

2nd SURVEILLANCE CREDIT RATING REPORT KAWSAR TRADERS



Ref. no.: FR/2023/032465

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	2.00	0.55	08.06.2023

BDT. in million

Financial Based on-unaudited financial statements up to 2022.

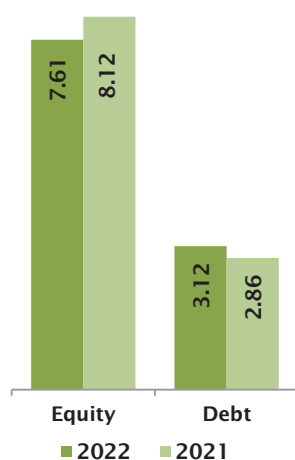
Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	10.66	9.27
EBIT	1.77	1.52
Net Profit	1.65	1.52
Total Assets	10.74	10.98
Total Equity	7.61	8.12
Debt	3.12	2.86
Net Profit Margin (%)	15.5%	16.4%
CCC (Days)	100	139

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise **Three**) rating under the SME Rating to **Kawsar Traders** (hereinafter referred as "KT" 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
- Good business network
- Good profitability margin
- Low levered capital structure
- Satisfactory banking relationship

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

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