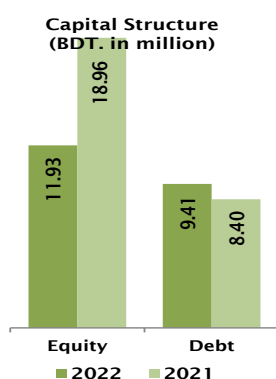


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Key Snapshot:

Tk. In Million		
Particulars	2022	2021
Revenue	72.32	68.88
EBIT	4.80	8.82
Net Profit	4.40	8.46
Total Assets	18.76	25.28
Total Equity	11.93	18.96
Debt	9.41	8.40
Net Profit Margin (%)	6.1	12.3
CCC (Days)	55	21
ICR (X)	11.91	24.49



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	06 May 2024

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Tk. In Million			
Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 06.04.2023
United Commercial Bank Limited	DHRUBO (OD)	7.00	3.18
	OD (COVID-19)	3.50	3.50

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Arshad Motors (hereinafter referred to as 'AM' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include long business experiences of the proprietor, good business network, low leverage position in the capital structure, good interest coverage ratio and good security arrangement. However, the above factors are constrained to some extent by lack of disclosure in the financial statement, manual accounting process, inventory holding risk and tight liquidity position considering long cash conversion cycle.

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

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