

5th SURVEILLANCE CREDIT RATING REPORT
BHUIYAN HARDWARE



Ref. no.: FR/2023/032374

Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Industry Analysis	2
Business Analysis	3
Financial Position Analysis	4
Credibility and Banking Relationship	5
Risk Factors Analysis	4
Rating Observations	4

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME 3	Stable	04 July 2023	03 July 2024

WCRSME 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093.

Bank Name	Mode of Investments	Sanctioned Amount	Outstanding Amount as on 30.06.2023
Islami Bank Bangladesh Limited	Bai-Murabaha TR	13.00	2.28

Tk. In million

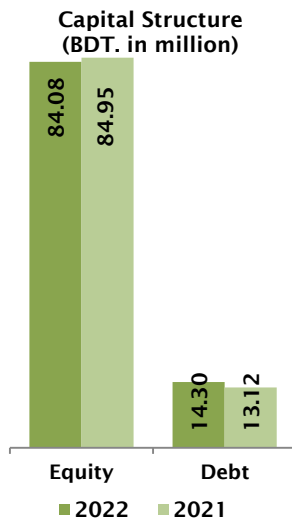
Financial Based on unaudited financial statements up to 2022.

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

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	142.76	124.14
EBIT	8.23	7.02
Net Profit	6.90	5.80
Total Assets	98.37	98.06
Total Equity	84.08	84.95
Debt	14.30	13.12
Net Profit Margin (%)	4.8%	4.7%
CCC (Days)	134	140



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME 3' rating (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Bhuiyan Hardware (hereinafter referred as "BH" 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 have been assigned based on the fundamentals of the enterprise which includes experienced proprietor, owned business premises, low levered capital structure, comfortable security arrangement, good coverage position, insurance coverage. However, the above factors are constrained to some extent by poor disclosures with financial statements to review and analyze the true financial attributes, high cogs/sales ratio, stressed liquidity condition.

The SME rating implies that the Enterprise has Average Credit Quality.

WCRCL also viewed the Enterprise with "Stable" outlook and believes that BH 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.

Analysts:

Ummay Fatema
fatema@wasocreditrating.com

Rafiul Bary
rafi@wasocreditrating.com