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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 2	Stable	07 May 2023	06 May 2024

WCRSE 2 rating is equivalent to Bangladesh Bank SME rating scale of SME 2 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
NCC Bank Limited	SOD (FO) FDR	20.689	9.678	04.05.2023
	BG (One Off)	11.695	11.695	
	L/C			
	(Sight/Foreign/PAD) One Off	105.515	107.642	
Mercantile Bank Limited	SOD (FDR) SE	33.00	29.90	30.04.2023
	BG (Big Bond)	40.00	nil	
Jamuna Bank Limited	SOD (FDR)	81.70	58.44	07.05.2023
Total		292.599	217.355	

Key Snapshot:

Particulars	BDT. in million	
	2022	2021
Revenue	373.56	328.88
EBIT	45.90	38.18
Net Profit	25.39	17.24
Total Assets	748.28	687.71
Total Equity	336.04	310.65
Total debt	412.24	377.06
Net Profit Margin (%)	6.8%	5.2%
Quick Ratio (X)	1.80	1.80
ICR (X)	4.22	2.82

Financial Based on—Audited financial statements up to 30 June 2022.

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 2' (pronounced as WASO Credit Rating Small Enterprise Two) rating under the SME Rating to **K.C.J & Associates Limited** (hereinafter referred as "KCJAL" or "The Company") 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 Company which includes:

- Experienced directors and management team of the company
- Maintained sound relationship with suppliers & Buyer
- Satisfactory banking relationship
- Lien of FDR in the good mortgage security coverage against loan
- Good business network
- Strong interest coverage position
- Satisfactory safety measures

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

- Highly levered in the capital structure
- Medium disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the company is adjudged to **adjudged high level** of credit worthiness in relation to other small companies.

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

Capital Structure
(BDT. in million)

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