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SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	25 October 2023	24 October 2024

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Janata Bank PLC	CC (H)	30.00	28.82	16.08.2023
Total		30.00	28.82	

Financial Based on—unaudited financial statements up to 31 December 2022.

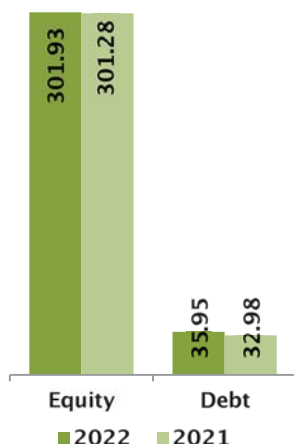
Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	237.57	206.58
EBIT	9.99	8.35
Net Profit	6.76	5.41
Total Assets	337.88	334.26
Total Equity	301.93	301.28
Total debt	35.95	32.98
Net Profit Margin (%)	2.8%	2.6%
CCC (Days)	331	352
ICR (X)	3.09	2.84

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has re-affirmed 'WCRSME4' (pronounced as WASO Credit Rating Small & Medium Enterprise Four) rating under the SME Rating to **Goni Steel Corporation** (hereinafter referred as "GSC" 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
- Low levered capital structure
- Comfortable interest coverage ratio
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Owned business premises and storage facility

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

- Poor disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

The rating implies that the enterprise has average credit quality.

Analysts:

Nazrul Islam
nazrul@wasocreditrating.com

Monira Islam
monira@wasocreditrating.com

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