

# 1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT BISMILLAH TRADERS



Ref. no.: FR/2023/32716

## Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

## Key Snapshot:

BDT. in million

Particulars	FY23	FY22
Revenue	726.30	512.10
EBIT	31.88	22.97
Net Profit	30.62	22.25
Total Assets	101.15	95.74
Total Equity	88.08	80.52
Total debt	13.07	15.22
Net Profit Margin (%)	4.2	4.3
CCC (Days)	36	45
ICR (X)	63.76	34.64

**Capital Structure**  
(BDT. in million)



## Analysts:

**Md. Akter Hossain**  
akter@wasocreditrating.com

**Md. Rafiul Bary**  
Rafi@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	17 July 2024

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

## RATING RATIONALE

WCRCL has assigned '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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good Profitability margin
- Good liquidity position with long cash conversion cycle
- Low levered capital structure
- Insurance coverage for the inventory in stock
- Comfortable interest coverage position
- Maintained sound business relation with supplier & buyer

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

- Lack of disclosure in the financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise has 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.