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Particulars	Page	SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
Rating Rationale	1		WCRSME3	Stable	04 July 2023	03 July 2024
Business Profile	2					
Proprietor's Profile						
Management's Profile	3	Tk. in Million				
Business Analysis	4	Bank	Facility	Limit Amount	Outstanding Amount	Outstanding Date
Financial Analysis		Uttara Bank Limited	CC (Hypo)	15.00	nil	30.05.2023
Banking Position Analysis	5		L/C	20.00	nil	
Risk Factors Analysis	6		LTR	5.00	nil	
Rating Observations	7		Total	40.00	nil	
Key Snapshot:						

**Key Snapshot:**

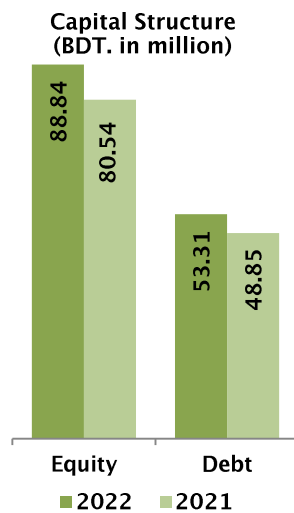
Tk. in Million		
Particulars	2022	2021
Revenue	251.35	218.57
EBIT	25.61	22.00
Net Profit	23.41	20.00
Total Assets	142.15	129.39
Total Equity	88.84	80.54
Debt	53.31	48.85
Net Profit Margin (%)	9.3%	9.2%
CCC (Days)	159	176
ICR (X)	11.64	11.00

*Financial Based on: Un-Audited financial statements for 2022, 2021 and 2020.*

*Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)*

**RATING RATIONALE**

WCRCL has re-affirmed **WCRSME3** (Pronounced WASO Credit Rating Small & Medium Enterprise Three) rating to **H.K. Trading** (hereinafter referred to as 'HKT' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.



The above rating has been assigned based on long experience of the Promoter helps to form stronger relationship with suppliers, customers and lenders, satisfactory coverage position of the concern, comfortable interest coverage position etc. However, the above factors are constrained to some extent by poor disclosure in financial statements, highly levered concern, risk associated with procurement of products, small scales of operation, high competitive intensity of the traded products and liquidity of the firm was in stressed position due to payment nature of the customers.

The rating implies that the enterprise has an above average credit quality.

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WCRCL also viewed the enterprise with **Stable** outlook and believes that **HKT** will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.