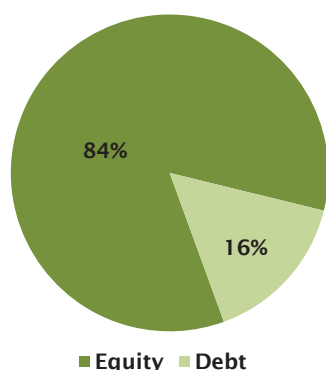
Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

Key Snapshot:

Particulars	2022
Revenue	35.00
EBIT	2.17
Net Profit	1.84
Total Assets	35.25
Total Equity	29.74
Debt	5.50
Net Profit Margin (%)	5.3
CCC (Days)	155
ICR (X)	6.58

Capital Structure  
(BDT. in million)



Analysts:

**Md. Rifat Ahmed**  
rifat@wasocreditrating.com

**Md. Rafiul Bary**  
rafi@wasocreditrating.com

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

*Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://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 Taj Food Product (hereinafter referred as "TFP" 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 & skilled management
- Satisfactory banking relationship
- Owned business premises and storage facilities
- Low levered capital structure
- Good interest coverage position
- Good security coverage against loan

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

- No insurance coverage
- 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 TFP 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.