

2nd SURVEILLANCE CREDIT RATING REPORT NIRVANA AUTO BRICKS LIMITED

Ref. no.: FR/2023/029146



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	16 January 2023	15 January 2024

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 on 30.12.2022
Southeast Bank Limited	OD	50.00	20.40
	Time Loan	10.00	4.00

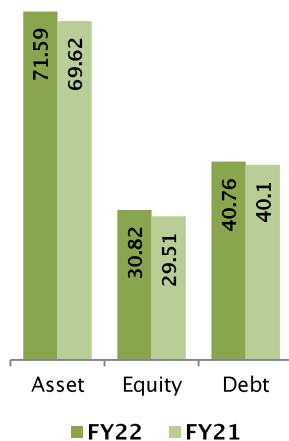
Financial Based on- Management prepared financial statements up to 30 June 2022, 2021.

Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	79.42	82.42
COGS/Sales (%)	75.00	73.00
Operating profit	3.82	7.12
Net Profit	1.31	3.60
Total Assets	71.59	69.62
Total Equity	30.82	29.51
Total Liabilities	40.76	40.10
Net Profit Margin (%)	1.65	4.37
Current Ratio (X)	1.32	1.28
CCC (Days)	226	202
Debt/Equity (X)	1.32	1.36
ICR (X)	1.52	2.02

Capital Structure
(Tk. in million)



RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Nirvana Auto Bricks Limited** (hereinafter referred to as 'NABL' or 'The Company') 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 good market reputation, owned brick field, using zig-zag kiln technology which is environment friendly, and good value to loan ratio. However, the above factors are constrained to some extent by stressed liquidity position due to huge inventory in stock, price volatility of the raw materials, highly levered concern, poor interest coverage position, lack of disclosure in the financial statements, and no insurance coverage for the inventory in stock.

The SME rating implies that Nirvana Auto Bricks Limited is adjudged to above average level of credit worthiness in relation to other small enterprises.

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

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