

# INITIAL CREDIT RATING REPORT LA GIACCHE

Ref. no.: FR/2023/29719



## Report Contents:

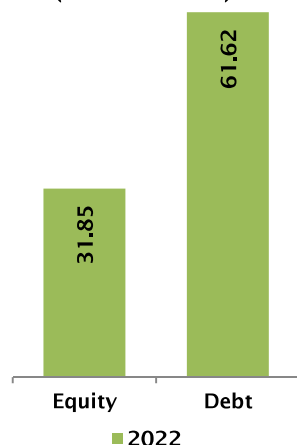
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## Key Snapshot:

BDT. in million

Particulars	2022
Revenue	618.00
EBIT	86.52
Net Profit	6.18
Total Assets	93.47
Total Equity	31.85
Total debt	61.62
Net Profit Margin (%)	1.0%
CCC (Days)	21
ICR (X)	2.80

Capital Structure  
(BDT. in million)



## Analysts:

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	13 February 2023	12 February 2024

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

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to La Giacche (hereinafter referred as "LG" 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 mortgage security coverage against loan
- Good business network
- Regular loan repayment history
- Liquidity position was good evident by short cash conversion cycle
- Good interest coverage position

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

- Rented business premises and storage facility
- Highly levered capital structure
- 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 level of credit worthiness in relation to other small enterprises.

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