

# 1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT MEGHNA METAL



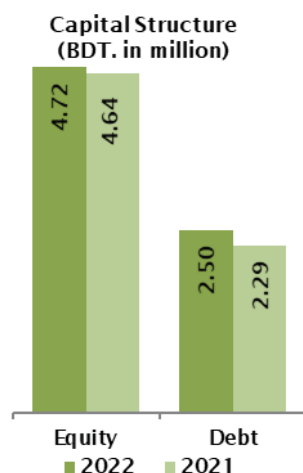
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## Key Snapshot:

Particulars	BDT. in million	
	2022	2021
Revenue	29.90	26.00
EBIT	1.87	1.51
Net Profit	1.70	1.36
Total Assets	7.22	6.70
Total Equity	4.72	4.64
Debt	2.50	2.29
Net Profit Margin (%)	5.7%	5.2%
CCC (Days)	52	52
ICR (X)	11.78	10.49



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 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

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

## RATING RATIONALE

WCRCL has reaffirmed ‘**WCRSE 3**’ (pronounced as WASO Credit Rating Small Enterprise **Three**) rating under the SME Rating to **Meghna Metal** (hereinafter referred as “**MM**” 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
- Owned business premises and storage facility
- Good mortgage security coverage against loan
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship

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

- Low disclosure of financial statements
- No insurance coverage
- High Competition in market
- 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 MM will be able to maintain its good fundamentals in the foreseeable future.