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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	07 November 2023	06 November 2024

*Financial Based on—unaudited financial statements up to 31 December 2022.*

*Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)*

**RATING RATIONALE**

WCRCL has assigned ‘WCRSME3’ (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to BTL Construction & Developers Limited (hereinafter referred as “BTLCDL” or “The Company”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

**Key Snapshot:**

*BDT. in million*

Particulars	2022	2021
Revenue	438.53	394.57
EBIT	69.97	68.44
Net Profit	61.92	60.79
Total Assets	185.23	182.87
Total Equity	184.51	182.22
Total debt	0.73	0.65
Net Profit Margin (%)	14.1%	15.4%
CCC (Days)	132	147
ICR (X)	12.49	12.67

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

- Experienced and proactive management
- Low levered capital structure
- Good liquidity position with short cash conversion cycle
- Comfortable interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Poor disclosure of financial statements
- No insurance coverage for the inventory in stock
- Manual accounting system

The rating implies that the company has above average credit quality.

WCRCL also viewed the enterprise with “Stable” outlook and believes that BTLCDL 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.

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