

1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT  
TOFAZZAL HARDWARE STORE



Ref. no.: FR/2023/31958

Report Contents:

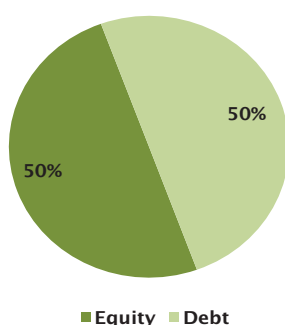
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

Key Snapshot:

BDT. in million

Particulars	2022
Revenue	22.00
EBIT	1.70
Net Profit	1.34
Total Assets	8.68
Total Equity	4.34
Total debt	4.34
Net Profit Margin (%)	6.1
CCC (Days)	71
ICR (X)	14.17

Capital Structure  
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 2024

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

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

**RATING RATIONALE**

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Tofazzal Hardware Store (hereinafter referred as "TH" 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
- Good interest coverage position

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

- Expired trade license
- Loan reschedule history
- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

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