

ARGUS CREDIT RATING SERVICES LTD.

Credit Rating Report

RANGS WORKSHOP LIMITED



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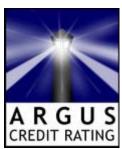
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CONTACT INFORMATION

For Additional Information Please Contact:



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(CRR 0003122011) Entity: RANGS WORKSHOP LIMITED (RWL)

RATINGS SUMMARY

CREDIT RATING – Entity	CURRENT	PREVIOUS
Long-Term	A	N/A
Short-Term	ST-3	N/A
Date	December 29,2011	N/A

RATINGS EXPLANATION

Α	Long Term: This category for an institution is considered to offer moderate degree of safety for timely repayment of financial obligations. This level of rating has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions compare to the higher-rated categories.
Short Term: Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.	

RWL ACTIVITY

Repairing and Spare parts sales of all sorts of vehicle for both the RANGS Limited and external clients

INCORPORATED ON 5/8/1981

CHAIRMANAbdur Rouf Chowdhury

MANAGING DIRECTOR Romo Rouf Chowdhury

TOTAL ASSETS Tk. 541.2 Million

TOTAL EQUITY Tk.425.6 Million

HEAD OFFICE 387, Tejgaon I/A Dhaka 1208

MAJOR RATING CONSIDERATIONS:

Strengths:

- RANGS Workshop Limited (RWL) has a substantial captive customer base providing revenue and pricing stability. With sister concern RANGS Ltd. the key distributor for Mitsubishi vehicles in Bangladesh, RWL enjoys a captive customer base that is substantial and growing.
- Management has a degree of professionalism that contributes to brand and efficient operational controls. Unlike the thousands of "mom and pop" workshops in the sector, RWL has achieved ISO 9000 certification for high quality service.
- RWL is part of a large business conglomerate, providing financial flexibility. RWL is a part of RANGS Group, a large diversified conglomerate with substantial revenue base from multiple sectors and asset rich directors. This contributes to RWL's financial flexibility and a strong support base in case of operational stress.

Concerns:

- RWL's debt servicing load is approaching operational limits, and combined with the rising interest rates creates risk of financial stress on RWL in the near to intermediate term.
- Macroeconomic risks are becoming more pronounced in CY2012 and may impact RWL adversely. Taka devaluation and overall slowdown in economic growth may negatively impact auto sales which in turn could negatively impact demand for RWL services.

