

1st SURVEILLANCE CREDIT RATING REPORT TALUKDER ELECTRONICS



Ref. no: CRAR - 11984/2023

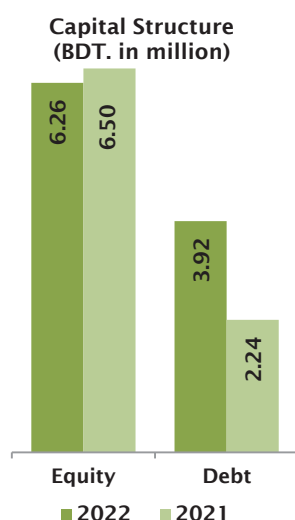
Report Contents:

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

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	25.50	23.80
EBIT	2.22	1.80
Net Profit	1.44	1.10
Total Assets	10.17	8.74
Total Equity	6.26	6.50
Total debt	3.92	2.24
Net Profit Margin (%)	5.6	4.6
CCC (Days)	43	46
ICR (X)	5.11	4.50



Analysts:

Md. Ashraful Islam
ashraful@wasocreditrating.com

Md. Akter Hossain
akter@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	25 October 2023	24 October 2024

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

RATING RATIONALE

WCRCL has assigned 'WCRSME 3' (pronounced as WASO Credit Rating Small and Medium Enterprise **Three**) rating under the SME Rating to **Talukder Electronics** (hereinafter referred as "TE" 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
- Moderate liquidity position with short cash conversion cycle
- Moderate profitability margin
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship

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

- Low disclosure of financial statements
- No insurance coverage
- High Competition in market
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise has above average credit quality.

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