

4th SURVEILLANCE CREDIT RATING REPORT

H.H. ENTERPRISE

Ref. no.: CRAR-4343/2023



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blr Rating	Bank Loan rating	Outlook	Date of Declaration	Date of Expiration
	blr ST-4	Stable	21 November 2023	19 November 2024

Tk. In Million			
Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 20.11.2023
Mercantile Bank PLC	CC (Hypo)	35.00	36.30
	LTR	35.00	-
	LC	42.00	-

Financial Based on- Unaudited financial statements up to 30 June 2023.

Key Snapshot:

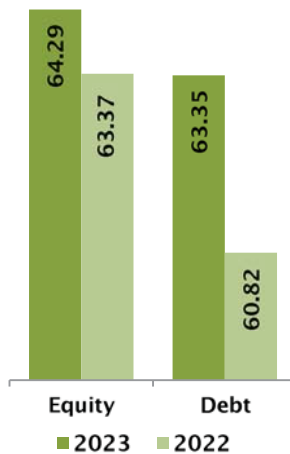
Particulars	2023	2022
Revenue	225.01	279.01
EBIT	31.44	37.69
Net Profit	27.28	32.17
Total Assets	127.63	124.18
Total Equity	64.29	63.37
Debt	63.35	60.82
Net Profit Margin (%)	12.1%	11.5%
CCC (Days)	194	162
ICR (X)	7.56	6.82

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

RATING RATIONALE

WCRCL has reaffirmed 'blr ST-4' ((Pronounced as Bank Loan Rating Short Term Four) rating to short term loan limit, **H. H. Enterprise** (hereinafter referred to as 'HHE' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

Capital Structure
(BDT. in million)



The above rating has been assigned based on the fundamentals of the enterprise which has moderate profitability condition, comfortable security arrangement, long experiences of the proprietor in the business, good liquidity position and good interest coverage position. However, the above factors are constrained to some extent by lack of disclosure in the financial statements, manual accounting system, leverage position in the capital structure and competition intensity is high.

The short term rating implies that the enterprise has Below ability to meet short term financial commitments.

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WCRCL also viewed the enterprise with "Stable" outlook and believes that **HHE** 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.