

5th SURVEILLANCE CREDIT RATING REPORT GOOD BAGS AND ACCESSORIES LIMITED



Ref. no.: CRA/10695/2023

Report Contents:

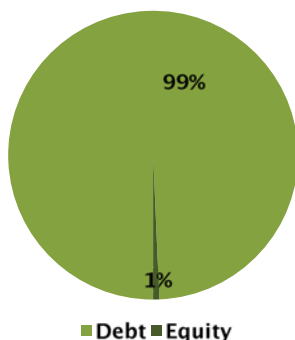
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Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	30.44	0.00
EBIT	0.00	2.26
Net Profit	-0.18	0.80
Total Assets	457.90	323.5
Total Equity	2.04	2.22
Debt	455.86	321.3
Net Profit Margin (%)	-0.59	N/A
Current Ratio (X)	0.28	0.84
Debt to Equity (X)	2.23	1.44

Capital Structure



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 4	Stable	31 October 2023	18 October 2024

Tk. in million

Bank Name	Investment Facilities	Disbursed/ Limit Amount	Outstanding as on 30/10/2023	Bank Loan Ratings
Mutual Trust Bank Ltd.	LC	300.00	33.70	blr ST 4
	EDF	(200.00)	16.65	
	LTR	(200.00)	0.00	
	Time Loan	(100.00)	3.09	
	PC	(30.00)	4.43	
	OD	30.00	28.45	blr BBB
	BG	10.00	0.00	
	LC (Mach)	100.00	0.00	
	Term loan	(90.00)	26.56	
	Term Loan 2	40.00	33.40	
	Term Loan 3	133.00	107.40	

Financial Based on – Audited financial statement up to 2022, 2021, 2020.

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

RATING RATIONALE

WASO Credit Rating Company (BD) Limited (WCRCL) has reaffirmed “BBB” (pronounced as Triple B) rating for the Long Term and “ST 4” (pronounced as Short Term Four) rating for Short Term to **Good Bags and Accessories Limited** (hereinafter referred as “GB&AL” or “The Company”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also assigned “blr BBB” (Pronoun as Bank Loan Rating Triple B) rating to the total term loan outstanding and “blr ST 4” (Pronounced as Bank Loan Rating Short Term Four) to the aggregated short term limit.

The above ratings have been assigned based on the fundamentals of the company which include sponsors have good knowledge about their business, financial flexibility arise from Bay Group, experience and proactive management team and stable cost efficiency indicators. However, the above factors are constrained to operational bottleneck due to small scale operation, negative profit margin, highly levered capital structure, stress liquidity position with long cash conversion cycle, and low disclosure of the financial statement.

The long term rating implies that the company has subject to medium credit quality. The short term rating implies that the company has below average ability to meet short term financial commitments.

WCRCL also viewed the company with “Stable” outlook and believes that **GB&AL** 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.