

2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT  
BADOL CONFECTIONARY



Ref. no.: CRAR-12246/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 December 2023	27 December 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (Hypo)	2.00	0.36	13.12.2023

BDT. in million

Financial Based on-Unaudited financial statements up to 31 December 2022.

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

Key Snapshot:

Particulars	BDT. in million	
	2021	2022
Revenue	15.70	18.06
EBIT	1.22	1.44
Net Profit	1.00	1.20
Total Assets	16.70	16.29
Total Equity	14.07	13.43
Total debt	2.63	2.87
Net Profit Margin (%)	6.37	6.6
CCC (Days)	130	105

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Badol Confectionary (hereinafter referred as "BC" 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
- Owned business premises and storage facility
- Satisfactory banking relationship
- Low levered capital structure

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

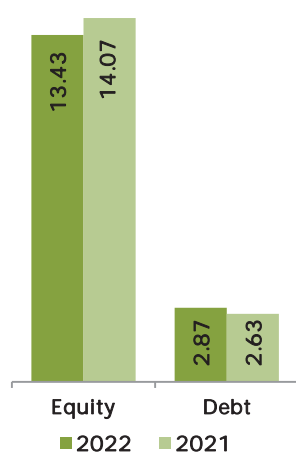
- Tight liquidity position with long cash conversion cycle
- No disclosure of financial statements
- Manual accounting system

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 BC 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.

Capital Structure (BDT. in million)



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