

3rd SURVEILLANCE CREDIT RATING REPORT MASHKURA ELECTRIC



Ref. no.: FR/2023/33946

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	03 October 2023	02 October 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC.	CC (H)	7.00	4.85	19.09.2023

BDT. in million

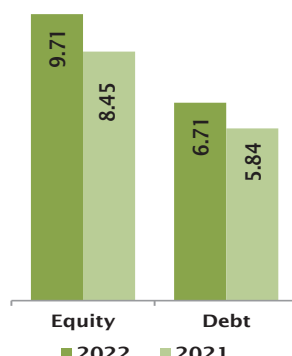
Financial Based on-Management prepared financial statements up to 31st December 2022.

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

Key Snapshot:

Particulars	BDT. in million	
	2022	2021
Revenue	28.19	24.52
EBIT	1.69	1.47
Net Profit	1.39	1.21
Total Assets	16.43	14.28
Total Equity	9.71	8.45
Total debt	6.71	5.84
Net Profit Margin (%)	4.9	4.9
CCC (Days)	129	138
ICR (X)	5.74	5.74

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Mashkura Electric (hereinafter referred as "ME" 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
- Good interest coverage position
- Good mortgage security coverage against loan
- Low levered capital structure

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

- Low disclosure of financial statements
- Inventory holding risk
- Tight liquidity position
- Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that ME 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 in the economy.

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