

# 6<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT KAMAL HARDWARE & PAINT SUPPLY

Ref. no.: FR/2023/033090



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	18 July 2024

WCRSME3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Social Islami Bank Limited	Biam (SME)	4.00	4.22	31.07.2023

Tk. In million

## Key Snapshot:

Tk. In Million

Particulars	2022	2021
Revenue	29.65	28.55
EBIT	3.91	3.51
Net Profit	3.01	2.71
Total Assets	20.50	19.20
Total Equity	14.77	13.77
Total Liabilities	5.73	5.43
Net Profit Margin (%)	10.13	9.49
Current Ratio (X)	1.88	1.75
Quick Ratio	0.58	0.55
CCC (days)	103	107
Debt to Equity (X)	0.39	0.39

**Financial Based on-** Unaudited financial statement up to 31 December 2022, 2021, 2020.

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

## RATING RATIONALE

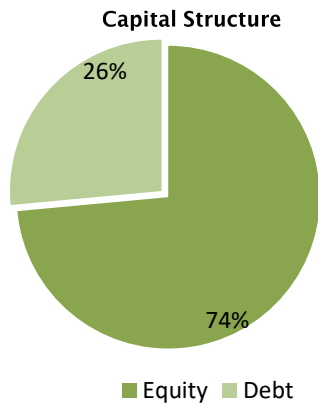
WCRCL has reaffirmed 'WCRSME 3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Kamal Hardware & Paint Supply** (hereinafter referred to as 'KHPS' or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above rating has been assigned based on the fundamentals of the Enterprise which has long business experience of the proprietor, good business network, low leverage position in the capital structure increasing business trend and good interest coverage position. However, the above factors are constrained to some extent by no disclosure in the financial statements, manual accounting system, tight liquidity position, rented showroom and long cash conversion cycle.

The SME rating implies that the Enterprise is adjudged to the above average credit quality.

WCRCL also viewed the Enterprise with "Stable" outlook and believes that **KHPS** 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.



## Analysts:

**Monira Islam**  
[monira@wasocreditrating.com](mailto:monira@wasocreditrating.com)

**Maharan Nasrin**  
[maharan@wasocreditrating.com](mailto:maharan@wasocreditrating.com)