1st Surveillance Credit Rating Report RADIANT INDUSTRY PVT. LIMITED



Ref. no.: FR/2023/32608

Report Contents:

| Particulars | Page |
|--------------------------------|------|
| Rating Rationale | 1 |
| Entity Profile | 2 |
| Business Management | 2 |
| Business Analysis | 2 |
| Financial Position Analysis | 3 |
| Banking Relationship | 4 |
| Risk Factor Analysis | 5 |
| Rating Observation | 5 |

| | WCRSME | Outlook | Date of Declaration | Date of Expiration |
|---------------|---------|---------|---------------------|--------------------|
| SME Rating | WCRSME3 | Stable | 25 July 2023 | 24 July 2024 |

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

| RDT | Γin | mil | lior |
|------|--------|-------|------|
| ולום | ı. III | 11111 | HOI |

| Bank Name | Mode of | Sanctioned | Outstanding | Date of |
|---------------------|------------|------------|-------------|-------------|
| | Investment | Amount | Amount | Outstanding |
| Uttara Bank Limited | IBP | 80.00 | 42.19 | 30.06.2023 |

Financial Based on-unaudited financial of 2021 and 2022.

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

Key Snapshot:

| Particulars | 2022 | 2021 |
|--------------------------|-------|-------|
| Revenue | 93.15 | 86.56 |
| EBIT | 14.37 | 12.75 |
| Net Profit | 12.85 | 11.63 |
| Total Assets | 44.90 | 42.08 |
| Total Equity | 36.52 | 34.73 |
| Debt | 8.39 | 7.35 |
| Net Profit Margin (%) | 13.8% | 13.4% |
| CCC (Days) | 123 | 131 |
| ICR (X) | 9.41 | 11.32 |

RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small Company Three) rating under the SME Rating to Radiant Industry Pvt. Limited (hereinafter referred as "RIPL" 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 Company which includes:

- Experienced and skilled management
- Good interest coverage ratio
- Low levered capital structure
- Good business network

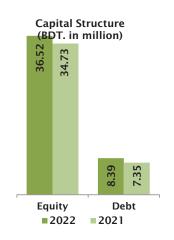
However, the above rating has been moderated to some extent due to some factors like:

- Tight liquidity position with long cash conversion cycle
- Stressed liquidity position
- Low disclosure of financial statements

The SME rating implies that the Enterprise has above Average Credit Quality.

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

This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.



Analysts:

Juthi Khanum juthi@wasocreditrating.com

Ummay Fatema fatema@wasocreditrating.com