

# 1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT AQUA MARINE DREDGING LIMITED



Ref. no.: FR/2023/29748

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A3	ST-3	Stable	13 February 2023	07 February 2024

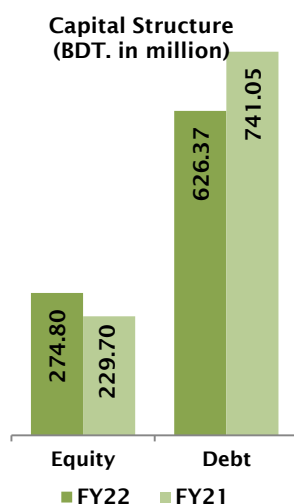
BDT. in Million					
Bank's Name	Mode of Investment	Limit Amount	Outstanding Amount	Bank Loan Ratio	
Trust Bank Limited (31.01.2023)	Term Loan	121.23	121.23	blr A3	
	OD	80.00	79.30	blr ST-3	
	Rev. BG	250.00	72.19		

*Financial Based on-Audited financial statements up to 30<sup>th</sup> June 2022.*

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

## Key Snapshot:

BDT. in million		
Particular	FY22	FY21
Revenue	357.39	31.38
EBIT	67.07	1.27
Net Profit	43.86	-1.15
Total Assets	901.18	970.75
Total Equity	274.80	229.70
Debt	626.37	741.05
Net Profit Margin (%)	12.3	-3.7
Current Ratio(x)	1.29	1.29
Debt/Equity (X)	2.28	3.23
FFO(M)	43.86	-1.15



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## RATING RATIONALE

WCRCL has reaffirmed **A3** (pronounced as Single A Three) rating for the Long Term and **ST-3** (pronounced as Short Term Three) rating for Short Term to **Aqua Marine Dredging Limited** (hereinafter referred to as 'AMD' 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 A3**" (pronounced as Bank Loan Rating Single A Three) rating to the long term loan outstanding and "**blr ST-3**" (pronounced as Bank Loan Rating Short Term Three) rating to the aggregated short term limit.

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

- Skilled and experienced management
- The company has many big on-going project
- Many project already handed over
- Highly satisfactory banking relationship
- Majority bills of the company are made by short period
- The entity is profitable concern

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

- Average disclosure in the financial statements
- Highly levered in the capital structure
- Manual accounting system
- Medium scale in the business

The long term rating implies that the company rated upper medium grade and subject to low credit risk. The short term rating implies that the company an acceptable ability to repay short term debt obligations. It is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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