

CREDIT RATING REPORT ABUL KASHEM & SONS (6TH SURVEILLANCE)

Ref. no.: FR/2023/031358



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	05 June 2024

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

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Abul Kashem & Sons** (hereinafter referred to as 'AK&S' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include long experience track of The Proprietor, moderate leverage position, good debt coverage position, and good value to loan ratio. However, the above factors are constrained to some extent by manual accounting system, rented business premises, no insurance coverage for the inventory in stock and lack disclosure in the financial statements.

The SME rating implies that Abul Kashem & Sons is adjudged to above average level of credit worthiness in relation to other small enterprises.

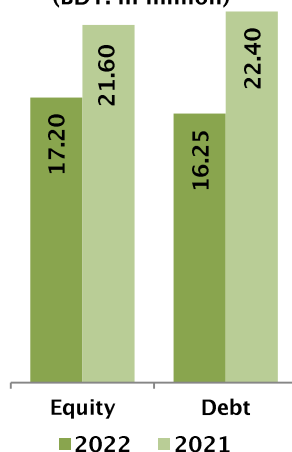
WCRCL also viewed Abul Kashem & Sons with "Stable" outlook and believes that the enterprise will be able to maintain its good fundamentals in the foreseeable future.

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	111.05	161.56
EBIT	7.56	12.53
Net Profit	6.44	11.27
Total Assets	33.45	44.00
Total Equity	17.20	21.60
Debt	16.25	22.40
Net Profit Margin (%)	5.8%	7.0%
CCC (Days)	112	82
ICR (X)	7.00	10.22

Capital Structure
(BDT. in million)



Analysts:

Maharan Nasrin
maharan@wasocreditrating.com

Md. Al Amin Jewel
Jewel@wasocreditrating.com