

SURVEILLANCE CREDIT RATING REPORT M-M. AGROVET INDUSTRIES LIMITED



Ref. no.: FR/2022/26219

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	11 October 2022	10 October 2023

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

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
	OD	50.00	48.32	
BRAC Bank Limited	Revolving	4.00	4.00	10.10.2022
	Term Loan	6.00	3.99	

Key Snapshot:

BDT. in million

Particulars	2021	2020
Revenue	900.87	783.36
EBIT	138.86	117.37
Net Profit	136.83	115.52
Total Assets	752.86	789.73
Total Equity	722.34	761.73
Total debt	30.52	28.00
Net Profit Margin (%)	15.2	14.7
Current Ratio	7.59	7.52
ICR (X)	70.13	65.21

Financial Based on-Management prepared financial statements up to 31st December 2021.

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

RATING RATIONALE

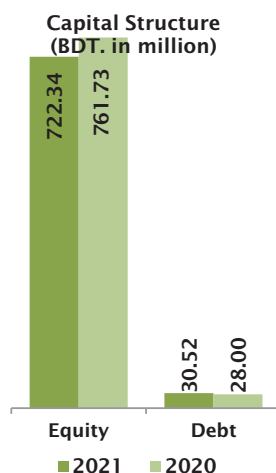
WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **M-M. Agrovat Industries Limited** (hereinafter referred as "MMAIL" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the company which includes:

- Experienced and skilled management
- Good interest coverage position
- Good mortgage security coverage against loan
- Good business network
- Low levered capital structure

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

- Low disclosure of financial statements
- Inventory holding risk
- Low management information system (MIS) and Manual accounting system



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The SME rating implies that the company is adjudged to above average level of credit worthiness in relation to other small enterprise.

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