

SURVEILLANCE CREDIT RATING REPORT NIPA LUPA AUTO CHAUL KALL



Ref. no.: FR/2022/29346

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	18 December 2022	17 December 2023

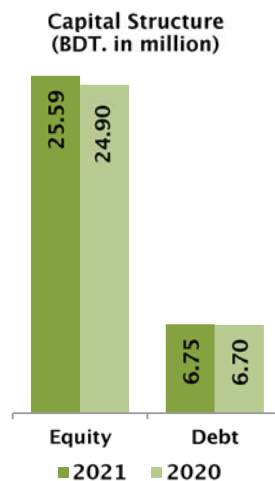
WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	5.00	5.11	29.11.2022
Total		5.00	5.11	

BDT. in million

Key Snapshot:

Particulars	BDT. in million	
	2021	2020
Revenue	31.34	31.03
EBIT	3.67	3.99
Net Profit	3.20	3.15
Total Assets	32.34	31.60
Total Equity	25.59	24.90
Total debt	6.75	6.70
Net Profit Margin (%)	10.2%	10.2%
CCC (Days)	222	213
ICR (X)	8.15	4.86



RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Nipa Lupa Auto Chaul Kall (hereinafter referred as "NLACK" 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
- Owned business premises and storage facility
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good interest coverage position
- 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
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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 NLACK will be able to maintain its good fundamentals in the foreseeable future.

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