

2nd SURVEILLANCE CREDIT RATING REPORT B.K TRADERS



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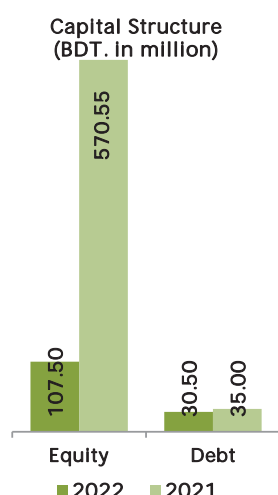
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Key Snapshot:

BDT. In million

Particulars	2020	2022
Revenue	1,350.00	1,673.00
EBIT	89.00	124.50
Net Profit	74.00	103.00
Total Assets	668.30	138.00
Total Equity	547.30	107.50
Debt	121.00	30.50
Net Profit Margin (%)	5.5	6.2
CCC (Days)	14	13
ICR (X)	5.93	9.58



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB3	ST-4	Stable	10 April 2023	07 March 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 09.04.2023	Bank Loan Rating
Mercantile Bank Limited	SOD (Gen)	20.00	19.64	blr ST-4
	L/C (Sight)	450.00	-	
	LTR	(280.00)	-	
Total		470.00	19.64	

Financial Based on- Management prepared financial statement of for 31st December 2020-2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'BBB3' (pronounced Triple B Three) rating for the Long Term and 'ST-4' (pronounced Short Term Four) rating for Short Term B.K Traders (hereinafter referred as "BTK" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has assigned to blr ST-4 (pronounced as Bank Loan Rating Short Term Four) rating to the short term loan limit of BDT. 470.00 million.

The above ratings have been assigned based on experienced and skilled management, good business network, owned business premises and storage facility, good liquidity position in the capital structure, low levered capital structure, good interest coverage position and maintained sound business relation with supplier & buyer. However, the above factors are constrained to some extent by lack of disclosure in the financial statements, no insurance coverage, small scale in the business and low management information system (MIS) and Manual accounting system.

The long term rating implies that the enterprise is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the entity is regarded as having some speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it may face uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

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