

SURVEILLANCE CREDIT RATING REPORT

BOGURA MULTI OIL MILLS LIMITED

Ref. no.: FR/2023/030184



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| Entity Rating | Long Term | Short Term | Outlook | Date of Declaration | Date of Expiration |
|---------------|-----------|------------|---------|---------------------|--------------------|
| | BBB2 | ST-3 | Stable | 12 March 2023 | 16 January 2024 |

| Tk. in Million | | | | |
|--|-----------------|--------------|--------------------|------------------|
| Bank | Mode | Limit Amount | Outstanding Amount | Bank Loan Rating |
| Islami Bank Bangladesh Ltd. (17.01.2023) | HPSM | 330.00 | 315.00 | blr BBB2 |
| | Working Capital | 1,100.00 | 650.00 | blr ST-3 |

Financial: Based on Projected financial statements up to 30 June 2022.

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

Key Snapshot:

| Particulars | Tk. in million |
|-----------------------|----------------|
| FY2022 | |
| Revenue | 4,448.40 |
| EBIT | 288.52 |
| Net Profit | 138.76 |
| Total Assets | 1,880.75 |
| Total Equity | 244.74 |
| Debt | 1,636.01 |
| Net Profit Margin (%) | 3.1 |
| CCC (Days) | 77 |
| ICR (X) | 6.68 |

RATING RATIONALE

WCRCL has assigned 'BBB2' (pronounced as Triple B Two) rating for the Long Term and 'ST-3' (pronounced as Short Term Three) rating for Short Term to **Bogura Multi Oil Mills Limited** (hereinafter referred to as '**BMOML**' 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 BBB2" (pronounced as Bank Loan Rating Triple B Two) rating to the long term outstanding and "blr ST-3" (pronounced as Bank Loan Rating Short Term Three) rating to the aggregate short term limit.

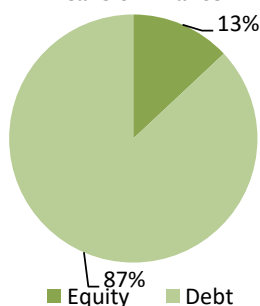
The above ratings have been assigned based on the fundamentals of the company which include positioning of selling point at prime region, experienced and knowledgeable sponsors, wide business network with diversified buyer base, financial flexibility arising from Alal Group, strong brand image "EKATTOR", presence of fire insurance policy, high local and international demand of the products, satisfactory banking relationship, factory set up on their own land.

However, the above factors are constrained to operational bottleneck due to average disclosure in the financial statement, vulnerability in raw- materials price in the local market may impact profitability, high levered in the capital structure, tight liquidity position considering, market saturation or high competition, raw materials collection risk.

The long term rating implies that the company is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the company has an acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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

Means of Finance



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