

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



Ref. no.: CRAR-11701/2023

Report Contents:

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

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 December 2023	18 December 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 Jannat Enterprise (hereinafter referred as “JE” 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:

- Long business experiences of the proprietor in the business
- Satisfactory banking relationship
- Good business network
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- No disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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

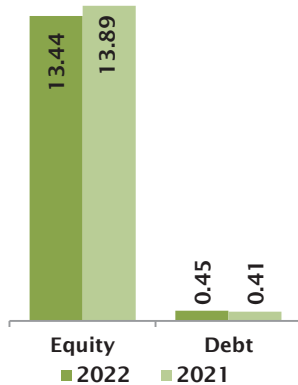
WCRCL also viewed the enterprise with “Stable” outlook and believes that JE will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor’s equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	17.25	15.00
EBIT	3.12	2.71
Net Profit	3.12	2.70
Total Assets	13.88	14.30
Total Equity	13.44	13.89
Debt	0.45	0.41
Net Profit Margin (%)	18.1	18.0
CCC (Days)	110	120

Capital Structure (BDT. in million)



Analysts:

Md. Rifat Ahmed  
rifat@wasocreditrating.com

Md. Sazedul Islam  
sazedul@wasocreditrating.com