

8th SURVEILLANCE CREDIT RATING REPORT B.K. MOTORS

Ref. no.: FR/2023/033475



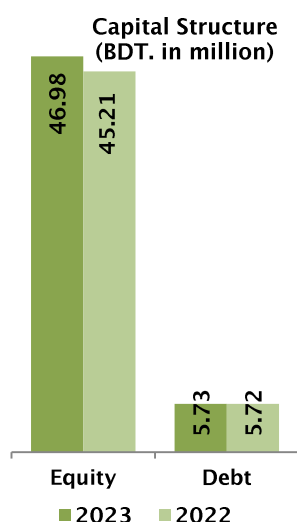
Report Contents:

Particulars	Page
Rating Rationale	1
Enterprise Profile	2
Business Management	2
Analysis of Industry	2
Business Analysis	3
Financial Analysis	3
Banking Relationship & Security	4
Risk Factor Analysis	5
Rating Observations	5

Key Snapshot:

BDT. in million

Particulars	FY23	FY22
Revenue	59.73	59.24
EBIT	3.34	3.30
Net Profit	2.81	2.73
Total Assets	52.71	50.93
Total Equity	46.98	45.21
Debt	5.73	5.72
Net Profit Margin (%)	4.7%	4.6%
CCC (Days)	77	82
ICR (X)	6.35	5.82



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 September 2023	13 September 2024

Financial Based on- Management prepared financial statements up to 30 June 2023.

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSME3** (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to B.K. Motors (hereinafter referred to as 'BKM' 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 experienced and skilled Management, good infrastructural arrangement, moderate liquidity position, low Leverage position in the capital structure, increasing profitability, and the business is in operation for more than 21 years. However, the above factors are constrained to some extent by no disclosure in the financial statements, high inventory pile up may create tight liquidity position, manual accounting system and price volatility of trading products.

The SME rating implies that the enterprise is adjudged to above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that BKM will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.