

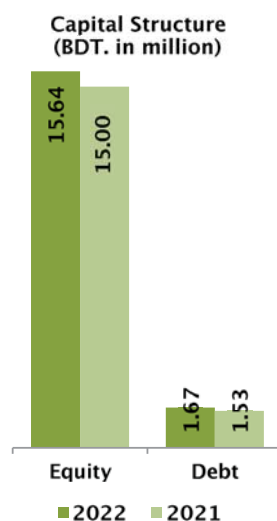
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## Key Snapshot:

*BDT. in million*

Particulars	FY22	FY21
Revenue	60.13	54.22
EBIT	6.76	6.11
Net Profit	5.92	5.33
Total Assets	17.31	16.53
Total Equity	15.64	15.00
Total debt	1.67	1.53
Net Profit Margin (%)	9.8%	9.8%
CCC (Days)	80.99	88.02
ICR (X)	15.02	15.21



## Analysts:

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	10 April 2023	09 April 2024

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

**Financial Based on-audited** financial statements up to 30<sup>th</sup> June 2022.

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has assigned 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Hakkani Publishers (hereinafter referred as "HP" 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
- Satisfactory banking relationship
- Good business network
- Good Profitability margin
- Low levered capital structure
- Comfortable 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
- No insurance coverage for the inventory in stock
- Average disclosure in the financial statements
- Low management information system (MIS) and Manual accounting system

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

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