

1st SURVEILLANCE CREDIT RATING REPORT BANDHU MURI & CHIRA MILL



Ref. no.: FR/2023/32853

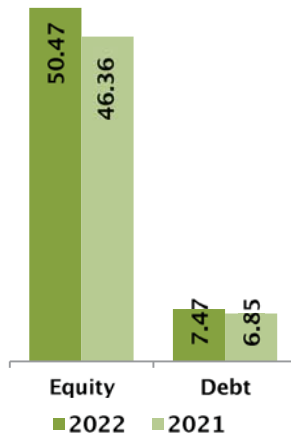
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Key Snapshot:

Particulars	2022	2021
Revenue	112.70	98.00
EBIT	18.89	16.22
Net Profit	18.09	15.49
Total Assets	57.94	53.21
Total Equity	50.47	46.36
Total debt	7.47	6.85
Net Profit Margin (%)	16.1%	15.8%
CCC (Days)	169	176
ICR (X)	24.53	23.17

Capital Structure
(BDT. in million)



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SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	07 August 2024

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	7.00	8.304	17.07.2023

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

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

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSME3’ (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to Bandhu Muri & Chira Mill (hereinafter referred as “BMCM” 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
- Low levered capital structure
- Good interest coverage position
- Good security coverage against loan

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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The rating implies that the enterprise has an above average credit quality.

WCRCL also viewed the enterprise with “Stable” outlook and believes that BMCM 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.