

# CREDIT RATING REPORT G.S. ENTERPRISE



Ref. no.: FR/2022/25717

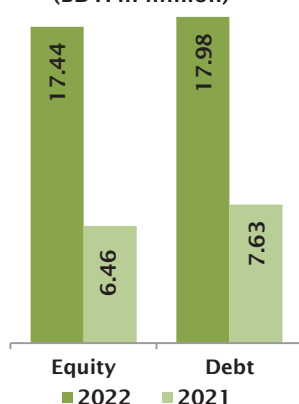
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## Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	115.00	48.20
EBIT	12.34	3.51
Net Profit	12.07	3.32
Total Assets	35.42	14.09
Total Equity	17.44	6.46
Debt	17.98	7.63
Net Profit Margin (%)	10.5	6.9
CCC (Days)	40	40
ICR (X)	46.55	18.09

**Capital Structure**  
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	03 October 2023	02 October 2024

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://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 G.S. Enterprise (hereinafter referred as "GSE" 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
- Long experience track of proprietor
- Good liquidity position with short cash conversion cycle
- Good business network
- Good interest coverage position

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

- Rented business premises
- 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 credit quality.

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