

INITIAL CREDIT RATING REPORT  
BSP INDUSTRIES (BD) PVT LIMITED



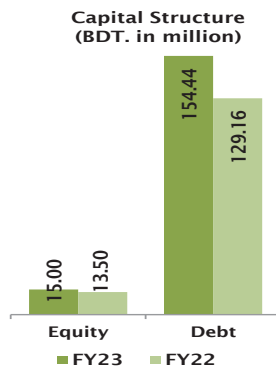
Ref. no: CRAR -18976/2023

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Key Snapshot:

Particulars	FY23	FY22
Revenue	149.94	113.26
EBIT	2.44	6.26
Net Profit	1.50	4.39
Total Assets	169.44	142.66
Total Equity	15.00	13.50
Total debt	154.44	129.16
Net Profit Margin (%)	1.0	3.9
CCC (Days)	160	174
ICR (X)	3.59	6.82



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	31 December 2023	30 December 2024

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

**RATING RATIONALE**

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **BSP Industries (BD) Pvt. Limited** (hereinafter referred as "BIPL" or "The Company") 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 Company which includes:

- Experienced and skilled management
- Good business network
- Comfortable interest coverage position
- Satisfactory banking relationship
- Average disclosure in the financial statements
- Good mortgage security coverage against loan

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

- Tight liquidity position considering long cash conversion cycle
- Low Profitability margin
- Highly levered capital structure
- No insurance coverage for the inventory in stock

The SME rating implies that The Company has **above average credit quality**.

WCRCL also viewed The Company with "Stable" outlook and believes that BIPL 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.