

2nd SURVEILLANCE CREDIT RATING REPORT RANU AGRO INDUSTRIES LIMITED

Ref. no.: FR/2023/29213



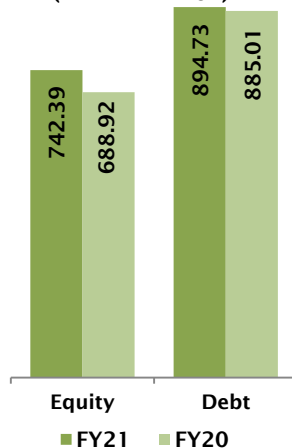
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Key Snapshot:

Tk. in Million		
Particulars	FY21	FY20
Revenue	1,922.35	1,837.28
EBIT	311.69	291.81
Net Profit	206.06	168.82
Total Assets	1,637.11	1,573.93
Total Equity	742.39	688.92
Debt	894.73	885.01
Net Profit Margin (%)	10.7	9.2
CCC(Days)	192.59	183.91
ICR (X)	3.19	2.53
Current Ratio (X)	1.35	1.33
Quick Ratio	0.36	0.49

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRME 2	Stable	16 January 2023	27 December 2023

*WCRME 2 rating is equivalent to Bangladesh Bank SME rating scale of SME 2 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Tk. in Million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Al-Arafah Islami Bank Limited	HPSM	145.91	29.30	
	Bai-Muajjal	80.00	86.49	
	Murabaha-TR	610.00	663.42	13.12.2022
	Quard Bai Salam	54.00	44.51	

Financial Based on- Unaudited financial statements up to 30th June 2021.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRME 2' (pronounced as WASO Credit Rating Medium Enterprise Two) rating to Ranu Agro Industries Limited (hereinafter referred to as 'RAIL' or 'The Company') 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:

- Positioning of manufacturing & selling point at prime region
- Experienced and proactive management
- Revenue was in increased based with positive growth
- Availability of the supply of raw materials
- Good interest coverage position
- Good profitability margin
- Moderate levered in the capital structure
- Maintained insurance coverage
- High demand in the product
- Owned factory premises and good infrastructural arrangement

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

- Low disclosure of financial statement
- Vulnerability in raw- materials price in the local and international market may impact profitability
- Inventory holding risk
- Working capital depends on external sources

The SME rating implies that the company is adjudged to high level of credit worthiness in relation to other medium enterprises.

WCRCL also viewed the company with "Stable" outlook and believes that RAIL will be able to maintain its good fundamentals in the foreseeable future.