

INITIAL CREDIT RATING REPORT
GOLAP ENTERPRISE



Ref. no: CRAR-18392/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	22 November 2024

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

RATING RATIONALE

WCRCL has assigned ‘WCRSME3’ (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Golap Enterprise (hereinafter referred as “GE” or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	54.79	54.48
EBIT	4.59	5.20
Net Profit	4.14	4.03
Total Assets	51.60	52.73
Total Equity	48.29	47.22
Total debt	3.30	5.51
Net Profit Margin (%)	7.6%	7.4%
CCC (Days)	211.70	214.24
ICR (X)	39.88	52.38

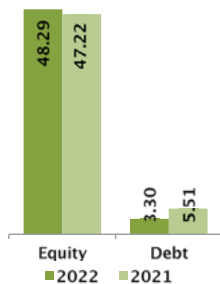
The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Long business experience of the proprietor in the business
- Good business network
- Low levered capital structure
- Comfortable interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Medium disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- Manual accounting system

Capital Structure (BDT. in million)



The SME rating implies that the enterprise has above average credit quality.

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WCRCL also viewed the enterprise with “Stable” outlook and believes that GE 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.