

1st SURVEILLANCE CREDIT RATING REPORT BHAI BHAI CHAUL KALL

Ref. no.: CRAR-2285/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	05 December 2023	04 December 2024

BDT. in million

Bank Name	Mode of Investment	Limit Amount	Outstanding Amount as on 30.11.2023
National Bank Limited	CC (H)	6.00	5.30

Financial Based on- Management prepared financial statements up to 31st December 2022.

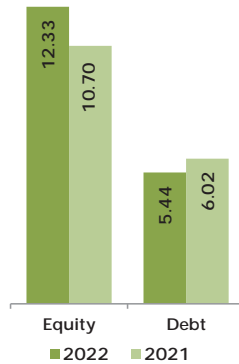
Methodology: SME Rating Methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

BDT. In Million

Particulars	2022	2021
Revenue	34.55	29.50
EBIT	3.32	1.67
Net Profit	3.11	1.20
Total Assets	17.77	16.72
Total Equity	12.33	10.70
Debt	5.44	6.02
Net Profit Margin (%)	9.0	4.1
CCC (Days)	182	200
ICR (X)	16.31	3.59

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has Upgrade WCRSME3 (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Bhai Bhai Chaul Kall (hereinafter referred to as BBCK' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include long experience track of The Proprietor, owned mail with chatal and warehouse facility, strong debt coverage position, low leverage position, satisfactory banking relationship and good mortgage security coverage against loan.

However, the above factors are constrained to some extent by no disclosure in the financial statements, stressed liquidity position due to huge inventory in stock, high competition in the market and manual account system.

The SME rating implies that Bhai Bhai Chaul Kall is adjudged to average credit quality.

WCRCL also viewed Bhai Bhai Chaul Kall with "Stable" outlook and believes that the enterprise 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.

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