

Report ID: 21000470-21

AGNI SYSTEMS LIMITED

Issue Date	Expiry Date
November 29, 2021	November 28, 2022

Long Term Rating	Short Term Rating	Outlook
A	ST-3	Stable

Bank	BDT in Million	BLR
Brac Bank Limited	WCLO* of BDT 50.50	blr A
IDLC	TLO** of BDT 9.93	blr A

*WCLO-Working Capital Loan Outstanding;**TLO-Term Loan Outstanding

Key Features

Business Nature	Service
Activity	Internet Service Provider
Incorporation Date	November 04, 1995
Managing Director	Mohammed Abdus Salam
Total Assets	BDT 1,232.86 million
Total Net Worth	BDT 1,060.59 million

Rating Contact:

Md. Shohel Khan
Chief Rating Officer
Shohel.Khan@bdral.com

Analysts:

Moin Uddin Ahmed
MoinUddin.Ahmed@bdral.com
Ayesha Onasis Ridi
Ayesha.Ridi@bdral.com

Contact

The Bangladesh Rating Agency Limited (BDRAL)
47 Karwan Bazaar, Latif Tower (12th Floor),
Dhaka-1215, Bangladesh.
Phone: +88-0174-663-2745
Email: client.care@bdral.com



The Bangladesh Rating Agency Limited

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This rating is a one-time exercise. This Long Term rating is valid for a period of one year and the Short Term rating is valid for a period of six months; subject to however, no significant changes/events occur during the period which could materially affect the business and financial parameters of the organization/project. BDRAL recommends that the user of the rating may seek a review of the rating, if the rated entity experiences significant changes/events in the business. It is recommended for review in the next financial year.

RATING SUMMARY & OUTLOOK

The Bangladesh Rating Agency Limited (BDRAL) has assigned "A" (pronounced as single A) in long term and "ST-3" rating in the short term of Agni Systems Limited. The above rating of Agni Systems Limited duly considering by equity based capital structure, improved profitability, diversified product portfolio, experienced management team, regular loan repayment status, etc. However, the ratings are constrained by significant amount of receivable, technological changes, risk of price fixing, highly competitive market etc.

The long term rating indicates that an entity rated in this category has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. The short term rating indicates that an entity rated in this category has adequate capacity to meet its short term financial commitments. The internal fund generation of the institutions is sound.

BDRAL's viewpoint towards the outlook of the company to be "Stable" by evaluating the concurrent business performance and believes that company's existing fundamentals may remain stable in coming days.

ANALYTICAL FRAMEWORK

BDRAL considered the Audited Financial Statements of "Agni Systems Limited" as of 30th June 2021 and Unaudited Financial Statements as of 30th September, 2021. The quality of accounts is average in line with average disclosure. Moreover, this rating report is prepared based on the information provided by the client and bank up till the Date of the Rating Declaration. Furthermore, BDRAL applied its analytical basis to arrive at a meaningful judgment on the creditworthiness and repayment capacity, and behavior of the borrower. While analyzing, BDRAL mainly focused on the criteria: Business Risk, Operational Risk, Financial Risk, Bank Relationship Risk, Financial Security Risk, and Other Relevant Factors.


Syed A. Mamon, PhD, FCMA
Chief Executive Officer
The Bangladesh Rating Agency Limited

