

2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT  
WESTERN SUPERIOR JUTE INDUSTRIES LIMITED

Ref. no.: FR/2023/033215



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB-	ST 4	Stable	22 August 2023	30 August 2024

Key Snapshot:

*BDT. in million*

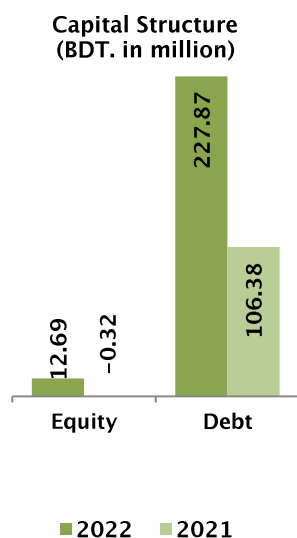
Particulars	FY22	FY21
Revenue	235.90	21.72
EBIT	17.11	1.44
Net Profit	13.01	0.83
Total Assets	240.56	106.06
Total Equity	12.69	-0.32
Debt	227.87	106.38
Net Profit Margin (%)	5.5%	3.8%
CCC (Days)	64	-216
ICR (X)	6.38	5.63

*BDT. In million*

Name of Bank	Mode of Investment	Sanction Amount	Outstanding Amount	Bank Loan Rating
NRBC Bank Limited (30.06.2023)	CC (H)	20.00	20.53	
	LC (Sight)/Deferred/UPAS	300.00	-	
	LTR (Revolving)	100.00	16.80	
UCB Limited (31.07.2023)	LC	400.00	327.41	blr ST 4
	LTR (Inner limit of LC)	100.00	-	
	LC (Spc)	100.00	267.22	
	Time Loan (WC)	100.00	101.07	
	Time Loan (Duty)	50.00	51.71	

*Financial Based on–Audited financial statement as on 30 June 2022.*

*Methodology: Corporate rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)*



**RATING RATIONALE**

WCRCL has reaffirmed **BBB-** (pronounced as Triple B Minus) rating for the Long Term and **ST 4** (pronounced as Short Term Four) rating for Short Term to **Western Superior Jute Industries Limited** (hereinafter referred to as 'WSJIL' or 'the company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration. WCRCL has also assigned **blr ST 4** (pronounced as Bank Loan Rating Short Term Four) rating to the short term loan.

The above ratings have been assigned based on the fundamentals of the company which include; experienced and proactive management, eco-friendly and advanced technology which is complies with Government regulation, strong group support– “Western Group”, availability of the supply of raw materials, and owned factory premises and good infrastructural arrangement. However, the above factors are constrained by average disclosure in the financial statement, vulnerability in raw- materials price in the local and international market may impact profitability, high levered in the capital structure, stressed liquidity position with low quick ratio and long cash conversion cycle, inventory pile up for long period, and no insurance coverage.

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The long term rating implies that the entity is below average credit quality. The short term rating implies that the entity has a below average ability to meet short term financial commitments.

WCRCL also viewed the company with “Stable” outlook and believes that WSJIL 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.