

# 3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT ADIL BROTHERS

Ref. no.: FR/2023/30748

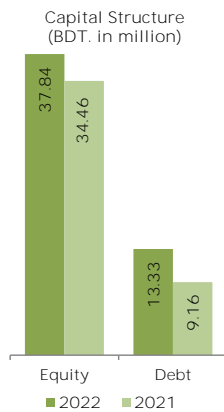


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## Key Snapshot:

BDT. In Million		
Particulars	FY21	FY22
Revenue	49.42	67.73
EBIT	9.11	7.73
Net Profit	6.64	6.87
Total Assets	43.62	51.17
Total Equity	34.46	37.84
Debt	9.16	13.33
Net Profit Margin (%)	13.4	10.2
CCC (Days)	211	152
ICR (X)	4.37	18.13



## Analysts:

Mst. Irin Akter  
[irin@wasocreditrating.com](mailto:irin@wasocreditrating.com)  
Md. Al Amin Jewel  
[jewel@wasocreditrating.com](mailto:jewel@wasocreditrating.com)

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	06 May 2024

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.

BDT. In Million

Bank Name	Loan Facility	Limit Amount	Outstanding Amount	Outstanding Date
Standard Bank Limited	Bai-Muajjal (Gen.)	8.00	1.94	04.05.2023
	L/C	6.00	3.30	
	LTR	4.00	1.22	
Total		18.00	6.46	

Financial Based on: *Management prepared financial statements for 30<sup>th</sup> June FY'22, FY21, FY'20, FY'19 and FY'18.*

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

## RATING RATIONALE

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

The above rating has been assigned based on long experience of the Promoter helps to form stronger relationship with supplier, customer and lender, established business network, low leverage position and good interest coverage position etc. However, the above factors are constrained to some extent by lack of disclosure in the financial statements, small scales of operation and tight liquidity position considering long cash conversion cycle in the business.

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

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