

CREDIT RATING REPORT RAJBARI BUILDERS LIMITED



Ref. no.: FR/2022/26212

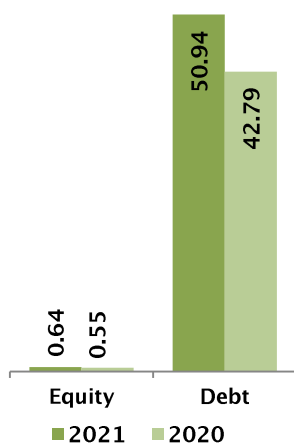
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Key Snapshot:

BDT. in million		
Particulars	FY21	FY20
Revenue	6.27	4.68
EBIT	0.68	-1.53
Net Profit	0.08	-1.95
Total Assets	51.58	43.34
Total Equity	0.64	0.55
Total debt	50.94	42.79
Net Profit Margin (%)	1.3%	-41.7%
CCC (Days)	-121	-146
ICR (X)	101	-352

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	11 October 2022	10 October 2023

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Rajbari Builders Limited (hereinafter referred as "RBL" 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 business network
- Maintained sound business relation with supplier & buyer

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

- Tight liquidity position with long cash conversion cycle
- Highly levered capital structure
- Average disclosure in the financial statements
- Low management information system (MIS) and Manual accounting system

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