

1st SURVEILLANCE CREDIT RATING REPORT
GALENTEK HEALTHCARE LIMITED

Ref. no.: CRAR-14224/2023



Report Contents:

Particulars	Page
Rating Rationale	01
Project Profile	02
Brief About Key Sponsors of the Company	02
Corporate Management	02
Industry Analysis	03
Project Summary	03
Risk Factor Analysis	04
Rating Observations	06

Project Rating	Long Term Rating	Date of Declaration	Date of Expiration
	BBB- (Indicative)*	10 October 2023	09 October 2024

*This assigned rating given up to debt amount of Tk. 274.08 million.

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

RATING RATIONALE

WCRCL has reaffirmed “BBB- (Indicative)” (pronounced Triple B Minus Indicative) in the long term to Galentek Healthcare Limited (hereinafter referred as “GHCL” or “The Company” or “The Project”) based on both relevant qualitative and quantitative information up to date of rating declaration. The long term rating implies that the entity has Below Average Credit Quality.

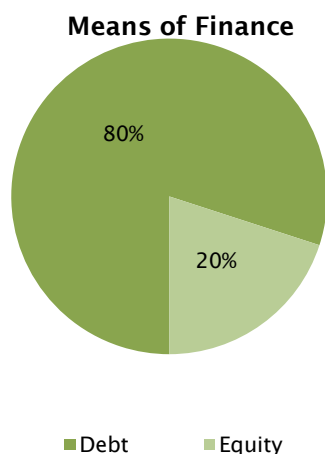
Galentek Healthcare Limited is rated in investment grade is subject to medium credit risk due to favorable condition regarding market outlook, management experience, credibility, and locational advantage. Earlier mentioned variables are considered positive factors while assigning the rating, because market outlook of healthcare industry is favorable in Bangladesh. Project will enjoy some locational advantage like near to highway. Despite these positive factors few speculative elements like- funding and implementation pose substantial credit risk. Project cost structure revealed high portion of debt may expose high risk in response to equity investment. Considering all the favorable measures and susceptibility of negative outcome this project has assigned investment grade for next six month period.

This rating may be revised subject to credibility of the sponsors, successful implementation and debt proportion in line with the Sponsor’s equity investment or changes in any macro factors along with micro factors in the economy.

However, the ratings are constrained by relatively high leverage, risk associated with arranging finance for the project, and risk associated with project implementation.

Project Cost:

Particulars	Tk. in million	Value
Civil, Electric & Interior	23.16	
New Imported Machinery	198.71	
New Local Machinery	28.21	
Installation of Machinery	5.59	
Furniture & Fixtures	14.31	
Vehicles	51.52	
Pre-Operating Expense	21.10	
Total Project Cost	342.60	



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