

2nd SURVEILLANCE CREDIT RATING REPORT ZAMAN TRADING



Ref. no.: FR/2023/31841

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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	3.00	-	11.06.2023

BDT. in million

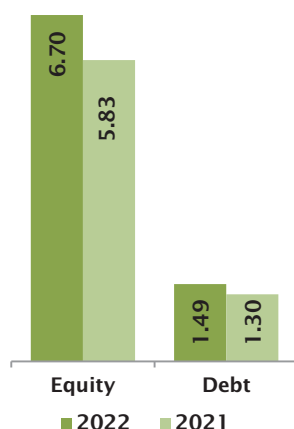
Financial Based on-Management prepared financial statements up to 31st December 2022.

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

Key Snapshot:

Particulars	2022	2021
Revenue	10.66	9.27
EBIT	3.19	2.77
Net Profit	2.83	2.46
Total Assets	8.20	7.13
Total Equity	6.70	5.83
Debt	1.49	1.30
Net Profit Margin (%)	26.5	26.5
CCC (Days)	242	259
ICR (X)	8.80	8.80

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Zaman Trading (hereinafter referred as "ZT" 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 interest coverage position
- Good mortgage security coverage against loan
- Satisfactory banking relationship
- Good business network
- Low levered capital structure

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

- Inventory holding risk
- Tight liquidity position
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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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 ZT 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.