

2nd SURVEILLANCE CREDIT RATING REPORT BHAI BHAI TILES CORNER



Ref. no.: FR/2023/029476

Report Contents:

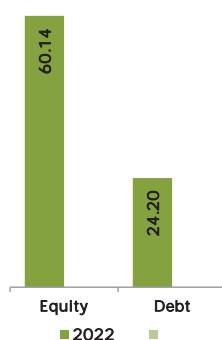
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

Key Snapshot:

BDT. In Million

Particulars	FY22
Revenue	189.00
EBIT	11.54
Net Profit	10.45
Total Assets	84.34
Total Equity	60.14
Debt	24.20
Net Profit Margin (%)	5.5
CCC (Days)	105
ICR (X)	10.60

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	13 February 2023	12 February 2024

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

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
NCC Bank Limited	CC (H)	16.00	15.99	12.02.2023

Financial Based on- unaudited 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 Bhai Bhai Tiles Corner (hereinafter referred as "BBTC" 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
- Good business network
- Satisfactory banking relationship
- 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
- No insurance coverage
- Low management information system (MIS) and Manual accounting system

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 BBTC will be able to maintain its good fundamentals in the foreseeable future.