

CREDIT RATING REPORT THE BUILDERS



Ref. no.: FR/2022/026481

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	06 November 2022	05 December 2023

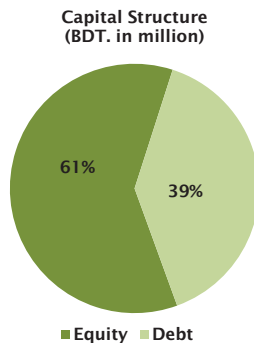
WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

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

RATING RATIONALE

Key Snapshot:

BDT. in million		
Particulars	2021	2020
Revenue	22.94	20.77
EBIT	3.25	3.45
Net Profit	2.88	2.99
Total Assets	12.86	12.86
Total Equity	7.78	7.78
Total debt	5.08	5.08
Net Profit Margin (%)	12.5	14.4
CCC (Days)	196	217
ICR (X)	8.75	7.48



WCRCL has assigned 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to The Builders (hereinafter referred as "TB" 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 the fundamentals of the enterprise which includes:

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

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

- Lack of disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- Inventory holding risk
- No insurance policy
- Low management information system (MIS) and Manual accounting system

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The SME rating implies that the enterprise is adjudged to average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that TB will be able to maintain its good fundamentals in the foreseeable future.