

3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT

## KAZI ENTERPRISE

Ref. no.: FR/2022/28815



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
WCRSE 3	Stable	27 December 2022	27 December 2023	

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Tk. In million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount Dated on 14.12.2022
National Credit & Commerce Bank Limited	CC(H)	10.00	8.82
	STL	5.00	-

## Key Snapshot:

Tk. in million

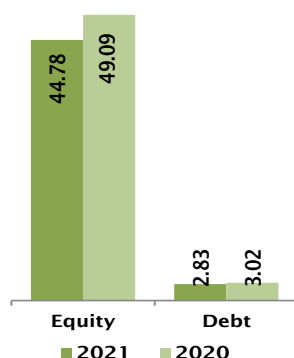
Particulars	2021	2020
Revenue	109.50	102.55
EBIT	6.50	6.15
Net Profit	5.35	5.02
Total Assets	47.60	52.11
Total Equity	44.78	49.09
Debt	2.83	3.02
Net Profit Margin (%)	4.9	4.9
CCC (Days)	145	172
ICR (X)	6.83	5.82

**Financial Based on-** Management prepared financial statements up to 31<sup>st</sup> December 2021.

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

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Kazi Enterprise** (hereinafter referred to as 'KE' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up to the date of the rating assessment.

Capital Structure  
(BDT. in million)

The above ratings have been assigned based on the fundamentals of the enterprise which include of long business experiences of the proprietor, good business network, low leverage position in the capital structure, good interest coverage position, maintain insurance coverage & comfortable security arrangement.

However the above factors are constrained to some extent by lack of disclosure in the financial statement, tight liquidity position with long cash conversion cycle, inventory holding risk & manual accounting process.

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

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

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