3rd SURVEILLANCE CREDIT RATING REPORT BORAK TYRE ENTERPRISE

WCRCL

Ref. no.: FR/2023/029915

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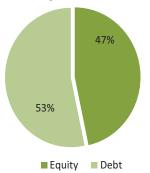
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Key Snapshot:

Tk. In million

	Tk	c. In million
Particulars	2022	2021
Revenue	24.88	24.13
EBIT	3.80	3.24
Net Profit	2.96	2.22
Total Assets	25.40	24.73
Total Equity	11.83	10.82
Total Liabilities	13.57	13.90
Net Profit Margin (%)	11.88	9.18
Current Ratio (X)	1.86	1.74
Debt to Equity (X)	1.15	1.28





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g	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
SME Rating	WCRSE 3	Stable	12 March 2023	16 January 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

Bank Name	Mode of	Limit	Outstanding	Outstanding
	Investment	Amount	Amount	Date
Uttara Bank Limited	CC(Hypo)	8.00	8.57	28.02.2023

Financial Based on- Unaudited financial statements up to 31 December 2022, 2021, and 2020.

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 **Borak Tyre Enterprise** (hereinafter referred to as 'BTE' 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 good market reputation and strong business network, low levered firm, and strong debt coverage position. However, the above factors are constrained to some extent by manual accounting system, lower profit margin, stressed liquidity position with long cash conversion cycle, price volatility of trading products, and poor disclosure of financial statements.

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other SE's / ME's.

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