

4th SURVEILLANCE CREDIT RATING REPORT
BEST ELECTRONICS LIMITED
 Ref. no.: FR/2023/031348



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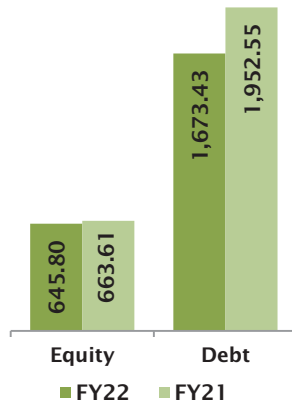
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Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	1,278.1	1,722.8
EBIT	130.18	187.37
Net Profit	-17.81	47.13
Total Assets	2,319.2	2,616.1
Total Equity	645.80	663.61
Debt	1,673.4	1,952.5
Net Profit Margin (%)	-1.4%	2.7%
CCC (Days)	581.46	385.46
ICR (X)	1.01	1.54

Capital Structure
(BDT. in million)



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB1	ST-3	Stable	31 May 2023	30 December 2023

Tk. in Million

Bank/NBFIs	Facilities	Disbursed/Limit Amount	Outstanding Amount	Bank Loan Rating
Islami Bank Bangladesh Limited	Composite Inv. (MPI & M-TR)	888.00	855.9	blr ST-3
BASIC Bank Limited	STL (Case to Case)	187.52	152.00	blr ST-3
Southeast Bank Limited	Bai-Muajjal (Com.) MPI (TR) Stimulus		191.50	blr ST-3
Al-Arafah Islami Bank Limited	MPI (TR)	60.00	55.30	blr ST-3
Uttara Bank Limited	RSTL	100.00	86.70	blr ST-3
Hajj Finance Co. Limited	Bai-Muajjal	50.00	65.20	blr BBB1
First Security Islami Bank Limited	STL	50.00	34.5	blr ST-3
AB Bank Limited	Overdraft		3.21	blr ST-3
	SDB Tr		4.96	
	LC (Sight)	200.00	7.00	
Pubali Bank Limited	MPI-TR	300.00	189.10	blr ST-3
	Baim	50.00	54.50	
	HPSM	223.70	133.40	blr BBB1

Financial Based: Audited Financial Statements up to FY'22.

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

RATING RATIONALE

WCRCL has reaffirmed **BBB1** (Pronounced Triple B One) rating for the Long Term and **ST-3** (Pronounced Short Term-Three) rating for Short Term to **Best Electronics Limited** (hereinafter referred as "BEL" or "The Company") based on its financial and other relevant qualitative and quantitative information up to the date of the rating issuance. WCRCL has also reaffirmed **blr BBB1** (Pronounced Bank Loan Rating Triple B One) rating for the Long Term loan outstanding and **blr ST-3** (Pronounced Bank Loan Rating Short Term-Three) to short term loan limit. The above ratings have been assigned based on experienced management team, maintained sound relation with suppliers, buyer's lenders, having sister concerns, maintained insurance coverage, having 118 own outlets all over the country, comfortable interest coverage position etc. However, the above factors are constrained by poor disclosure in financial statements, foreign exchange risk of the currency, Negative profitability, tight Liquidity position, highly levered company. The long term rating implies that the entity 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 entity has regarded as having some speculative characteristics. The obligor currently 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 **BEL** will be able to maintain its good fundamentals in the foreseeable future.