

# CREDIT RATING REPORT KHAZA TRADERS & ITS SISTER CONCERN MODINA TRADERS



Ref. no.: FR/2023/32089

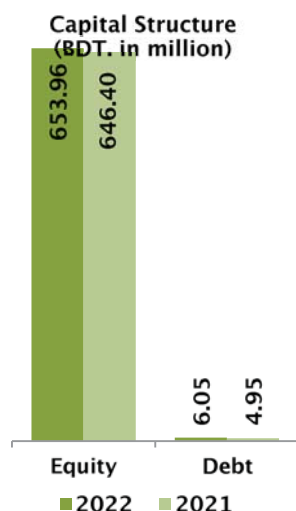
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## Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	826.10	755.90
EBIT	122.27	106.49
Net Profit	119.53	104.05
Total Assets	660.01	651.35
Total Equity	653.96	646.40
Total debt	6.05	4.95
Net Profit Margin (%)	14.5%	13.8%
CCC (Days)	154	166
ICR (X)	144.66	193.98



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	06 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](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Khaza Traders & Its Sister Concern Modina Traders** (hereinafter referred as "KTSCMT" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- 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 KTSCMT will be able to maintain its good fundamentals in the foreseeable future.