ARGUS CREDIT RATING SERVICES LTD.
(ACRSL)

Credit Rating Report

Drutajan & its sister concern, Diamond International

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Authorized Signature:

Name:

Designation:

Date:

CONTACT INFORMATION

For Additional Information Please Contact:

ARGUS Credit Rating Services Limited
6th Floor, SkyView Henolux Centre,
3/1 Purana Paltan,
Dhaka 1000
Bangladesh
Email: info@acrslbd.com

CREDIT RATING SERVICES LTD. Dhaka, Bangladesh

Ref No	: ACRSL39576/25
Company Name	: Drutajan & its sister concern, Diamond International (Drutajan)
Assigned Ticker	: Drutajan
Activity	: To import various types of spare parts & accessories of Bi-Cycle & Rickshaw for Trading.
Incorporated On	: 24 Jun 2014
Head Office	: 179, Bangshal Road, Dhaka, Bangladesh

Rating Type	: SME / Entity
Rating Validity	: 16 Mar 2026
Nature Of Rating	: Second Surveillance
Outlook	: Stable
Analyst(s)	: ACRSL Analyst Team
Committee(s)	: ACRSL Rating Committees

Rating Summary

Credit Rating	Current	Previous
SME	AQSE-3	AQSE-3
Publishing Date	17 Mar 2025	14 Mar 2024

Rating Explanation

Rating	Explanation
AQSE-3	ARGUS Quantitative Small Enterprise-3 is a High rating grade assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned, this rating indicates the obligor, relative to other small enterprises, has strong capacity to meet its financial obligations but may be vulnerable to adverse economic conditions.

Rating Validity: This validity assumes no additional loan over that disclosed in FY24 [Ending December 31] audited/management certified balance sheet and that management has disclosed all material & adverse to financials since FY22.

Khan Md. Abdul Wahab, FCMA
Chief Executive Officer
ARGUS Credit Rating Services Ltd.

1 CORPORATE PROFILE

1.1 Company Description

History: Drutajan & its sister concern was incorporated as a proprietorship business. Mr. Mohammad Atiqul Islam is the proprietor of the business. The entity is engaged in trading of different types of spare parts and accessories.

Financial Base: At the end of FY24, Drutajan & its sister concern's Total Assets stood at BDT 114.94 MN, Equity at BDT 87.92 MN, Revenue at BDT 307.70 MN, and Net Profit After Tax at BDT 14.53 MN.

Bank Liability: According to bankers report Drutajan & its sister concern availed financial facility under Shahjalal Islami Bank Bangladesh PLC. As on 12.03.2025, Drutajan & its sister concern's total limit is 45.00 MN, where as its outstanding is 34.18 MN. Present CIB of this business entity is standard.

Special Note: At the time of publication of this credit rating report by ARGUS Credit Rating Services Limited, unaudited financial statements until FY24 (ending December 31) were available. Projections for FY25 and FY26 were arrived after taking into consideration subsequent events up to the date of reporting, management feedback, and industry insights.

1.2 Ownership Structure

The Proprietor of Drutajan & its sister concern is Mr. Mohammad Atiqul Islam. He has vast experience in related business and is a successful Proprietor. The overall business of the enterprise is managed and looked after by him with the help of efficient staffs.

Table 1 Nature of Ownership/Directors' Shareholding Percentage

Designation	Name	Shares
Proprietor	Mr. Mohammad Atiqul Islam	100.00%

1.3 Operations

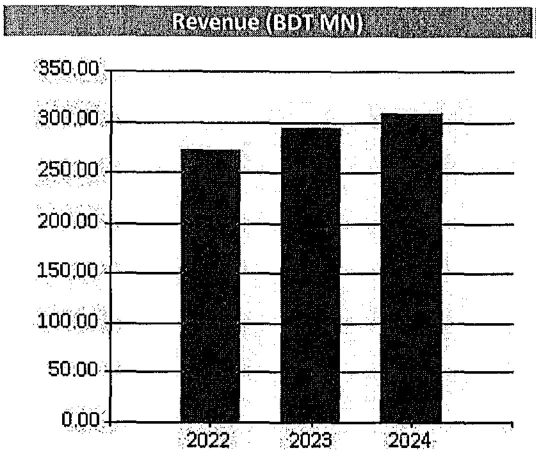
Business Address: 179, Bangshal Road, Dhaka, Bangladesh.

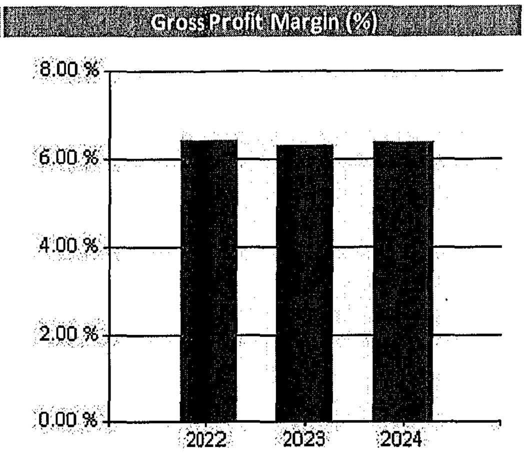
1.4 Products and Services

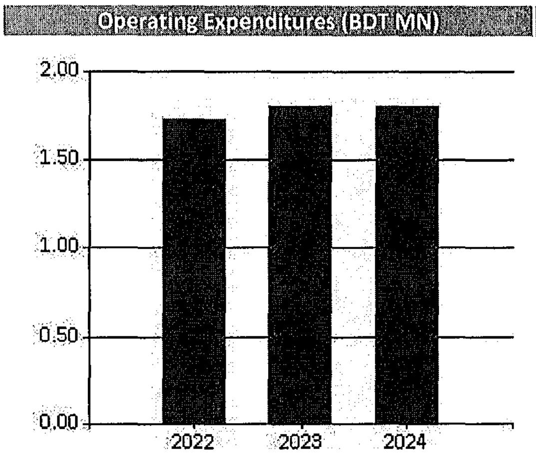
The entity is engaged in trading of different types of spare parts and accessories.

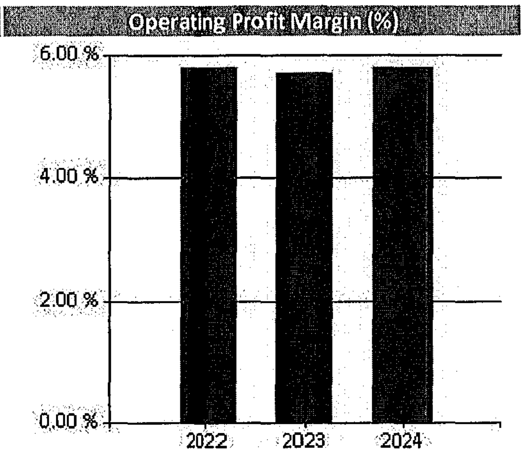
2 CHARTS

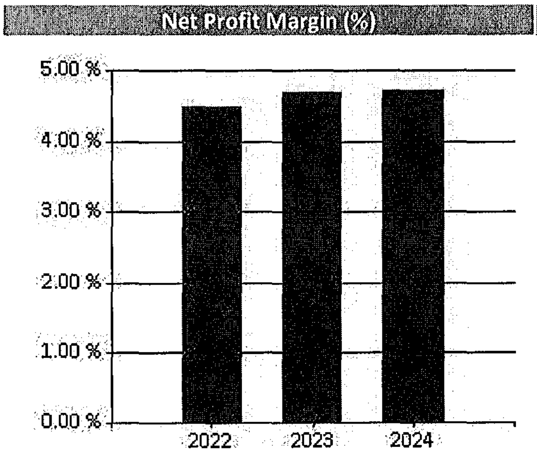
2.1 INCOME STATEMENT CHARTS

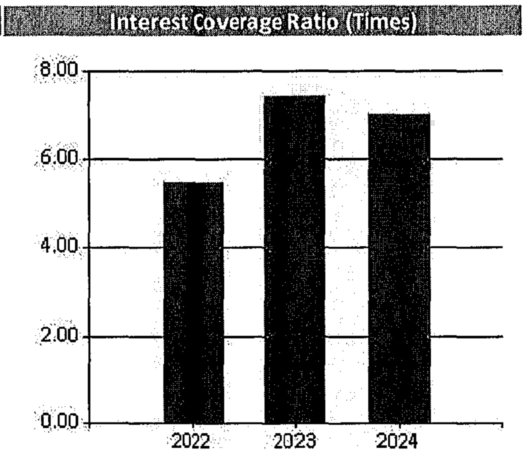




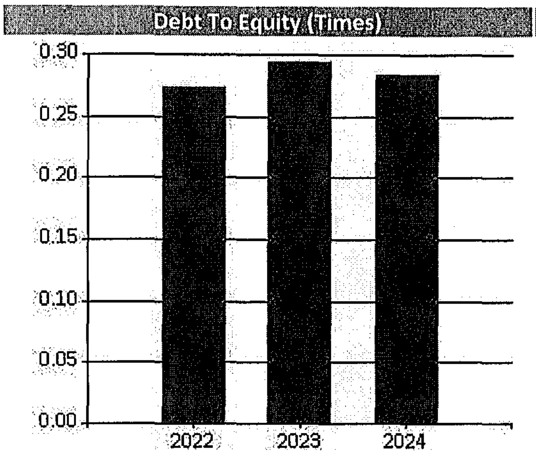


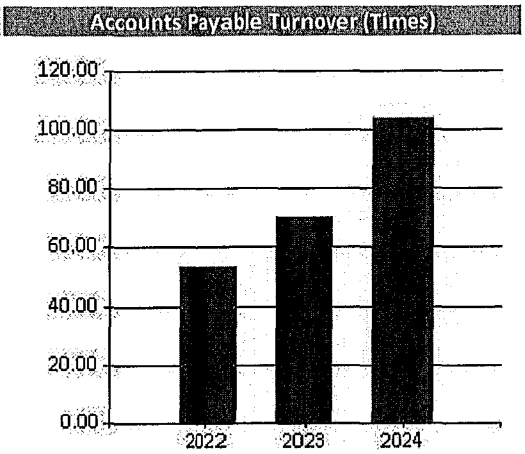


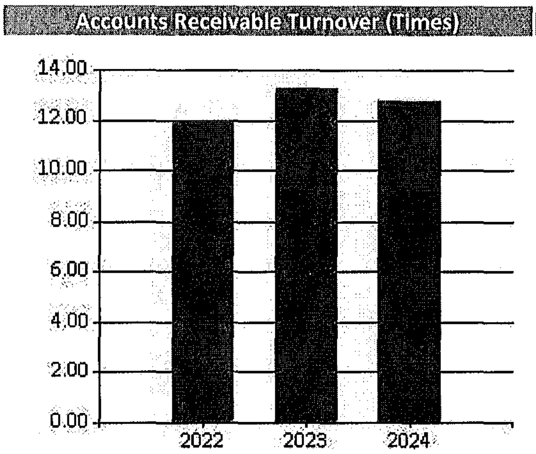


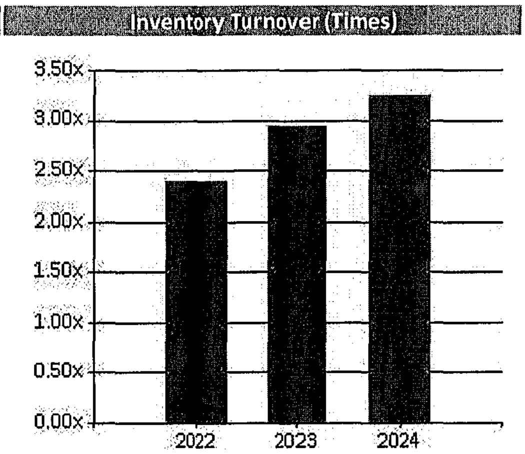


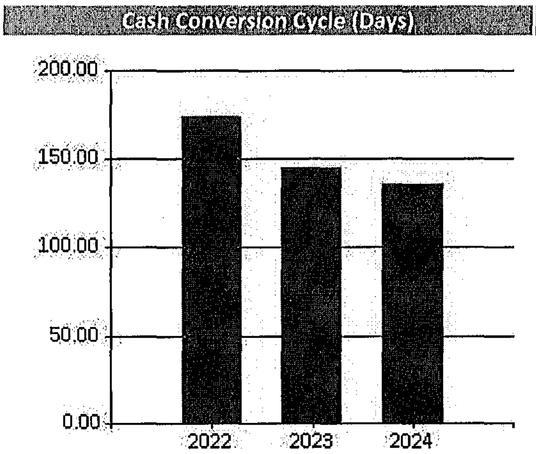
2.2 Balance Sheet Charts

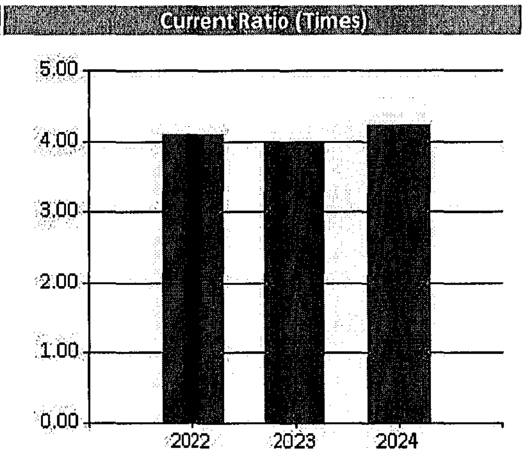






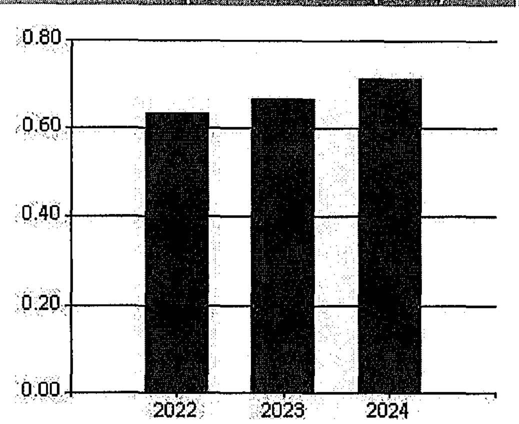




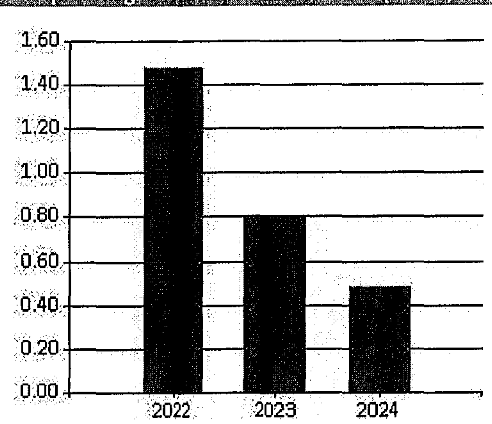


2.3 Cash Flow Adequacy Charts

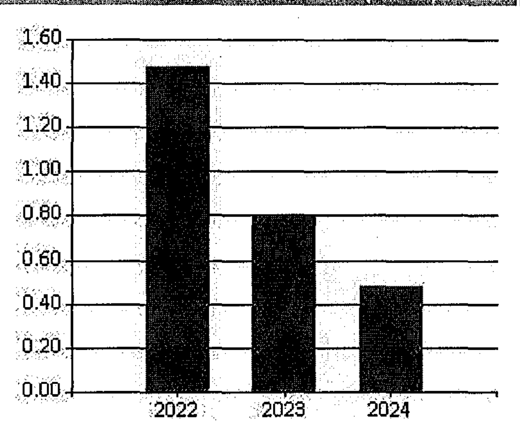
Fund From Operations To Debt (Times)



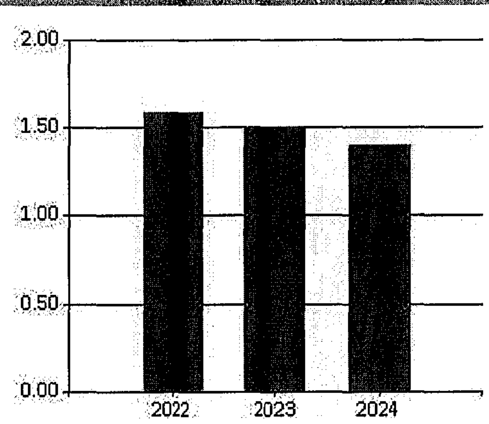
Operating Cash Flow To Total Debt (Times)



Free Cash Flow To Total Debt (Times)



Total Debt To EBITDA (Times)



APPENDIX A: SUMMARY OF FINANCIAL METRICS

Balance Sheet Metrics (BDT in MN)	FY22	FY23	FY24
Cash & Equivalent	0.95	0.75	1.00
Trade Receivable	21.00	23.05	25.05
Inventories	98.09	89.05	88.09
Total Current Assets	120.04	112.85	114.14
Investments	0.00	0.00	0.00
Fixed Assets(At cost less Depreciation)	0.80	0.80	0.80
Total Non-Current Assets	0.80	0.80	0.80
Total Assets	120.84	113.65	114.94
Payable and Accrued Expenses	4.29	3.53	2.02
Other Current Liabilities	0.00	0.00	0.00
Short Term Debt	25.00	25.00	25.00
Total Current Liabilities	29.29	28.53	27.02
Long Term Debt	0.00	0.00	0.00
Other Non-Current Liabilities	0.00	0.00	0.00
Total Non-Current Liabilities	0.00	0.00	0.00
Total Liabilities	29.29	28.53	27.02
Issued, Subscribed & Paid Up Capital	0.00	0.00	87.92
Retained Earnings	91.55	85.13	0.00
Reserves & Surplus	0.00	0.00	0.00
Total Shareholders' Equity	91.55	85.13	87.92
Total Shareholders' Equity & Liabilities	120.84	113.65	114.94
Income Statement Metrics (BDT in MN)	**FY22**	**FY23**	**FY24**
Revenue/Sales/Turnover	272.56	293.05	307.70
Cost of Revenue/ Cost of Goods Sold	255.01	274.55	288.07
Gross Profit (Loss)	17.55	18.50	19.63
Operating Expenses	1.73	1.80	1.80
Operating Profit	15.82	16.70	17.83
Financial Expense/ Interest Expense	2.89	2.25	2.55
Net Profit before WPPF	12.93	14.45	15.28
Other Expense	0.63	0.64	0.65
Net Profit Before Tax	12.30	13.81	14.63
Provision for Tax	0.10	0.10	0.10
Net Profit After Tax	12.20	13.71	14.53
Cash Flow Metrics (BDT in MN)	**FY22**	**FY23**	**FY24**
Net Cash from Operating Activities	36.79	19.94	11.99
Net Cash from Investing Activities	0.00	0.00	0.00
Net Cash from Financing Activities	-36.94	-20.14	-11.74
Increase/(Decrease) in Cash and Cash Equivalents	-0.15	-0.20	0.25
Cash and Cash Equivalents at the Opening	1.10	0.95	0.75
Cash and Cash Equivalents at the Closing	0.95	0.75	1.00

Source: Drutajan's Financial Statements from FY22-FY24

ARGUS CREDIT RATING SERVICES LTD. Dhaka, Bangladesh

APPENDIX B: SUMMARY OF ANALYTICS

Indicators	FY22	FY23	FY24
Revenue Growth	6.88%	7.52%	5.00%
Gross Profit Margin	6.44%	6.31%	6.38%
Operating Profit Margin	5.80%	5.70%	5.80%
Net Profit Margin	4.48%	4.68%	4.72%
Interest Coverage Ratio	5.47x	7.42x	6.99x
ROA	9.30%	11.69%	12.71%
ROE	12.03%	15.52%	16.80%
Debt to Equity Ratio	0.27x	0.29x	0.28x
Accounts Payable Turnover	53.46x	70.26x	103.90x
Accounts Receivable Turnover	11.97x	13.31x	12.79x
Inventory Turnover Ratio	2.39x	2.93x	3.25x
Current Ratio	4.10x	3.96x	4.22x
Cash Conversion Cycle(Days)	174	145	135
Fund from Operations/Total Debt	0.63x	0.67x	0.71x
Operating Cash Flow/Total Debt	1.47x	0.80x	0.48x
Free Cash Flow/Total Debt	1.47x	0.80x	0.48x
Total Debt/EBITDA	1.58x	1.50x	1.40x

ARGUS CREDIT RATING SERVICES LTD.
Dhaka, Bangladesh

APPENDIX C: SME RATING DETAILS

ACRSL SME RATING

Rating	Definition
AQSE-1 (Highest Grade)	ARGUS Quantitative Small Enterprise-1 is the Highest rating assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned this rating indicates the obligor, relative to other small enterprises, has exceptionally strong capacity to meet its financial obligations and it is highly unlikely that this capacity will be impacted adversely by foreseeable events.
AQSE-2 (High Grade)	ARGUS Quantitative Small Enterprise-2 is a Very High rating grade assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned, this rating indicates the obligor, relative to other small enterprises, has very strong capacity to meet its financial obligations and it is unlikely that this capacity will be impacted adversely by foreseeable events.
AQSE-3 (Good Grade)	ARGUS Quantitative Small Enterprise-3 is a High rating grade assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned, this rating indicates the obligor, relative to other small enterprises, has strong capacity to meet its financial obligations but may be vulnerable to adverse economic conditions.
AQSE-4 (Satisfactory Grade)	ARGUS Quantitative Small Enterprise-4 is a Good rating grade assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned, this rating indicates the obligor, relative to other small enterprises, has adequate capacity to meet its financial obligations but this capacity remains more vulnerable to adverse economic conditions.
AQSE-5 (Non-Investment Grade)	ARGUS Quantitative Small Enterprise-5 is a Non-Investment rating grade assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned, this rating indicates the obligor, relative to other small enterprises, has weak capacity and may rely on alternative sources to meet its financial obligations, and is substantially vulnerable to adverse economic conditions that may impair ability to meet such obligations in the future.
AQSE-6 (Highly vulnerable)	ARGUS Quantitative Small Enterprise-6 is a Highly Vulnerable rating grade assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned this rating indicates the obligor is near to default and the degree of certainty regarding timely payment of financial obligations is doubtful unless circumstances improve.
AQSE-7 (Imminent Default)	ARGUS Quantitative Small Enterprise-7 is an Imminent default rating assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned this rating indicates The obligor is either currently in default or expected to be in default with high probability. The obligor with this rating is unlikely to meet maturing financial obligations.
AQSE-8 (Default Grade)	ARGUS Quantitative Small Enterprise-8 is a Default rating assigned to small enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative SE ratings model. When assigned, this rating indicates the obligor already failed to meet its financial obligations and may have entered bankruptcy proceedings.

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