

INITIAL CREDIT RATING REPORT BHAİ BHAİ TEXTİLE



Ref. no.: FR/2022/28854

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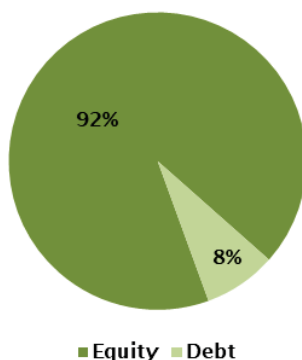
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Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	177.79	169.84
EBIT	48.84	45.43
Net Profit	48.80	45.39
Total Assets	89.77	79.19
Total Equity	82.67	71.52
Total debt	7.10	7.67
Net Profit Margin (%)	27.4%	26.7%
CCC (Days)	62.16	65.79
ICR (X)	1,378	1,345

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	27 December 2022	26 December 2023

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

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Bhai Bhai Textile (hereinafter referred as "BBT" 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
- Satisfactory banking relationship
- Good business network
- Good interest coverage position
- 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
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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

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