

4th SURVEILLANCE CREDIT RATING REPORT HAROON ENGINEERING LIMITED

Ref. no.: FR/8308/2024



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	28 February 2024	27 February 2025

Financial Based on– Unaudited financial statements up to 30 June 2023, 2022.

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

RATING RATIONALE

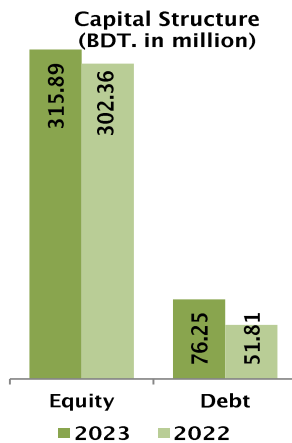
WCRCL has reaffirmed **WCRSME3** (pronounced as WASO Credit Rating Small and medium Enterprise Three) rating under the SME Rating to **Haron Engineering Limited** (hereinafter referred to as ‘HEL’ or “The Company”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which post sales service to attract customers, regular loan repayment history, good network with customer and supplier, increasing business trends, and low levered position. However, the above factors are constrained to some extent by moderate disclosure in the financial statements, stressed liquidity position, lack of promotional activities, and rented warehouse and office facility.

Key Snapshot:

Tk. In million

Particulars	2023	2022
Revenue	824.97	785.69
EBIT	112.87	99.06
Net Profit	75.75	68.86
Total Assets	392.14	354.17
Total Equity	315.89	302.36
Total Liabilities	51.80	51.80
Net Profit Margin (%)	9.18	8.76
Current Ratio (X)	4.34	5.63
Debt to Equity (X)	0.24	0.17



The SME rating implies that the company is adjudged to above average level of credit quality.

WCRCL also viewed the company with “Stable” outlook and believes that HEL 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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