

# INITIAL CREDIT RATING REPORT

## BARRUN CROP CARE LIMITED

Ref. no.: FR/2023/031054



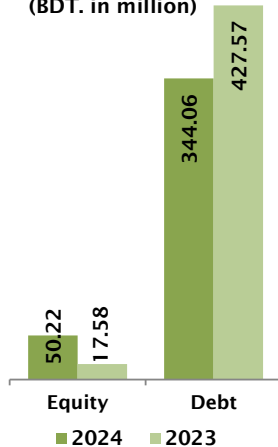
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### Key Snapshot:

Particulars	Tk. in million	
	FY24	FY23
Revenue	507.1	390.1
EBIT	80.49	62.30
Net Profit	32.64	16.83
Total Assets	394.2	445.1
Total Equity	50.22	17.58
Debt	344.0	427.5
Net Profit Margin (%)	6.4	4.3
CCC (Days)	185	259
Debt/Equity (X)	6.85	24.32
ICR (X)	2.38	1.63

Capital Structure  
(BDT. in million)



### Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-4	Stable	07 May 2023	06 May 2024

**Financial:** Based on Audited projected financial statements up to 30 June 2024.

**Methodology:** Corporate rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com).

### RATING RATIONALE

WCRCL has assigned 'BBB2' (pronounced as Triple B Two) rating for the Long Term and 'ST-4' (pronounced as Short Term Three) rating for Short Term to **Barrun Crop Care Limited** (hereinafter referred to as '**BCCL**' 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 company which include experienced and proactive management, good business network, diversified sources of revenue, availability of the supply of the products.

However, the above factors are constrained to operational bottleneck due to projected financial statement, newly business of operation, perishable nature of product, speculative nature of business, high levered in the capital structure, no insurance coverage, high inventory and trade debtors affecting working capital, no cold storage of its own.

The long term rating implies that the company is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the company has the capacity to meet its financial commitment on the obligation; however, it may face uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

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