

CREDIT RATING REPORT I & A TRAVELS LIMITED (6TH SURVEILLANCE)

Ref. no.: FR/2023/031528



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	29 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

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 11.06.2023
Mercantile Bank Limited	SOD (General)	45.00	35.78
	Bank Guarantee	15.00	15.00

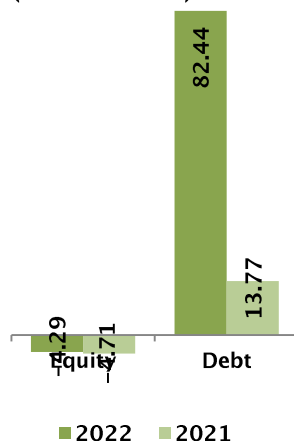
Financial Based on- Management financial statements up to 30 June 2022.

Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Commission Earned @7.00%	14.29	4.87
EBIT	1.66	2.14
Net Profit	0.42	0.38
Total Assets	78.16	9.06
Total Equity	-4.29	-4.71
Total debt	82.44	13.77
Net Profit Margin (%)	2.94	-7.97
Current Ratio (X)	0.95	0.64
ICR (X)	1.53	0.55

Capital Structure (BDT. in million)



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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 **I & A Travels Limited** (hereinafter referred to as 'IAATL' or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been reaffirmed based on the fundamentals of the company which include experienced sponsors in traveling business, upward in business trend, renowned corporate clients base, IATA certified air ticket sales agency, good liquidity position, and healthy position in value to loan ratio. However, the above factors are constrained to some extent by air ticket credit sales to other non certified travel agencies remain receivable for longer period of time, presence of big players in the market, moderate leverage position, and lack of disclosures in the financial statements.

The SME rating implies that I & A Travels Limited is adjudged to above average level of credit worthiness in relation to other SE's / ME's.

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