

2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT  
EMON ENTERPRISE



Ref. no.: CRAR-11646/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	22 November 2024

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://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 Emon Enterprise (hereinafter referred as “EE” or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

Key Snapshot:

BDT. In million

Particulars	2022	2021
Revenue	13.38	11.64
EBIT	2.52	2.06
Net Profit	2.17	1.74
Total Assets	47.09	4.89
Total Equity	43.39	4.59
Debt	3.70	0.30
Net Profit Margin (%)	16.2	15.0
CCC (Days)	130	129
ICR (X)	7.78	6.99

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

- Experienced and skilled management
- Owned business premises and storage facility
- Good profitability margin
- Low levered capital structure
- Satisfactory banking relationship

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

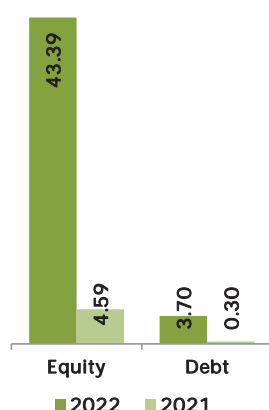
- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- Manual accounting system

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 EE 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.

Capital Structure (BDT. in million)



Analysts:

Mst. Irin Akter  
irin@wasocreditrating.com

Monira Islam  
monira@wasocreditrating.com