

3rd SURVEILLANCE CREDIT RATING REPORT
T. R. LACQUER AND HARDWARE
Ref. no.: FR/2023/031601



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	12 June 2023	11 May 2024

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding amount as on 07.06.2023
Uttara Bank Limited	CC (H)	3.50	23.47

Tk. in million

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	6.80	5.50
EBIT	1.35	1.21
Net Profit	1.35	1.21
Total Assets	4.28	3.46
Total Equity	4.03	3.28
Debt	0.25	0.18
Net Profit Margin (%)	19.8	22.0
CCC (Days)	210	407
ICR (X)	675.50	n/a

Financial Based on- Management prepared financial statements as on 31st December, 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise four) rating under the SME Rating to T.R. Lacquer and Hardware (hereinafter referred to as 'TRLH' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

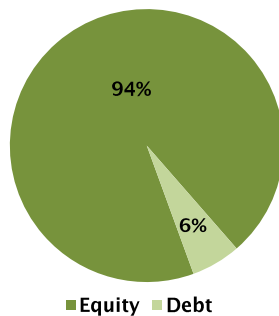
The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Good business network
- Long business experiences of the proprietor
- Satisfactory banking relationship
- Low levered capital structure

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

- Lack of disclosure in the financial statement
- Tight liquidity position considering long cash conversion cycle
- Inventory holding risk
- Small scale in the business
- No insurance coverage

Capital Structure
(BDT. in million)



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The SME rating implies that the enterprise is adjudged to average level of credit worthiness in relation to other small enterprises.

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