

# 6<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT FAHIM BRICKS

Ref. no.: CRAR-977/2023



## Report Contents:

Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	4
Credibility and Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	26 December 2023	23 November 2024

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

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

## RATING RATIONALE

WCRCL has reaffirmed **WCRSME3** (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to **Fahim Bricks** (hereinafter referred to as 'FB' 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 good market reputation, using owned land for brick field, low levered firm, good value-to-loan ratio, significant stock reserve, and using zig-zag kiln technology which is environment friendly. However, the above factors are constrained to some extent by manual accounting system, no insurance coverage, price volatility of the raw materials, and lack of disclosures with financial statements.

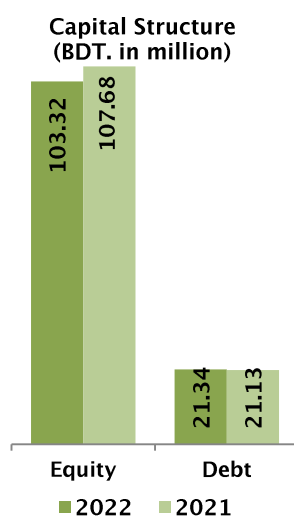
The SME rating implies that Fahim Bricks is adjudged to above average credit quality.

WCRCL also viewed Fahim bricks with "Stable" outlook and believes that FB 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.

## Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	47.53	37.54
EBIT	3.70	3.01
Net Profit	1.90	1.60
Total Assets	124.65	128.81
Total Equity	103.32	107.68
Debt	21.34	21.13
Net Profit Margin (%)	4.0%	4.3%
CCC (Days)	335	441
ICR (X)	2.05	2.14



## Analysts:

**Maharan Nasrin**  
maharan@wasocreditrating.com

**Monira Islam**  
monira@wasocreditrating.com