

2nd SURVEILLANCE CREDIT RATING REPORT TALUKDER ENTERPRISE

Ref. no.: FR/2023/32967



Report Contents:

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

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	25 July 2023	24 July 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 and Medium Enterprise Three) rating under the SME Rating to **Talukder Enterprise** (hereinafter referred as "TE" 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 reaffirmed based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Low levered capital structure
- Satisfactory banking relationship
- 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
- Tight liquidity position considering long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

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

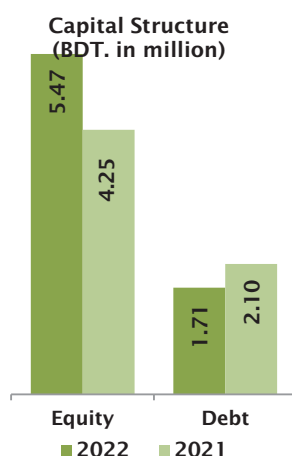
WCRCL also viewed the enterprise with "Stable" outlook and believes that TE will be able to maintain its good fundamentals in the foreseeable future.

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.

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	12.45	9.73
EBIT	1.22	0.91
Net Profit	1.22	0.91
Total Assets	7.18	6.34
Total Equity	5.47	4.25
Total debt	1.71	2.10
Net Profit Margin (%)	9.8	9.3
CCC (Days)	162	167



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