

5th SURVEILLANCE CREDIT RATING REPORT KHANDOKER GARMENTS

Ref. no.: FR/2023/31337



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	29 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

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh Limited	Bai-Murabaha TR	5.00	4.91	04.05.2023

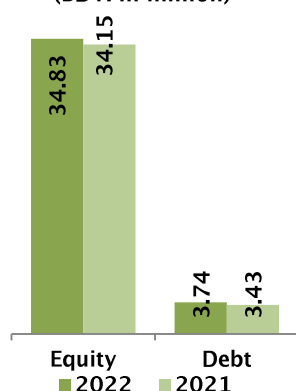
Tk. in million

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	30.13	26.20
EBIT	3.97	3.32
Net Profit	3.61	3.00
Total Assets	38.58	37.58
Total Equity	34.83	34.15
Total debt	3.74	3.43
Net Profit Margin (%)	12.0	11.4
CCC (Days)	210	124
ICR (X)	12.09	11.15

Capital Structure
(BDT. in million)



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Financial Based on- unaudited financial statements for 31st December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Khandoker Garments** (hereinafter referred to as 'KG' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include good business network, long business experiences of the proprietor, low leverage position in the capital structure, good interest coverage position, and comfortable security arrangement, good banking conduct, maintained insurance coverage.

However, the above factors are constrained to some extent by market saturation or high competition, tight liquidity position, small scale in the business and Proprietorship concern has no legal entity, price volatility of trading products.

The SME rating implies that the Khandoker Garments is adjudged to **above average level** of credit worthiness in relation to other small enterprises.

WCRCL also viewed the Khandoker garments with "Stable" outlook and believes that KG will be able to maintain its good fundamentals in the foreseeable future.