

SURVEILLANCE CREDIT RATING REPORT JAMUNA MOTORS & ENGINEERING WORKS

Ref. no.: FR/2022/23431



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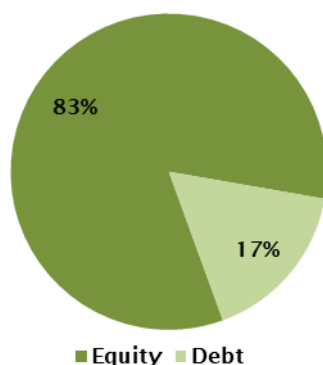
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Key Snapshot:

Tk. In Million

Particulars	2021	2020
Revenue	121.72	125.37
EBIT	8.88	20.54
Net Profit	7.14	18.70
Total Assets	23.51	58.20
Total Equity	34.67	34.50
Debt	6.95	23.70
Net Profit Margin (%)	5.9%	14.9%
CCC (Days)	69	76
ICR (X)	5.10	15.28

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



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SME Rating	WCRSE/ME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 May 2022	11 May 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*

Tk. in Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mutual Trust Bank Limited	CC (H)	16.00	13.49	12.05.2022

Financial Based on- Un-audited 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 to Jamuna Motors & Engineering Works (hereinafter referred to as 'JMEW' 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
- Good business network
- Satisfactory banking relationship
- Low levered capital structure
- Good interest coverage position

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

- Tight liquidity position with long cash conversion cycle
- Lack of disclosure in the financial statements
- Small scale in the business
- Low management information system (MIS) and Manual accounting system

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

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