

2nd SURVEILLANCE CREDIT RATING REPORT
BARKAT STORE



Ref. no.: CRAR-10595/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 December 2023	17 December 2024

Bank Name	Mode of Investment	Sanctioned Amount	BDT. in million	
			Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (H)	3.50	1.71	10.12.2023

Financial Based on—management prepared financial statements for 31st December 2022.

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

Key Snapshot:

BDT. In Million

Particulars	2021	2022
Revenue	12.28	11.90
EBIT	1.05	1.39
Net Profit	1.00	0.98
Total Assets	8.43	8.31
Total Equity	4.58	4.03
Debt	3.85	4.28
Net Profit Margin (%)	8.2	8.2
CCC (Days)	239	237
ICR (X)	22.78	3.42

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSME3’ (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Barkat Store (hereinafter referred as “BS” 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 the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Low levered capital structure
- Good interest coverage position

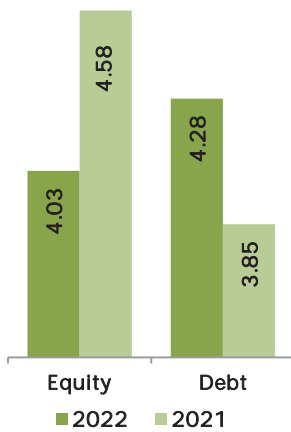
However, the above rating has been moderated to some extent due to some factors like:

- No disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- No insurance coverage
- Highly levered capital structure
- 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 BS 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.

Capital Structure (BDT. In million)



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