

CREDIT RATING REPORT

GALAXY ELECTRO POWER LIMITED (6TH SURVEILLANCE)

Ref. no.: FR/2023/031024



Report Contents:

Particulars	Page
Rating Rationale	1
Owners Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship and Security	4
Risk Factor Analysis	5
Rating Observation	5

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	06 May 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

BDT. in million

Bank Name	Mode of Investment	Sanctioned/ Limit Amount	Outstanding as on 05 March 2023
Shahjalal Islami Bank Limited	Murabaha Sight (L/C)	15.00	-
	MPI-TR (R)	8.00	-
	Bai-Muajjal Com TR (R)	45.00	1.25
	BG	2.00	0.50

Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	184.33	172.25
EBIT	42.91	40.80
Net Profit	38.06	36.00
Total Assets	162.97	154.04
Total Equity	101.40	94.99
Debt	61.57	59.05
Net Profit Margin (%)	20.6%	20.9%
CCC (Days)	283	294
ICR (X)	8.85	8.50

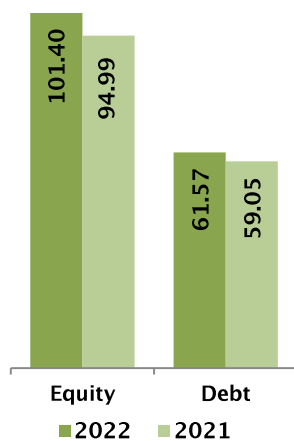
Financial Based on- Management prepared financial statements up to 30 June 2022.

Methodology: SME Rating Methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Galaxy Electro Power Limited** (hereinafter referred to as 'GEPL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

Capital Structure
(BDT. in million)



Analysts:

Maharan Nasrin
maharan@wasocreditrating.com

Md. Al Amin Jewel
Jewel@wasocreditrating.com

The above ratings have been assigned based on the fundamentals of the enterprise which include good infrastructural facility, skilled and experienced management, maintained Insurance coverage, large market area and regular customer base, key sponsor of the company has long business track record in this line of business, and flexible debt coverage position. However, the above factors are constrained to some extent by moderated disclosure in the management prepared financial statements, tight liquidity position, volatile profitability position, mediocre leverage position, and no insurance coverage.

The SME rating implies that Galaxy Electro Power Limited is adjudged to above average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed Galaxy Electro Power Limited with "Stable" outlook and believes that the company will be able to maintain its good fundamentals in the foreseeable future.