

# 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT ZIAN DIGITAL LIMITED



Ref. no.: FR/2023/032830

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME 3	Stable	08 August 2023	07 August 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
Janata Bank Limited	Project Loan	106.40	147.93	07.08.2023
	CC(H)	10.00	10.20	

## Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	10.41	9.05
EBIT	0.47	0.33
Net Profit	0.23	0.11
Total Assets	148.23	135.57
Total Equity	3.85	3.11
Debt	144.38	132.46
Net Profit Margin (%)	2.2%	1.2%
CCC (Days)	81.29	-256.37
ICR (X)	2.45	1.89

Financial Based on-unaudited financial statements up to FY22.

Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME 3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Zian Digital Limited (hereinafter referred as "ZDL" or "The Company") 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 Company which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Good mortgage security coverage against loan
- Good business network

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

- Tight liquidity position with long cash conversion cycle
- Highly levered capital structure
- Low disclosure of financial statements
- Rescheduling history in loan repayment
- Rating may downgrade in future if banking

The SME rating implies that the Enterprise has Above Average Credit Quality.

WCRCL also viewed the Enterprise with "Stable" outlook and believes that NA 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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