Report Contents:

Key Snapshot:

BDT. in million

Particulars	2021	2022
Revenue	25.00	21.00
EBIT	2.22	1.93
Net Profit	1.98	1.64
Total Assets	13.13	11.63
Total Equity	11.63	10.35
Total debt	1.50	1.28
Net Profit Margin (%)	7.9	7.8
CCC (Days)	167	176
ICR (X)	9.88	6.88

Capital Structure (BDT. in million)

Analysts:

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	WCRSME	Outlook	Date of Declaration	Date of Expiration
SME Rating	WCRSME3	Stable	04 July 2023	28 June 2024

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Rana Traders (hereinafter referred as "RT" 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
- Satisfactory banking relationship
- Good business network
- Good interest coverage position
- Low levered capital structure

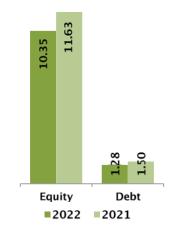However, the above rating has been moderated to some extent due to some factors like:

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

The SME rating implies that the enterprise is adjudged to above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that RT 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.