

SURVEILLANCE CREDIT RATING REPORT CLASSIC STEEL LIMITED

Ref. no.: FR/2022/26369



Report Contents:

Particulars	Page
Rating Rationale	1
Corporate Profile	2
Management Evaluation	2
Market Review	2
Business Analysis	2
Financial Position Analysis	4
Risk Factor Analysis	4
Rating Observation	5

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	08 August 2022	07 August 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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	BDT. in million
				Date of Outstanding
Modhumoti Bank Limited	OD	1.50	1.49	
	STL	3.50	3.50	07.08.2022
	CMSME	2.50	2.50	

Key Snapshot:

Particulars	BDT. in million	
	FY22	FY21
Revenue	100.51	67.46
EBIT	10.84	8.37
Net Profit	7.32	5.84
Total Assets	46.05	18.68
Total Equity	15.87	8.55
Total debt	30.18	10.13
Net Profit Margin (%)	7.3	8.7
CCC (Days)	8	1
ICR (X)	27.96	383.2

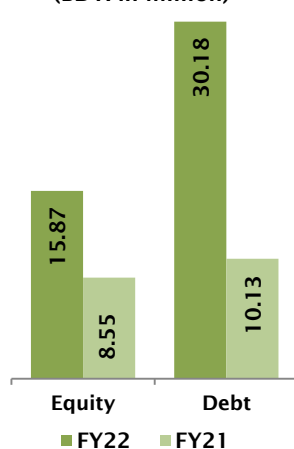
Financial Based on- Audited financial statements up to 30th June 2022.

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 **Classic Steel Limited** (hereinafter referred to as 'CSL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

**Capital Structure
(BDT. in million)**



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

- Skilled and experienced management
- Majority bills of the company are made by short period
- The company has many big on-going project
- Many project already handed over
- The entity is profitable concern

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

- Average disclosure in the financial statements
- Highly levered in the capital structure
- Manual accounting system
- Medium scale in the business

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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 enterprises.

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