

# 3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT

## PATWARY BUSINESS HOUSE (PVT.) LIMITED

Ref. no.: FR/2023/0 33781



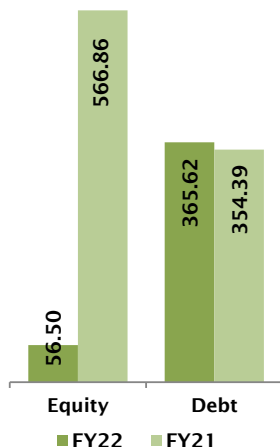
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### Key Snapshot:

Tk. in million		
Particulars	FY22	FY21
Revenue	1,180.0	1,261.0
EBIT	62.88	48.96
Net Profit	22.55	22.04
Total Assets	422.12	921.25
Total Equity	56.50	566.86
Debt	365.62	354.39
Net Profit Margin (%)	1.9%	1.7%
CCC (Days)	138.06	161.99
ICR (X)	2.34	1.82

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



### Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 3	Stable	19 September 2023	13 September 2024

Tk. in Million				
Bank	Mode	Limit Amount	Outstanding Amount	Bank Loan Rating
BRAC Bank Limited (For the unit of Patwary Business House (Pvt) Ltd. 08.08.2023	LC		27.57	blr ST-3
	OD		119.81	
BRAC Bank Limited (For the unit of RBP Woven Industry) 08.08.2023	LTR		31.59	
	BG		0.74	
Jamuna Bank Limited (For the unit of Patwary Business House (Pvt) Ltd. 19.07.2023	L/C	30.00	0.00	blr ST-3
	LTR	(10.00)	0.00	
Sonali Bank Limited (For the unit of PB Birganj Automatic Rice Mill) 22.08.2023	CC (Hypo)	35.00	34.86	blr ST-3
Sonali Bank Limited (For the unit of Ador & Momota Automatic Rice Mill) 22.08.2023	CC (Hypo)	90.00	94.05	blr ST-3
Sonali Bank Limited (For the unit of Ador & Momota Automatic Rice Mill) 22.08.2023	CC (Hypo)	60.00	56.77	blr ST-3
Sonali Bank Limited (For the unit of Patwary Store)		15.00	15.68	blr ST-3
	CC (Hypo)	30.00	26.54	blr ST-3

**Financial:** Based on Unaudited financial statements up to 31 December 2022.

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

### RATING RATIONALE

WCRCL has reaffirmed 'BBB' (pronounced as Triple B) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to **Patwary Business House (Pvt.) Limited** (hereinafter referred to as '**PBHL**' or '**The company**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration. WCRCL has also reaffirmed "blr ST 3" (pronounced as Bank Loan Rating Short Term Three) rating to the aggregate short term limit.

The above ratings have been assigned based on the fundamentals of the company which include positioning of selling point at prime region, good business network, experienced & skilled management, low leverage position in the capital structure, product sold under owned brand, maintained insurance coverage, owned business premises, good banking conduct.

However, the above factors are constrained to operational bottleneck due to average disclosure in the financial statement, stressed liquidity position, marginal interest coverage position, price volatility of trading products, manual accounting system.

The long term rating implies that the entity is subject average credit

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quality. The short term rating implies that average ability to meet short term financial commitments.

WCRCL also viewed the company with “**Stable**” outlook and believes that **PBHL** 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

--- End of Rationale ---