

1st SURVEILLANCE CREDIT RATING REPORT MEP ENGINEERING POINT



Ref. no.: FR/2023/30553

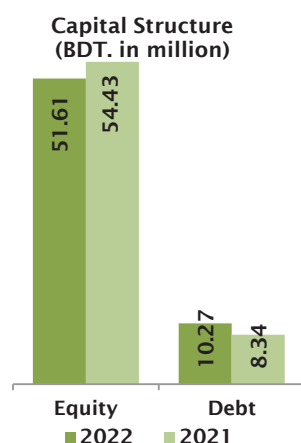
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	106.93	92.99
EBIT	13.66	10.58
Net Profit	12.48	9.44
Total Assets	61.88	62.78
Total Equity	51.61	54.43
Total debt	10.27	8.34
Net Profit Margin (%)	11.7%	10.2%
CCC (Days)	185	240
ICR (X)	32.83	27.98



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

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

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSE 4’ (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to MEP Engineering Point (hereinafter referred as “MEPEP” 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
- Low levered capital structure

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
- Low disclosure of financial statements
- Low management information system (MIS)

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 MEPEP will be able to maintain its good fundamentals in the foreseeable future.