

1st SURVEILLANCE CREDIT RATING REPORT NAHID ENTERPRISE

Ref. no.: FR/2023/033276



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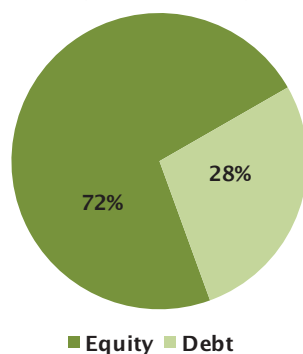
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Key Snapshot:

BDT. in million

Particulars	2023	2022
Revenue	97.93	85.15
EBIT	84.83	13.67
Net Profit	82.59	11.62
Total Assets	92.69	85.90
Total Equity	66.98	62.32
Total debt	25.71	23.58
Net Profit Margin (%)	84.3%	13.6%
CCC (Days)	1,184	231
ICR (X)	42.47	7.53

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	30 August 2023	29 August 2024

WCRSME3 rating is equivalent to Bangladesh Bank SME rating scale of SME3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Financial Based on- Unaudited financial statements up to 30th June 2023.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small & Medium Enterprise **Three**) rating under the SME Rating to **Nahid Enterprise** (hereinafter referred as "NE" 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
- Good business network
- 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
- No insurance coverage
- Low management information system (MIS) and Manual accounting system

Rating may downgrade if the enterprise fails to improve its banking conduct in future.

The SME rating implies that the enterprise is adjudged to **Above average credit quality**.

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

This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.