

2nd SURVEILLANCE CREDIT RATING REPORT NAYON TRADERS



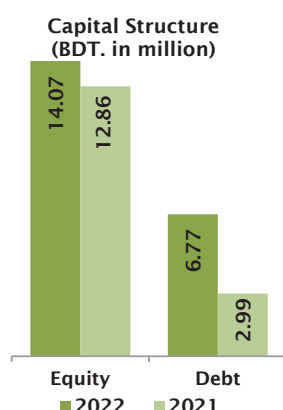
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Key Snapshot:

Particulars	FY22	FY21
Revenue	221.01	199.70
EBIT	7.70	6.62
Net Profit	6.85	6.26
Total Assets	20.84	15.85
Total Equity	14.07	12.86
Debt	6.77	2.99
Net Profit Margin (%)	3.1%	3.1%
CCC (Days)	20.00	22
ICR (X)	9.06	18.36



Analysts:

Juthi Khanum
juthi@wasocreditrating.com

Ummay Fatema
fatema@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 September 2023	11 September 2024

Financial Based on-Unaudited financial statements for 30 June 2022.

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 and Medium Enterprise Three) rating under the SME Rating to Nayon Traders (hereinafter referred as "NT" 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 & skilled management
- Satisfactory banking relationship
- Low levered capital structure
- Good security coverage against loan
- Good interest coverage position
- Good liquidity position with short cash conversion cycle

However, the above rating has been moderated to some extent due to some factors like:

- No insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the Enterprise has above Average Credit Quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that NT 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.