

2nd SURVEILLANCE CREDIT RATING REPORT KHAN BAHADUR TRADERS



Ref. no.: FR/2023/32154

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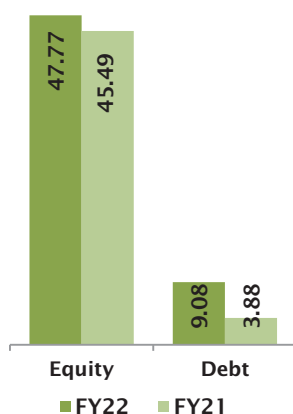
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Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	52.07	46.03
EBIT	10.19	8.58
Net Profit	9.28	7.97
Total Assets	56.85	49.37
Total Equity	47.77	45.49
Debt	9.08	3.88
Net Profit Margin (%)	17.8%	17.3%
CCC (Days)	127	145
ICR (X)	38.93	795.59

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	31 May 2023	30 May 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 **Khan Bahadur Traders** (hereinafter referred as "KBT" or "The Enterprise") 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 enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Good business network
- Good Profitability margin
- Low levered capital structure
- Owned transport facility

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

- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Low management information system (MIS) and Manual accounting system

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