

# 4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT KAISER TRADE INTERNATIONAL

Ref. no.: CRAR-4412/2023



## Report Content:

Particulars	Page
Rating Rationale	1
Business Profile	2
Management	2
Business Analysis	2
Financial Analysis	3
Banking Position	4
Risk Factors Analysis	4
Rating Observations	5

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	05 November 2024

Bank	Mode of Investment	Limit Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh PLC	LC/Bills/MPI	30.00	2.49	30.10.2023

BDT. In Million

## Key Snapshot:

BDT. In Million

Particulars	FY23	FY22
Revenue	2,339.26	212.66
EBIT	31.92	29.14
Net Profit	28.84	26.22
Total Assets	130.72	125.44
Total Equity	120.70	115.57
Debt	10.02	9.86
Net Profit Margin (%)	1.2	12.3
CCC (Days)	14	165
ICR (X)	19.64	18.98

Financial Statements: *Financial Based on audited financial statements up to 30<sup>th</sup> June 2023.*

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

## RATING RATIONALE

WCRCL has reaffirmed WCRSME3 rating (Pronounced WASO Credit Rating Small and Medium Enterprise Three) to Kaiser Trade International (hereinafter referred to as 'KTI' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

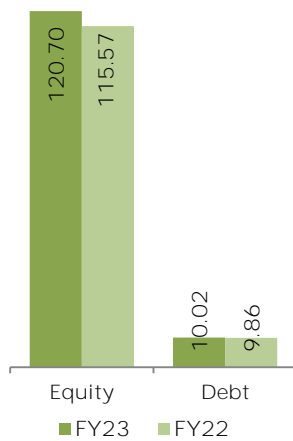
The above ratings have been assigned based on the fundamentals of the company which includes wide business network with diversified buyer base, getting location advantage, maintained sound relation with supplier & buyer, long track experience of the proprietor, ready succession, revenue was in increased trend with positive growth, low levered capital structure, good liquidity position, satisfactory interest coverage position, comfortable security arrangement, maintained insurance coverage, good banking conduct, having sister concern support.

However, the above factors are constrained to some extent by market saturation or high competition, price volatility of the products, stressed liquidity position considering long cash conversion cycle, risk associated with procurement of raw materials, using rental basis showroom, high competitive intensity of the traded products. In addition to those, proprietorship concern has low legal entity rather it reflects proprietary activities of internal fund flow.

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

WCRCL also viewed the enterprise with Stable outlook and believes that KTI 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.

Capital Structure  
(BDT. in million)



## Analysts:

Mst. Irin Akter  
irin@wasocreditrating.com

Monira Islam  
monira@wasocreditrating.com