

# CREDIT RATING REPORT NISHAT TRADERS (SURVEILLANCE)

Ref. no.: FR/2022/026223



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	11 October 2022	16 October 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

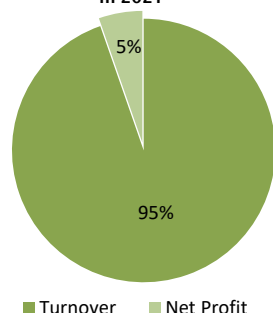
BDT. in million			
Bank Name	Mode of Investment	Limit Amount	Outstanding Amount as 04.10.2022
Islami Bank Bangladesh Limited	Bai-Murabaha TR	3.00	2.04
	Stimulus	0.50	0.56

**Financial Based on-** Management prepared financial statements up to 31 December 2021.

## Key Snapshot:

BDT. in million		
Particulars	2021	2020
Revenue	35.00	31.00
COGS/Sales (%)	91.99	81.68
Operating profit	2.34	5.04
Net Profit	1.98	4.75
Total Assets	12.63	17.00
Total Equity	8.23	15.50
Total Liabilities	4.40	1.50
Net Profit Margin (%)	5.65	15.32
Current Ratio (X)	2.67	7.33
CCC (Days)	106	114
Debt/Equity (X)	0.53	0.10
ICR (X)	8.08	19.38

Yearly Turnover & Net Profit in 2021



**Methodology:** SME Rating Methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has upgraded **WCRSE 3** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Nishat Traders** (hereinafter referred to as 'NT' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include long experience and active management team, sales revenue was in increasing position, moderate levered firm, good debt coverage position, and good value to loan ratio. However, the above factors are constrained to some extent by small scale of business operation, manual accounting system, price volatility of trading products, stressed liquidity position due to pile up inventory in stock, no disclosure in the financial statements, and no Insurance coverage for the inventory in stock.

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

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