

INITIAL CREDIT RATING REPORT RELIANCE METAL PRODUCTS



Ref. no.: FR/2022/25532

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	29 August 2022	28 August 2023

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

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
National Bank Limited	CC (H)	15.00	17.42	19.07.2022

Financial Based on-Unaudited financial statements up to 30th June 2022.

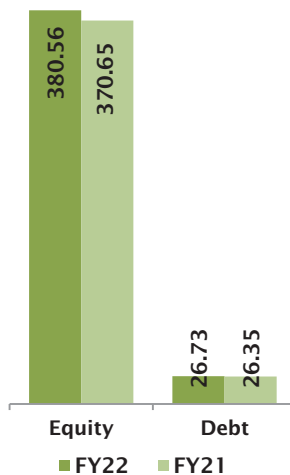
Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	302.62	254.31
EBIT	31.87	25.52
Net Profit	29.87	23.87
Total Assets	407.28	397.00
Total Equity	380.56	370.65
Debt	26.73	26.35
Net Profit Margin (%)	9.9	9.4
CCC (Days)	282	327
ICR (X)	73.57	64.79

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Reliance Metal Products** (hereinafter referred as "RMP" 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 interest coverage position
- Good business network
- Low levered capital structure

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

- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

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

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