

1<sup>ST</sup> SURVEILLANCE CREDIT RATING REPORT  
M.M ELECTRIC



Ref. no.: CRAR-12576/2023

Report Contents:

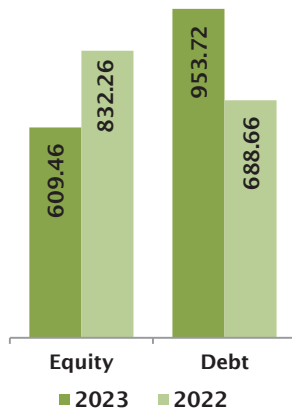
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Key Snapshot:

BDT. in million

Particulars	FY23	FY22
Revenue	1,019.6	980.43
EBIT	354.56	316.67
Net Profit	202.20	190.52
Total Assets	1,563.1	1,520.9
Total Equity	609.46	832.26
Debt	953.72	688.66
Net Profit Margin (%)	19.8%	19.4%
CCC (Days)	637	531
ICR (X)	5.40	7.12

Capital Structure  
(BDT. in million)



Analysts:

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Bank Loan Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	blr BBB+	blr ST 3	Stable	07 November 2023	05 November 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Bank Loan Rating
Shahjalal Islami Bank Ltd. (06.11.2023)	Bai-Muajjal (Term)	30.00	27.60	blr BBB+
	Bai Muazzal (Commercial)	130.00	148.91	blr ST 3
EXIM Bank Ltd. (16.10.2023)	Bai-Muajjal (CC)	500.00	502.82	
	Bai-Muajjal (CC-additional)	255.00	263.19	blr ST 3

BDT. in million

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

Methodology: Corporate rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

RATING RATIONALE

WCRCL has reaffirmed “blr BBB+” (pronounced as Bank Loan Rating Triple B Plus) rating to the long term outstanding and “blr ST 3” (pronounced as Bank Loan Rating Short Term Three) rating to the aggregate short term limit of **M.M Electric** (hereinafter referred as “MME” 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 Proprietress
- Maintained sound business relation with supplier & buyer
- Good interest coverage position
- Comfortable security arrangement against loan
- Satisfactory banking relationship

However, the above rating has been moderated to some extent due to some factors like:

- Management prepared financial statement
- Market saturation or high competition
- Highly levered capital structure
- Stressed liquidity position with long cash conversion cycle
- Proprietorship concern has low legal obligation as an entity
- No insurance coverage

The long term rating implies that the entity has Moderate Credit Quality. The short term rating implies that, the company has Average ability to meet short term financial commitments.

WCRCL also viewed the company with Stable outlook and believes that MME 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 of the economy.