

3rd SURVEILLANCE CREDIT RATING REPORT ZAOWAD TRADING CORPORATION

Ref. no.: FR/2023/31920



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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

Tk. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 08.06.2023
Uttara bank Limited	CC-Hypo	5.00	4.99

Key Snapshot:

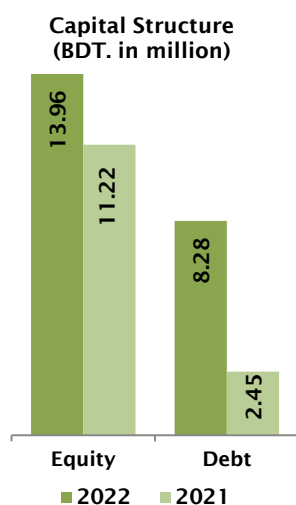
Particulars	2022	2021
Revenue	32.20	14.53
EBIT	9.85	4.77
Net Profit	8.14	4.45
Total Assets	22.24	13.67
Total Equity	13.96	11.22
Debt	8.28	2.45
Net Profit Margin (%)	25.3%	30.7%
CCC (Days)	193	194
ICR (X)	9.32	15.16

Financial Based on- Unaudited financial statements on 31 December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Zaowad Trading Corporation** (hereinafter referred to as 'ZTC' or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.



The above rating has been assigned based on the fundamentals of the enterprise which has positioning of selling point at prime area, long experience of the proprietor in the business, moderate profitability condition, good coverage position, low levered in the capital structure, comfortable security coverage position and owned business premises. However, the above factors are constrained to some extent by lack of disclosure in the financial statements, tight liquidity position, and long cash conversion cycle.

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

Analysts:

Md. Rafiul Bary
rafi@wasocreditrating.com

Md. Al Amin Jewel
Jewel@wasocreditrating.com

WCRCL also viewed the enterprise with "Stable" outlook and believes that ZTC 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