

6th SURVEILLANCE CREDIT RATING REPORT THE JOINT TRADING

Ref. no.: FR/2023/032621



Report Contents:

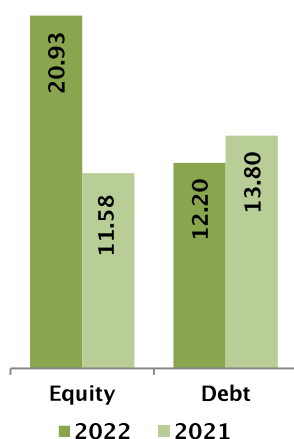
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	139.55	130.00
EBIT	5.32	5.27
Net Profit	3.79	3.80
Total Assets	33.13	25.38
Total Equity	20.93	11.58
Debt	12.20	13.80
Net Profit Margin (%)	2.7%	2.9%
CCC (Days)	21	37
ICR (X)	7.71	8.97

**Capital Structure
(BDT. in million)**



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SME Rating	WCRSME	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 assigned **WCRSME3** (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to **The Joint Trading** (hereinafter referred to as 'TJT' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been reaffirmed based on the fundamentals of the enterprise which include good business network, profitability ratios were in good position, short cash conversion cycle, good interest coverage position, good limit utilization, and have insurance coverage for the inventory in stock. However, the above factors are constrained to some extent by manual accounting process, rented shops with warehouse premises, moderated leverage position in the capital structure, and lack of disclosure in the financial statements.

The SME rating implies that The Joint Trading is adjudged to above average credit quality.

WCRCL also viewed The Joint Trading with "Stable" outlook and believes that the enterprise 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.