

7th SURVEILLANCE CREDIT RATING REPORT GOLDEN AGRO CHEMICALS LIMITED

Ref. no.: CRAR-1476/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	10 October 2023	09 October 2024

Name of the Bank/ NBF	Mode of Investment	Amount Sanctioned	Outstanding Amount	Date of Outstanding
Mutual Trust Bank Limited*	LC	40.00	0.48	
	Trust Receipt	(23.00)	(8.84)	18.09.2023
Janata Bank Limited	CC (Hypo)	22.5	22.96	

Tk. in Million

Key Snapshot:

Tk. in million

Particulars	FY23	FY22
Revenue	88.14	94.13
EBIT	11.96	15.29
Net Profit	7.53	11.51
Total Assets	341.90	330.46
Total Equity	253.98	246.45
Debt	87.92	84.01
Net Profit Margin (%)	8.5%	12.2%
CCC (Days)	1302	1199
ICR (X)	3.48	4.05

Financial Based on- Audited financial statements up to 30 June 2023.

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

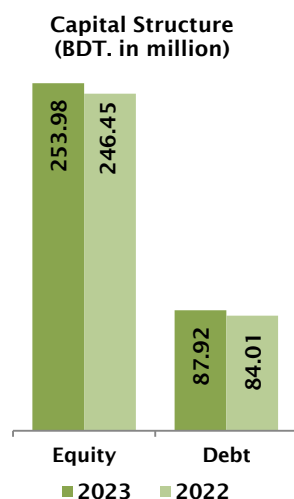
RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Golden Agro Chemicals Limited (hereinafter referred as "GACL" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above ratings have been reaffirmed based on the fundamentals of the company which include experienced management, good business network, long operation and profitable concern, covering all over the Bangladesh with many dealers, good market reputation, good relationship with the distributors and low levered capital structure. However, the above rating has been moderated to some extent due to some factors like tight liquidity position with long cash conversion cycle, low disclosure of the financial statement, high inventory pile-up affecting working capital and high competition of the market.

The SME rating implies that the Enterprise has Above Average Credit Quality.

WCRCL also viewed the Enterprise with "Stable" outlook and believes that GAC 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.



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