

10th SURVEILLANCE CREDIT RATING REPORT
CHITTAGONG MACHINERIES AND HARDWARE STORE

Ref. no.: CRAR-173/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 December 2023	29 November 2024

Bank Name	Facility	Limit Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh PLC	Bai-Murabaha-TR	30.00	40.06	11.12.2023

BDT. In Million

Key Snapshot:

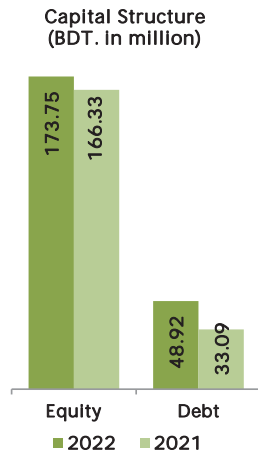
Particulars	BDT. in million	
	2022	2021
Revenue	123.57	92.32
EBIT	12.65	10.89
Net Profit	9.46	8.15
Total Assets	222.67	199.42
Total Equity	173.75	166.33
Debt	48.92	33.09
Net Profit Margin (%)	7.7	8.8
CCC (Days)	226	272
ICR (X)	4.07	4.09

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

RATING RATIONALE

WCRCL has reaffirmed WCRSME3 (Pronounced WASO Credit Rating Small and Medium Enterprise Three) rating to Chittagong Machineries and Hardware Store (hereinafter referred to as 'CMHS' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.



The above rating has been assigned based on experienced proprietor and key management team, maintained sound relation with supplier, buyer & lender, long period of business track record in history, low levered firm, comfortable interest coverage position and aving sister concern. However, the above factors are constrained to some extent by no disclosure in financial statements, tight liquidity position considering long cash conversion cycle, risk associated with procurement, extensive competition to the market and proprietorship concern has no legal entity.

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

WCRCL also viewed the enterprise with Stable outlook and believes that CMHS 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.

Analysts:

Mst. Irin Akter
irin@wasocreditrating.com

Monira Islam
monira@wasocreditrating.com