



Report Contents:

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

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	05 December 2024

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 & Medium Enterprise **Three**) rating under the SME Rating to **Bismillah Traders** (hereinafter referred as “**BT**” or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

Key Snapshot:

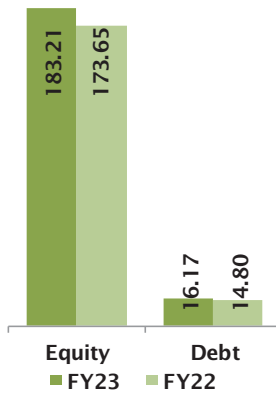
BDT. in million

Particulars	FY23	FY22
Revenue	229.48	199.55
EBIT	49.58	42.48
Net Profit	45.77	38.75
Total Assets	199.38	188.45
Total Equity	183.21	173.65
Total debt	16.17	14.80
Net Profit Margin (%)	19.9%	19.4%
CCC (Days)	251.23	275.14
ICR (X)	55.65	52.45

The above rating has been assigned based on the fundamentals of the enterprise which includes:

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

Capital Structure (BDT. in million)



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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Good disclosure of financial statements
- Manual accounting system

The rating implies that the enterprise has above average credit quality.

WCRCL also viewed the enterprise with “Stable” outlook and believes that BT 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.

Analysts:

Fatema-Tuj-Jahura Jhumu
jhumu@wasocreditrating.com

Nazrul Islam
nazrul@wasocreditrating.com