

# SURVEILLANCE CREDIT RATING REPORT VALENT TECH LIMITED

Ref. no.: FR/2023/029916



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRME 3	Stable	12 March 2023	16 April 2024

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD (BIC) 661/14B (P)/2014/2093.

Tk. in million

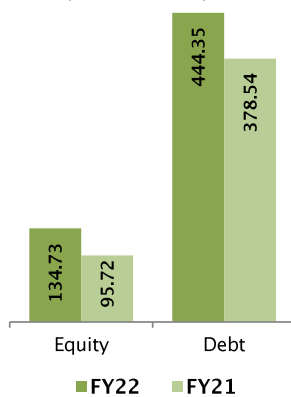
Bank Name	Mode of Investment	Limit Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh Limited	Composite facility ( Bai– Murabaha/Bills /MPI/LC)	400.00	329.45	
Jamuna Bank Limited	Composite Facility LC ( Foreign, sight, DP)	40.00	35.00	January 2023
	LTR	25.00	24.12	
	Lease Finance	5.50	5.85	
Brac Bank Limited	Term loan	20.00	14.13	

## Key Snapshot:

Tk. In million

Particulars	FY22	FY21
Revenue	755.90	584.56
EBIT	97.07	76.38
Net Profit	39.01	36.13
Total Assets	579.08	474.26
Total Equity	174.34	95.72
Total Liabilities	444.35	378.54
Net Profit Margin (%)	5.16	6.18
Current Ratio (X)	1.07	0.99
Debt to Equity (X)	3.30	3.95

Capital Structure  
(Tk. in million)



## Analysts:

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**Financial Based on–** Audited financial statements up to 30 June 2022, 2021, and 2020.

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

## RATING RATIONALE

WCRCL has reaffirmed **WCRME 3** (pronounced as WASO Credit Rating Medium Enterprise Three) rating under the SME Rating to **Valent Tech Limited** (hereinafter referred to as ‘VTL’ or “The Company”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on profit generation ability, experienced and skilled management, good infrastructural arrangement, supportive facilities to the workers, low levered. However, the above factors are constrained to some extent by moderate debt coverage position, lower profit margin, stressed liquidity position with long cash conversion cycle, price volatility of trading products, highly levered concern, and low disclosure of financial statements.

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other SE's / ME's.

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