

2nd SURVEILLANCE CREDIT RATING REPORT
CHOWDHURY ENTERPRISE

Ref. no.: CRAR- 6740/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 December 2023	17 December 2024

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

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSME3’ (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Chowdhury Enterprise** (hereinafter referred to as ‘CE’ or ‘The Enterprise’) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good interest coverage position
- Low levered capital structure

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

- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- Manual accounting system

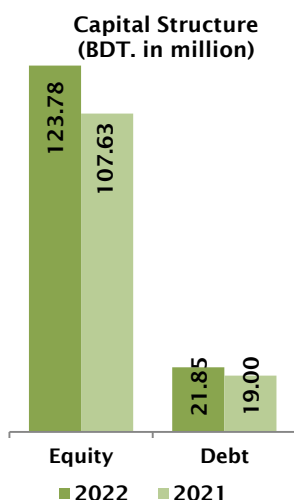
The SME rating implies that the enterprise is adjudged to above **average** credit quality.

WCRCL also viewed the enterprise with “Stable” outlook and believes that CE 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.

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	100.68	87.55
EBIT	23.36	20.31
Net Profit	21.82	18.98
Total Assets	145.57	126.58
Total Equity	123.78	107.63
Debt	21.85	19.00
Net Profit Margin (%)	21.7	21.7
CCC (Days)	97	104
ICR (X)	16.78	16.78



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