

# 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT HABIB AUTO RICE MILL



Ref. no.: FR/2023/033770

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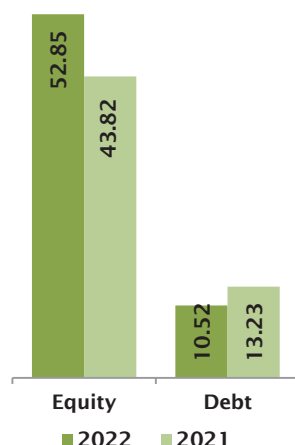
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## Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	58.84	44.21
EBIT	10.71	7.99
Net Profit	9.58	7.36
Total Assets	63.37	57.04
Total Equity	52.85	43.82
Total debt	10.52	13.23
Net Profit Margin (%)	16.3%	16.7%
CCC (Days)	158	190
ICR (X)	9.74	13.31

Capital Structure  
(BDT. in million)



## Analysts:

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 September 2023	18 September 2024

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	20.00	19.26	24.09.2023
	OD	4.00	--	

*Financial Based on-unaudited financial statements up to 2022.*

*Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://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 Habib Auto Rice Mill (hereinafter referred as "HARM" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

- Experienced and skilled management
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position
- Low levered capital structure

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

- Low interest coverage ratio
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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

WCRCL also viewed the enterprise with "Stable" outlook and believes that HARM will be able to maintain its good fundamentals in the foreseeable future.