

# SURVEILLANCE CREDIT RATING REPORT BROTHERS HUSKING MILL

Ref. no.: FR/2022/26292



Report Contents:		SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
Particulars	Page		WCRSE 3	Stable	11 October 2022	03 October 2023
Rating Rationale	1	WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD (BIC) 661/14B (P)/2014/2093.				
Business Profile	2					
Proprietor's Profile	2					
Management's Profile	3					
Business Analysis	4					
Financial Analysis	4	Tk. in Million				
Banking Position Analysis	5	Bank	Facility	Limit Amount	Outstanding Amount	Outstanding Date
Risk Factors Analysis	6	Mercantile Bank Limited	CC (Hypo) Stimulus Package	12.00	11.25	03.10.2022
Rating Observations				3.60	3.59	
Key Snapshots:		Total		15.60	14.84	

Tk. in Million		
Particulars	2021	2020
Revenue	71.50	101.00
EBIT	8.12	8.80
Net Profit	7.16	7.79
Total Assets	70.67	67.91
Total Equity	54.66	55.29
Debt	16.02	12.62
Net Profit Margin (%)	10.0%	7.7%
CCC (Days)	210	139
ICR (X)	8.41	8.70

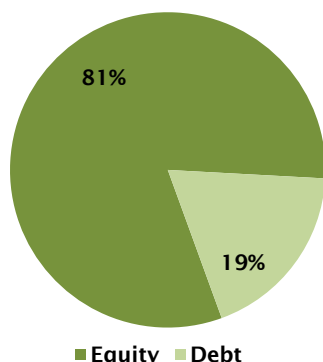
**Financial Based on:** Unaudited financial statements of 2021, 2020, 2019, 2018 and 2017.

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

## RATING RATIONALE

WCRCL has re-affirmed **WCRSE 3** (Pronounced WASO Credit Rating Small Enterprise Three) rating to **Brothers Husking Mill** (hereinafter referred to as 'BHM' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.

**Capital Structure**  
(BDT. in million)



The above rating has been assigned based on experienced Proprietor and key management team, maintained sound relation with suppliers, customers and lenders, low levered concern, getting advantages for perfect selling positioning, collateral security showed strong position and maintained sound relation etc. However, the above factors are constrained to some extent by poor disclosure in unaudited financial statements, having seasonality risk of products, small scales of operation, lack of ready succession and tight liquidity position etc.

The SME rating implies that the enterprise is adjudged **above average level** of credit worthiness in relation to other SEs/MEs.

### Analysts:

**Nazrul Islam**  
[nazrul@wasocreditrating.com](mailto:nazrul@wasocreditrating.com)

**Md. Al Amin Jewel**  
[jewel@wasocreditrating.com](mailto:jewel@wasocreditrating.com)

WCRCL also viewed the Company with **Stable** outlook and believes that **BHM** will be able to maintain its good fundamentals in the foreseeable future.