

INITIAL CREDIT RATING REPORT NOOR DAIRY AND FOOD PROCESSING

Ref. no.: FR/2023/32444



Report Contents:

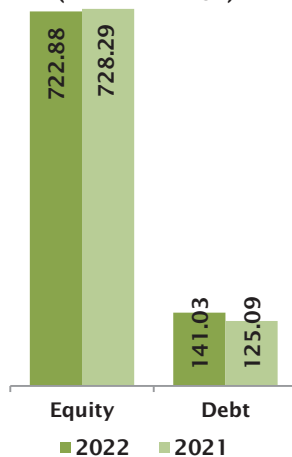
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	1,202.31	2,653.99
EBIT	111.90	287.36
Net Profit	66.63	202.31
Total Assets	863.91	853.37
Total Equity	722.88	728.29
Total debt	141.03	125.09
Net Profit Margin (%)	5.5%	7.6%
CCC (Days)	276	126
ICR (X)	6.70	16.31

Capital Structure
(BDT. in million)



Analysts:

Sazedul Islam
sazedul@wasocreditrating.com

Ummay Fatema
fatema@wasocreditrating.com

SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME2	Stable	04 July 2023	03 July 2024

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

RATING RATIONALE

WCRCL has assigned 'WCRSME2' (pronounced as WASO Credit Rating Small and Medium Enterprise Two) rating under the SME Rating to **Noor Dairy And Food Processing** (hereinafter referred as "NDAFP" 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
- Owned business premises and storage facility
- 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
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise has Very strong credit quality. WCRCL also viewed the enterprise with "Stable" outlook and believes that **NDAFP** 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.