

# 4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT TURN BUILDERS LIMITED

Ref. no.: FR/2023/32735



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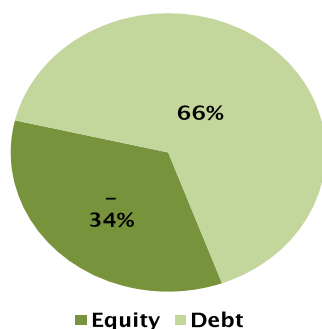
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## Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	17.18	8.96
EBIT	1.11	1.33
Net Profit	0.73	-3.50
Total Assets	78.16	122.38
Total Equity	-85.07	-85.80
Debt	163.22	208.18
Net Profit Margin (%)	4.3	-39
Debt/Equity (X)	-1,494	-2,706
ICR	-	0.30

Capital Structure  
(BDT. in million)



## Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB-	ST 4	Stable	04 July 2023	20 May 2024

Banks	Mode of Investment	Amount Limit	Outstanding Amount	Bank Loan Rating
	Term Loan	35.10	9.99	blr BBB-
Mercantile Bank Limited (21.06.2023)	SOD	30.00	9.91	
	L/C	10.00	-	blr ST 4
	BG	50.00	-	

*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)*

## RATING RATIONALE

WCRCL has reaffirmed 'BBB-' (pronounced as Triple B Minus) rating for the Long Term and 'ST 4' (pronounced as Short Term Four) rating for Short Term to **Turn Builders Limited** (hereinafter referred to as 'TBL' 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 reaffirmed "blr BBB-" (pronounced as Triple B Minus) rating to long term outstanding and "blr ST 4" (pronounced as Bank Loan Rating Short Term Four) rating to short term limit.

The above ratings have been assigned based on the fundamentals of the company which include seven projects already handed over, experienced and proactive management, satisfactory loan repayment history, comfortable collateral security arrangement, the company has few big on-going projects and having sister concern support. However, the above factors are constrained to tight working capital requirement, negative free cash flow and stressed liquidity position, high levered in the capital structure, rescheduled experiences.

The long term rating implies that the entity has below 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 TBL 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.