

7th SURVEILLANCE CREDIT RATING REPORT ORNAB ELECTRONICS

Ref. no.: FR/2023/033970



Report Contents:

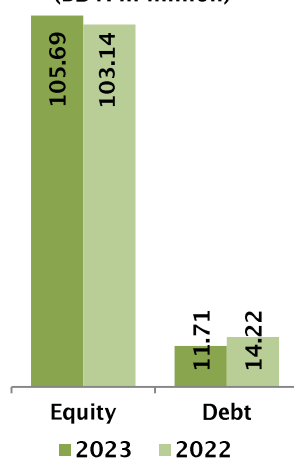
Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship and Security	4
Risk Factor Analysis	4
Rating Observation	5

Key Snapshot:

BDT. in million

Particulars	FY23	FY22
Revenue	74.03	70.17
EBIT	13.79	12.05
Net Profit	11.63	9.94
Total Assets	117.40	117.36
Total Equity	105.69	103.14
Debt	11.71	14.22
Net Profit Margin (%)	15.7%	14.2%
CCC (Days)	239	246
ICR (X)	8.48	7.61

Capital Structure
(BDT. in million)



Analysts:

Maharan Nasrin
maharan@wasocreditrating.com

Md. Rafiul Bary
rafi@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	03 October 2023	02 October 2024

Financial Based on- Audited financial statements up to 30 June 2023.

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 & Medium Enterprise Three) rating under the SME Rating to **Ornab Electronics** (hereinafter referred to as 'OE' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include experienced and skilled management team, good business network, profitability ratios were in increasing position, healthy debt coverage position, and has owned sales center and warehouse facility. However, the above factors are constrained to some extent by manual accounting system, tight working capital requirement due to pile up inventory in stock, lack of disclosure in the financial statements, and no insurance coverage for the inventory in stock.

The SME rating implies that Ornab Electronics is adjudged to above average credit quality.

WCRCL also viewed Ornab Electronics with "Stable" outlook and believes that OE 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.