

# 7<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT KHALEK ENTERPRISE



Ref. no.: FR/2023/032071

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME 3	Stable	04 July 2023	03 July 2024

WCRSME 3 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
	HPSM	6.00	1.8411	
Islami Bank Limited	Composite Investment	80.00	32.29	22.05.2023
	Stimulus	5.00	5.28	

Tk. in Million

## Key Snapshot:

Tk. in million

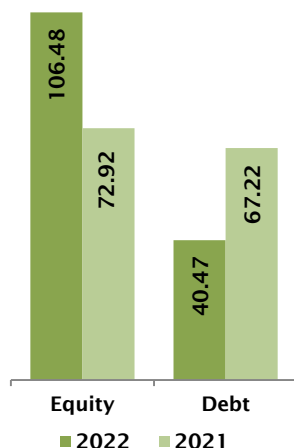
Particulars	2022	2021
Revenue	186.22	168.53
EBIT	19.08	14.55
Net Profit	11.02	8.80
Total Assets	146.94	140.14
Total Equity	106.48	72.92
Debt	40.47	67.22
Net Profit Margin (%)	5.9%	5.2%
CCC (Days)	170	155

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

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME 3' rating (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Khalek Enterprise (hereinafter referred as "KE" or "The enterprise") based on its financial and other relevant qualitative and quantitative information up to the date of the rating issuance.

Capital Structure  
(BDT. in million)



The above rating have been assigned based on the fundamentals of the enterprise which includes long successful business history, good interest coverage position, comfortable security coverage ratio, positive fund flow from operation. However, the above factors are constrained to some extent by poor disclosure of financial statements to review and analyze the true financial attributes, tight liquidity position and long cash conversion cycle.

The SME rating implies that the Enterprise has Average Credit Quality.

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

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