

INITIAL CREDIT RATING REPORT
MONIR MARINE & MACHINERIES



Ref. No: CRAR-18207/2023

6Report Contents:

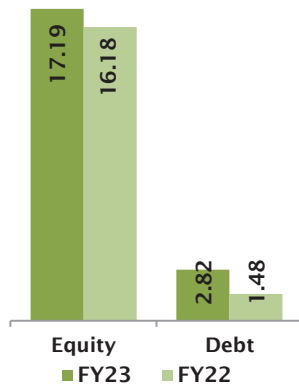
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Key Snapshot:

BDT. in million

Particulars	FY23	FY22
Revenue	49.56	42.96
EBIT	3.91	2.81
Net Profit	3.75	2.66
Total Assets	20.01	17.66
Total Equity	17.19	16.18
Debt	2.82	1.48
Net Profit Margin (%)	7.6	6.2
CCC (Days)	124	137
ICR (X)	151.15	111.54

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	17 October 2023	16 October 2024

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

RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Monir Marine & Machineries (hereinafter referred as "MMM" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Regular loan repayment history
- Long experience track of the proprietor
- Owned business premises
- 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) and 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 MMM 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.