

# SURVEILLANCE CREDIT RATING REPORT

## NOORANI CONSTRUCTION LIMITED



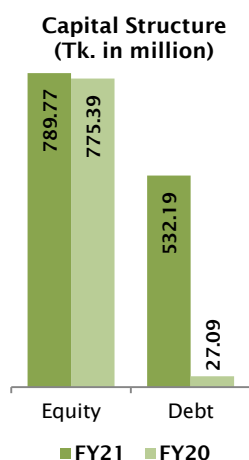
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### Report Contents:

Particulars	Page
Corporate Profile	2
Management Evaluation	2
Market Analysis	3
Business Analysis	3
Financial Strength Analysis	5
Credibility and Banking Relationship	6
Risk Factor Analysis	7
Rating Observations	8

### Key Snapshot:

Tk. in million		
Particulars	FY21	FY20
Revenue	2850.89	1,776.9
EBIT	201.65	96.60
Net Profit	14.37	52.76
Total Assets	1321.96	922.16
Total Equity	789.77	775.39
Debt	532.19	27.09
Net Profit Margin (%)	0.50	2.97
Current Ratio (X)	2.33	5.78
ICR (X)	6.91	5.24



### Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB1	ST-3	Stable	29 August 2022	14 September 2023

Tk. in million				
Bank	Mode	Limit Amount	Outstanding As on 28.08.2022	blr Rating
Pubali Bank Limited	Lease	1.80	0.9	blr BBB1
	Lease	1.50	0.8	
	Lease	5.00	4.6	
	Bid Bond	20.00	--	
	OD (Work Order)	373.00	19.60	blr ST-3
	OD (Work Order)	363.60	49.7	
	BG (Revolving)	1400.00	1219.2	
	BG (Specific)	73.10	73.10	

*Financial Based on Audited statements up to 30 June 2021.*

**Methodology:** Corporate rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

### RATING RATIONALE

WCRCL has reaffirmed 'BBB1' (pronounced Triple B One) rating for the Long Term and 'ST-3' (pronounced Short Term Three) rating for Short Term to Noorani Construction Limited (hereinafter referred to as 'NCL' or 'the company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance and also reaffirmed blr ST-3 (pronounced as bank loan rating Short Term Three) rating to the aggregated short term limit.

The above ratings have been reaffirmed based on the fundamentals of the company which includes long business record, skilled and experienced management and workforce, excellent business network, satisfactory banking relationship, good coverage position, low leverage position in the capital structure. The above factors are to some extent constrained by down trend in profit margin, adverse effect of COVID-19 in the economy, low discloser of financial statement, working capital mostly depends on short term loan.

The long term rating implies that the entity rated in this category is subject to medium credit risk. And considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the entity has an acceptable ability to repay short term debt obligations. It is expected to rely on external sources of committed financing. Based on its evaluation of near term covenant compliance, WCRCL believes that the issuer may require covenant relief in order to maintain orderly access to funding lines.

WCRCL also viewed the company with "Stable" outlook and believes that NCL will be able to maintain its good fundamentals in the foreseeable future.