

2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT  
NEW STAR TILES AGENCY  
Ref. no.: CRAR- 5536/2023



**Report Contents:**

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

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	07 November 2023	19 November 2024

Tk. In million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Uttara Bank PLC	CC(H)	3.00	1.01	31.10.2023

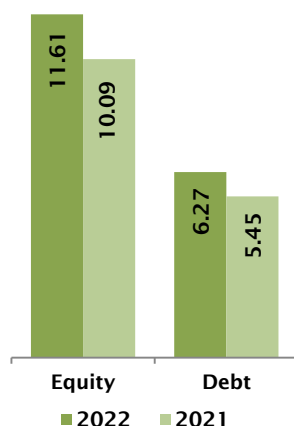
**Financial Based on-** Management prepared financial statements up to 31<sup>st</sup> December 2022.

**Key Snapshot:**

BDT. in million

Particulars	2022	2021
Revenue	20.48	17.81
EBIT	2.19	1.91
Net Profit	1.93	1.68
Total Assets	17.88	15.54
Total Equity	11.61	10.09
Total debt	6.27	5.45
Net Profit Margin (%)	9.4	9.4
CCC (Days)	108	115
ICR (X)	8.25	8.25

**Capital Structure  
(BDT. in million)**



**RATING RATIONALE**

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **New Star Tiles Agency** (hereinafter referred to as 'NSTA' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

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
- Good mortgage security coverage against loan
- Good interest coverage position
- Low levered capital structure

However, the above rating has been moderated to some extent due to some factors like:

- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- Manual accounting system

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 **NSTA** 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.

**Analysts:**

**Shudhan Mallick**  
shudhan@wasocreditrating.com

**Maharan Nasrin**  
maharan@wasocreditrating.com