

SURVEILLANCE CREDIT RATING REPORT RAHIMA OXYGEN PLANT LIMITED



Ref. no.: FR/2022/26337

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB3	ST-4	Stable	11 October 2022	10 October 2023

Bank	Mode	Limit/Sanctioned amount	Outstanding Amount as on 10.10.2022	Bank Loan rating
Mutual Trust Bank Limited	Term Loan	8.00	6.78	blr BBB3
	Short Term loan	7.00	7.14	blr ST-4

Financial Based on-Management prepared financial statements for 31st August 2022.

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

Key Snapshot:

BDT. in million

Particulars	FY22
Revenue	15.00
EBIT	0.75
Net Profit	-0.46
Total Assets	40.38
Total Equity	26.24
Debt	14.14
Net Profit Margin (%)	-3.0
CCC (Days)	-52
ICR (X)	0.62
Current Ratio(X)	0.01

RATING RATIONALE

WCRCCL has assigned 'BBB3' (pronounced Triple B Three) rating for the Long Term and assigned 'ST-4' (pronounced Short Term Four) rating for Short Term to **Rahima Oxygen Plant Limited** (hereinafter referred to as '**ROPL**' or '**The Company**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCCL has also assigned 'blr ST-4' (pronounced Bank Loan Rating Short Term Four) rating for Short Term Loan Limit amount.

The above rating has been assigned based on experienced directors and management team, owned factory premises, good business network, low levered capital structure & industrial area may endow with the location advantage.

However low disclosure of financial statements, poor profitability ratios, Tight liquidity position, no insurance coverage, low management information system (MIS) and manual accounting system.

The long term rating implies that the corporate rated in this category is subject to medium credit risk. And considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the entity has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

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WCRCCL also viewed the company with Stable outlook and believes that **ROPL** will be able to maintain its good fundamentals in the foreseeable future.

