

1ST SURVEILLANCE CREDIT RATING REPORT UNOVA METAL INDUSTRIES LIMITED

Ref. no.: FR/2023/032904



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 4	Stable	08 August 2023	07 August 2024

Name of Banks	Mode of Facility	Limit Amount	Outstanding Amount	Bank Loan Rating
Agrani Bank Ltd. 28.06.2023)	CC (Hypo)	200.00	199.17	blr ST 4

Tk. In Million

Financial Based on-Audited Financial statements for 30 June 2022.

Methodology: Corporate rating methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has reaffirmed 'BBB' (pronounced as Triple B) rating for the Long Term and 'ST 4' (pronounced as Short Term Four) rating for Short Term to **Unova Metal Industries Limited** (hereinafter referred to as '**UMIL**' or '**The Company**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also assigned "blr ST 4" (pronounced as Bank Loan Rating Short Term Four) rating to the short term limit.

The above ratings have been assigned based on the fundamentals of the company which include experienced and Skilled management, good business network, low leverage position in the capital structure, good interest coverage position and comfortable security arrangement, owned business premises.

However, the above factors are constrained to average disclosure in the financial statement, newly business of operation, tight liquidity position with long cash conversion cycle, volatile raw material price, high dependency on external sources for working capital requirement.

The long term rating implies that the entity has Average Credit Quality. The short term rating implies that, the company has Below average ability to meet short term financial commitments

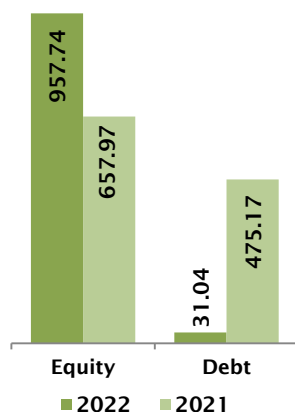
WCRCL also viewed the company with Stable outlook and believes that MCCL will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors of the economy.

Key Snapshot:

Tk. in Million

Particulars	2022
Revenue	904.92
EBIT	102.78
Net Profit	84.93
Total Assets	988.78
Total Equity	957.74
Debt	31.04
Net Profit Margin (%)	9.4%
CCC (Days)	80
ICR (X)	7.71

Capital Structure
(BDT. in million)



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