

CREDIT RATING REPORT NEHAL TRADE INTERNATIONAL



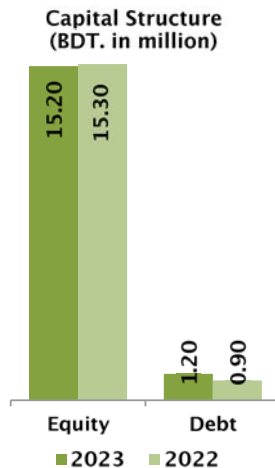
Ref. no.: FR/2022/24596

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Key Snapshot:

BDT. in million		
Particulars	2023 (Proj.)	2022 (Proj.)
Revenue	23.00	20.00
EBIT	1.83	1.67
Net Profit	1.78	1.57
Total Assets	16.40	16.20
Total Equity	15.20	15.30
Total debt	1.20	0.90
Net Profit Margin (%)	7.7%	7.9%
CCC (Days)	216	252
ICR (X)	36.50	16.70



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	19 June 2022	18 June 2023

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

Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Nehal Trade International (hereinafter referred as "NTI" 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:

- Experienced and skilled management
- Sponsors have depth knowledge about their business
- Industrial area may endow with the location advantage
- Good market demand of the product
- Low leverage in the capital structure
- Maintained sound business relation with supplier & buyer

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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage for the inventory in stock
- Documentation on progress
- Risk associated with arranging finance for the project working capital

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that NTI will be able to maintain its good fundamentals in the foreseeable future.