

3rd SURVEILLANCE CREDIT RATING REPORT NIPA TRADERS



Ref. no.: CRAR- 7926/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	07 November 2023	06 November 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh PLC	Baim	12.00	13.02	02.11.2023

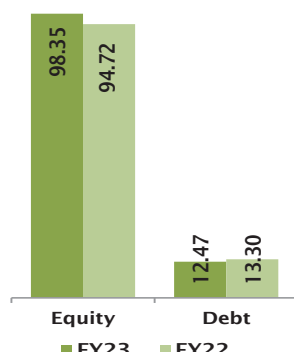
Financial Based on-Audited financial statements up to 30th June 2023.

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

Key Snapshot:

Particulars	BDT. in million	
	FY23	FY22
Revenue	114.66	104.24
EBIT	10.37	8.03
Net Profit	8.75	7.82
Total Assets	110.82	108.02
Total Equity	98.35	94.72
Total debt	12.47	13.30
Net Profit Margin (%)	7.6	7.5
CCC (Days)	237	259
ICR (X)	6.76	61.74

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Nipa Traders (hereinafter referred as "NT" 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
- Good business network
- Low levered capital structure
- Good interest coverage position
- Good mortgage security coverage against loan

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

- Medium disclosure of financial statements
- Inventory holding risk
- Tight liquidity position
- Manual accounting system

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 NT 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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