

# 1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT R.K. TRADERS



Ref. no.: CRAR-7027/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	31 October 2023	30 October 2024

BDT. In Million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (Hypo.)	3.00	2.20	29.10.2023

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

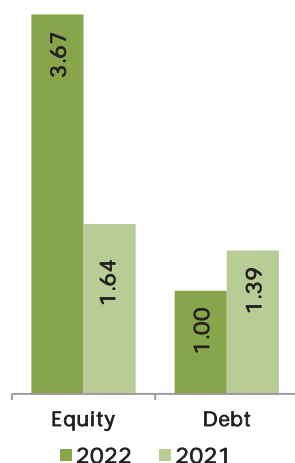
*Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)*

## Key Snapshot:

BDT. In Million

Particulars	2022	2021
Revenue	3.90	3.30
EBIT	1.84	1.65
Net Profit	1.83	1.64
Total Assets	4.67	3.03
Total Equity	3.67	1.64
Debt	1.00	1.39
Net Profit Margin (%)	46.9	49.8
CCC (Days)	289	246
FFO	1.83	1.18

Capital Structure  
(BDT. in million)



## RATING RATIONALE

WCRCL has upgrade 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to R.K. Traders (hereinafter referred as "RKT" 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:

- Long business experiences of the proprietor in the business
- Good business network
- Overall good profitability ratios
- Low levered enterprise
- Good security arrangement
- Regular loan repayment history

However, the above rating has been moderated to some extent due to some factors like:

- Low disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- Manual accounting system

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

WCRCL also viewed the enterprise with "Stable" outlook and believes that RKT 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:

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