

2nd SURVEILLANCE CREDIT RATING REPORT ZAHURI ENTERPRISE



Ref. no.: FR/2023/31860

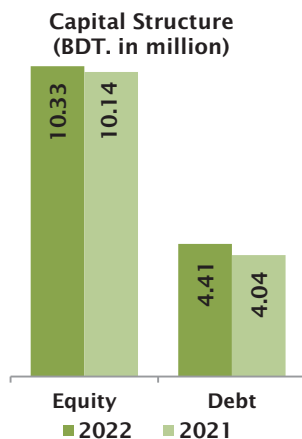
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Key Snapshot:

BDT. in million

| Particulars | 2022 | 2021 |
|-----------------------|-------|-------|
| Revenue | 10.38 | 9.02 |
| EBIT | 2.71 | 2.30 |
| Net Profit | 2.46 | 2.07 |
| Total Assets | 14.74 | 14.17 |
| Total Equity | 10.33 | 10.14 |
| Total debt | 4.41 | 4.04 |
| Net Profit Margin (%) | 23.7% | 23.0% |
| CCC (Days) | 166 | 165 |
| ICR (X) | 11.38 | 10.64 |



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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

BDT. in million

| Bank Name | Mode of Investment | Sanctioned Amount | Outstanding Amount | Date of Outstanding |
|---------------------|--------------------|-------------------|--------------------|---------------------|
| Uttara Bank Limited | CC (H) | 2.00 | 1.83 | 25.05.2023 |

Financial Based on-*unaudited* financial statements up to 31 December 2022.

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

RATING RATIONALE

WCRCL has assigned ‘**WCRSE 3**’ (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Zahuri Enterprise** (hereinafter referred as “**ZE**” 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
- Owned business premises and storage facility
- Satisfactory banking relationship
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- 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 level** of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with “**Stable**” outlook and believes that ZE will be able to maintain its good fundamentals in the foreseeable future.