

5th SURVEILLANCE CREDIT RATING REPORT NIRJON HUSKING MILL

Ref. no.: FR/2023/33868



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Management's Profile						
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Financial Analysis	4	Bank	Facility	Limit Amount	Outstanding Amount	Outstanding Date
Banking Position Analysis	5	Janata Bank PLC.	CC (Hypo)	20.00	21.50	29.08.2023
Risk Factors Analysis			Stimulus	20.00	21.52	
Rating Observations	7	Total			40.00	

Key Snapshot:

Tk. in Million

Particulars	2022	2021
Revenue	223.24	209.17
EBIT	10.33	9.49
Net Profit	7.91	7.66
Total Assets	129.73	107.63
Total Equity	92.29	87.37
Debt	37.45	20.26
Net Profit Margin (%)	3.5	3.7
CCC (Days)	98	81
ICR (X)	4.44	5.22

Financial Based on: Unaudited financial statements up to 31st December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSME3** (Pronounced WASO Credit Rating Small and Medium Enterprise Three) rating to **Nirjon Husking Mill** (hereinafter referred to as 'NHM' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Owned business premises and storage facility
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good interest coverage position
- Low levered capital structure

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

- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- Manual accounting system

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

WCRCL also viewed the enterprise with **Stable** outlook and believes that **NHM** 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.

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