

# CREDIT RATING REPORT RAJMAHAL FOODS & SWEETS INDUSTRIES



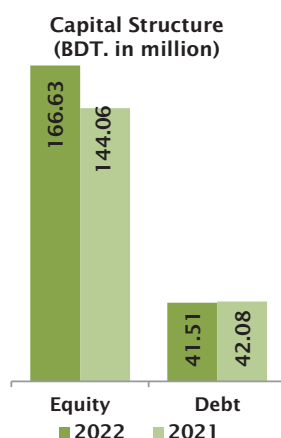
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## Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	393.88	375.13
EBIT	40.31	39.12
Net Profit	37.13	35.39
Total Assets	208.14	186.13
Total Equity	166.63	144.06
Total debt	41.51	42.08
Net Profit Margin (%)	9.4%	9.4%
CCC (Days)	109	103
ICR (X)	14.94	11.81



## Analysts:

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Negative	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

BDT. in Million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh Limited	Bai-Murabaha TR	30.00	33.08	10.10.2022
	Stimulus	8.00	7.56	

*Financial Based on-Audited financial statements up to 30<sup>th</sup> June 2022.*

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

## RATING RATIONALE

WCRCL has assigned 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Rajmahal Foods & Sweets Industries (hereinafter referred as "RF&SI" 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
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position
- Low levered capital structure
- Have insurance coverage

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

- Tight liquidity position with long cash conversion cycle
- Having overdue in banking liability
- Low disclosure of 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 "Negative" outlook and believes that RF&SI will be able to maintain its good fundamentals in the foreseeable future.