

3rd SURVEILLANCE CREDIT RATING REPORT SHOHAG AUTO RICE MILL

Ref. no.: FR/2023/33303



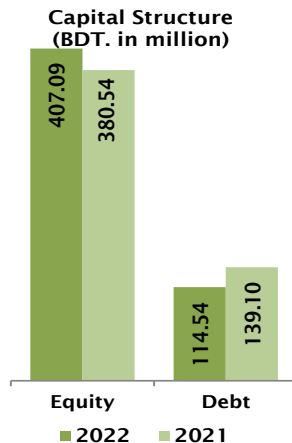
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	952.04	863.27
EBIT	51.16	35.86
Net Profit	27.54	24.99
Total Assets	521.62	519.64
Total Equity	407.09	380.54
Total debt	114.54	139.10
Net Profit Margin (%)	2.9	2.9
CCC (Days)	98	108
ICR (X)	3.43	3.36



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	30 August 2023	05 August 2024

Tk. in Million

Bank Name	Investment Mode	Limit Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh PLC	HPSM	13.78	10.31	06.08.2023
	Bai-Murabaha TR	89.00	96.91	
	Stimulus	15.00	16.34	

Financial Based on- audited 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 to Haque Shohag Auto Rice Mill (hereinafter referred to as 'SARM' 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 long business experience track of the proprietor, own rice mill premise, deals with own branded rice, low levered enterprise, good interest coverage position, good security arrangement and regular loan repayment history.

However, the above factors are constrained to some extent by average disclosure in the financial statements, no insurance policy, tight liquidity position and low management information system (MIS) and manual accounting system.

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

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