

2nd SURVEILLANCE CREDIT RATING REPORT HOLY MACHINERY



Ref. no.: FR/2023/29808

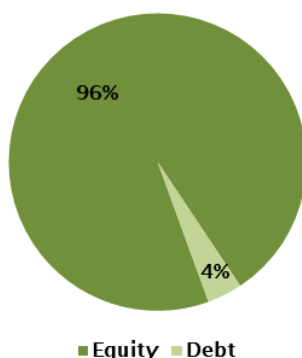
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Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	89.55	80.50
EBIT	35.10	34.78
Net Profit	33.66	33.06
Total Assets	79.74	102.93
Total Equity	79.74	102.93
Total debt	3.15	30.90
Net Profit Margin (%)	37.6%	41.1%
CCC (Days)	273	378
ICR (X)	38.55	28.98

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	13 February 2023	27 February 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

BDT. in million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
National Credit and Commerce Bank Limited	CC (H)	8.00	7.89	12.02.2023
	RSTL	4.00	3.24	

Financial Based on unaudited financial statements up to 31 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 Holy Machinery (hereinafter referred as "HM" 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:

- Experienced and skilled management
- Have insurance coverage
- Good profitability margin
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Rented business premises
- Average disclosure in the financial statement
- Low management information system (MIS) and Manual accounting system

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

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