

SURVEILLANCE CREDIT RATING REPORT MASOOD AND COMPANY LIMITED

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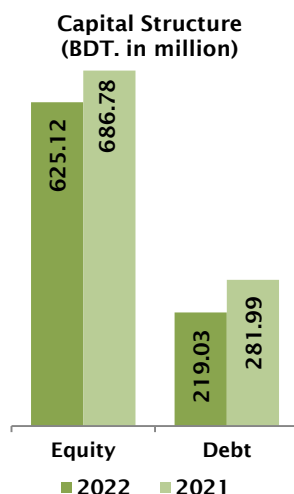
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Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	557.15	1,014.1
COS	547.86	760.59
Gross Profit	9.28	253.55
Admin. Cost	27.14	53.16
EBIT	-17.57	200.86
Net Profit	-72.53	126.90
Total Assets	844.14	968.76
Total Equity	625.12	686.77
Total Liabilities	219.02	281.99
Net Profit Margin (%)	-13.02	12.51
Debt/Equity Ratio (X)	0.35	0.40
ICR (X)	-1.49	11.06



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-3	Stable	07 May 2023	06 May 2024

Bank/s	Facilities	Limit Amount	Outstanding Amount	Bank Loan Rating
Jamuna Bank Limited	SOD (G)	15.00	0.00	
	SOD (WO)	85.00	0.00	
(30.04.2023)	BG	300.00	0.00	blr ST-3
State Bank of India	Cash Credit	800.00	94.48	
(30.04.2023)				

Tk. in Million

Financial Based on Audited financial statements up to 30 June 2022.

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

RATING RATIONALE

WCRCL has reaffirmed **BBB2** (Pronounced as Triple B Two) rating for the Long Term and **ST-3** (pronounced Short Term-Three) rating for Short Term to **Masood and Company Limited** (hereinafter referred to as 'MCL' or 'The company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has reaffirmed **blr ST-3** (pronounced as Bank Loan Rating Short Term-Three) rating to the short term loan limit.

The above ratings have been assigned based on the fundamentals of the company which include skilled and experienced management and workforce, established business network, major clients are government organizations with big contracts, low leverage position in the capital structure, good liquidity position, good market reputation, long track record, regular loan repayment history.

However, the above factors are constrained by operational bottleneck due to average disclosure in the financial statements, significantly decreased of revenue, negative profitability, limited capacity to capture several concurrent tenders, lock up of funds as tender security and performance security. Rating may downgrade in future if the company fails to improve its revenue and profitability.

The long term rating implies that the company is subject to medium creditrisk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the company has an acceptable ability to repay short term debt obligations from internal sources. However, 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 **MCL** will be able to maintain its good fundamentals in the foreseeable future.