

3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT  
BISMILLAH HARDWARE  
Ref. no.: FR/2023/31734



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 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

Tk. in million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding as on 11.06.2023
Uttara Bank PLC	CC (H)	2.00	–

Key Snapshot:

Particulars	Tk. In Million 2022
Revenue	7.76
EBIT	0.90
Net Profit	0.83
Total Assets	7.29
Total Equity	4.98
Debt	2.30
Net Profit Margin (%)	10.8
CCC (Days)	189
ICR (X)	12.91

**Financial Based on-** Management prepared financial statements up to 31<sup>st</sup> December 2022.

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

RATING RATIONALE

WCRCL has upgraded 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Bismillah Hardware** (hereinafter referred to as 'BH' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

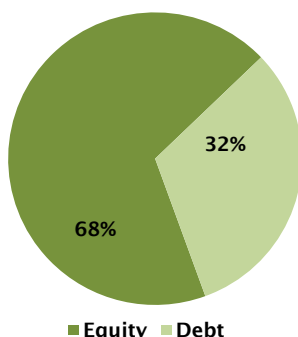
The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Long experience of the proprietor of the business
- Good business network
- Comfortable security arrangement
- Low levered capital structure
- Good interest coverage position

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

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

Capital Structure (BDT. in million)



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

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.