

# INITIAL CREDIT RATING REPORT ALHAJ MOHIR UDDIN HUSKING MILL



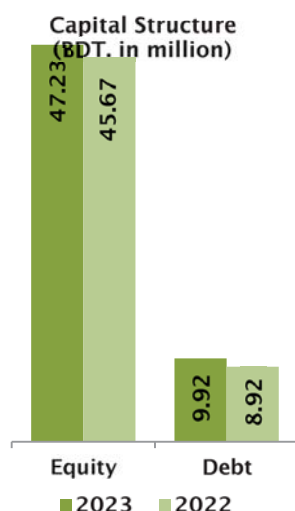
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## Report Contents:

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

## Key Snapshot:

Particulars	BDT. in million	
	2023	2022
Revenue	151.00	133.30
EBIT	7.56	6.76
Net Profit	6.63	5.85
Total Assets	57.15	54.58
Total Equity	47.23	45.67
Total debt	9.92	8.92
Net Profit Margin (%)	4.4%	4.4%
CCC (Days)	106	118
ICR (X)	10.08	9.07



## Analysts:

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME2	Stable	10 October 2023	09 October 2024

*Financial Based on—audited financial statements up to 30 June 2023.*

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

## RATING RATIONALE

WCRCL has assigned '**WCRSME2**' (pronounced as WASO Credit Rating Small & Medium Enterprise Two) rating under the SME Rating to **Alhaj Mohir Uddin Husking Mill** (hereinafter referred as "AMUHM" 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:

- Long business experience of the proprietor in the business
- Good business network
- Low levered capital structure
- Comfortable interest coverage position
- Highly Satisfactory banking relationship
- Good mortgage security coverage against loan
- Owned business premises and storage facility

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

- Average disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

The rating implies that the enterprise has Very strong credit quality.

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