

2nd SURVEILLANCE CREDIT RATING REPORT NORTH BENGAL SEEDS



Ref. no.: FR/2023/33038

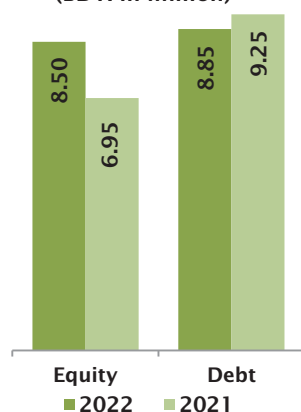
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Key Snapshot:

BDT in Million		
Particulars	2022	2021
Revenue	65.00	50.40
EBIT	2.74	2.13
Net Profit	2.38	1.85
Total Assets	17.35	16.20
Total Equity	8.50	6.95
Debt	8.85	9.25
Net Profit Margin (%)	3.7	3.7
CCC (Days)	80	94
ICR (X)	7.84	7.95

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	07 August 2024

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 Enterprise Three) rating under the SME Rating to North Bengal Seeds (hereinafter referred as "NBS" 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:

- Long experience track of the proprietor
- Good mortgage security coverage against loan
- Good business network
- Regular loan repayment history
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- Good interest coverage position
- Low levered capital structure

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

- Decreasing sales revenue over the year
- Tight liquidity position with long cash conversion cycle
- No disclosure in the financial statements

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 NBS 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.