

3rd SURVEILLANCE CREDIT RATING REPORT VANDARY FURNITURE



Ref. no.: FR/2023/33317

Report Contents:

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

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	30 August 2023	30 August 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
National Bank Limited	CC (H)	4.50	-	28.08.2023

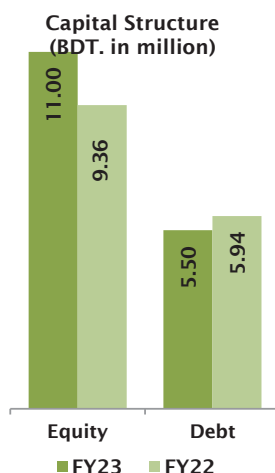
BDT. in million

Financial Based on-Management prepared financial statements up to 30th June 2023.

Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

Particulars	FY23	FY22
Revenue	70.77	127.60
EBIT	2.65	6.10
Net Profit	2.51	5.80
Total Assets	16.50	15.30
Total Equity	11.00	9.36
Debt	5.50	5.94
Net Profit Margin (%)	3.5	4.5
CCC (Days)	64	33
ICR (X)	139.68	24.33



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Vandary Furniture (hereinafter referred as "VF" 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
- Satisfactory banking relationship
- Low levered capital structure
- Good interest coverage position

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

- Lack of disclosure of financial statements
- Tight liquidity position in the capital structure
- Low management information system (MIS)
- No insurance coverage
- Rented Factory Premise

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 VF 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.

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