

CREDIT RATING REPORT

K. K. ENTERPRISE

Ref. no.: FR/2022/23036



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	10 April 2022	09 April 2023

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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mercantile Bank Limited	SOD (WO)	5.00	4.809	09.04.2022
	BG (BB/PG)	10.00	8.298	

Financial Based on- Audited financial statements up to 31st December 2020.

Key Snapshot:

BDT. in million

Particulars	2020	2019
Revenue	5,639.68	1,073.2
EBIT	404.34	245.14
Net Profit	402.55	244.22
Total Assets	792.74	510.14
Total Equity	774.36	477.24
Total debt	18.38	32.90
Net Profit Margin (%)	7.1	22.8
CCC (Days)	1	-1
ICR (X)	226.20	267.80

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to **K. K. Enterprise** (hereinafter referred to as 'KKE' 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
- Majority bills of the enterprise are made by short period
- Many project already handed over
- Low levered capital structure

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

- Low disclosure of financial statements
- The enterprise has no on-going project
- The enterprise has no updated financial statement
- Low management information system (MIS) and Manual accounting system

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 KKE will be able to maintain its good fundamentals in the foreseeable future.

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Capital Structure
(BDT. in million)

