

# INITIAL CREDIT RATING REPORT NEW PROGGA ELECTRIC AND ELECTRONICS



Ref. no.: CRAR-18239/2023

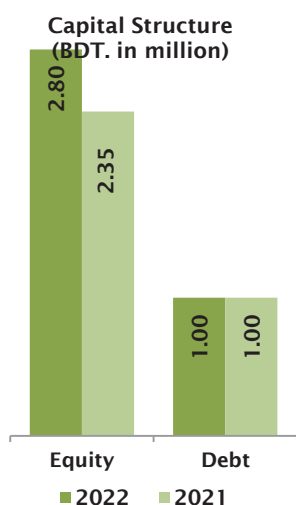
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## Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	12.40	11.30
EBIT	0.77	0.70
Net Profit	0.61	0.55
Total Assets	3.80	3.35
Total Equity	2.80	2.35
Total debt	1.00	1.00
Net Profit Margin (%)	4.9%	4.8%
CCC (Days)	58	57
ICR (X)	4.81	4.67



## Analysts:

**Sazedul Islam**  
sazedul@wasocreditrating.com

**Rifat Ahmed**  
rifat@wasocreditrating.com

SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	31 October 2023	30 October 2024

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

## RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **New Progga Electric and Electronics** (hereinafter referred as "NPEE" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Regular loan repayment history
- 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
- Rented business premises and storage facility
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- No Transport Facility
- No Insurance Coverage

The SME rating implies that the enterprise has above average credit quality.

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