

2nd SURVEILLANCE CREDIT RATING REPORT BISMILLAH TRADERS



Ref. no.: FR/2023/032896

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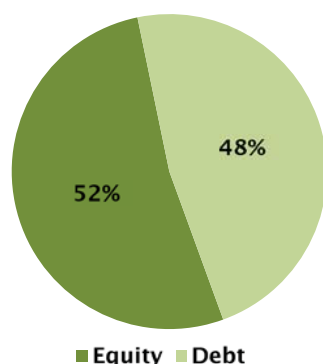
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Key Snapshot:

BDT. In Million

Particulars	2022
Revenue	203.00
EBIT	7.24
Net Profit	5.04
Total Assets	50.53
Total Equity	26.43
Debt	24.10
Net Profit Margin (%)	2.5
CCC (Days)	81
ICR (X)	4.34

Capital Structure
(BDT. in million)



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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Standard Bank Limited	Bai-Muajjal (Gen)	24.00	7.42	30.07.2023
	Term Loan	5.00	-	
	Total	29.00	7.42	

Financial Based on—Management prepared 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 and Medium Enterprise Three) rating under the SME Rating to Bismillah Traders (hereinafter referred as "BT" 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
- Good business network
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- 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
- Tight liquidity position with long cash conversion cycle
- Inventory holding risk
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that BT 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.