

## 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT HOVER CONSTRUCTION LIMITED

Ref. no.: FR/2023/33352



### Report Contents:

Particulars	Page
Rating Rationale	1
Corporate Profile	2
Management Evaluation	2
Market Review	2
Business Analysis	2
Financial Position Analysis	4
Risk Factor Analysis	4
Rating Observation	5

Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 3	Stable	05 September 2023	04 September 2024

Tk. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 12.06.2023	Bank Loan Rating
Mutual Trust Bank Ltd.	SOD (WO) BG	15.00 2.07	14.12 2.07	blr ST 3

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

### Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	54.81	16.33
EBIT	9.86	1.06
Net Profit	3.36	0.38
Total Assets	33.71	25.41
Total Equity	16.02	12.67
Total debt	17.69	12.75
Net Profit Margin (%)	6.1	2.3
CCC (Days)	107	290
ICR (X)	11.56	975.65

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

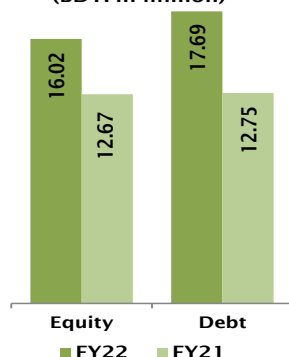
### RATING RATIONALE

WCRCL has upgraded 'BBB' (pronounced Triple B) rating for the Long Term and reaffirmed 'ST 3' (pronounced Short Term Three) rating for Short Term Hover Construction Limited (hereinafter referred as "HCL" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment. WCRCL has also reaffirmed 'blr ST 3' (pronounced as bank loan rating Short Term Three) rating to aggregate short term limit.

The above rating has been assigned based on the fundamentals of the company which includes of skilled and experienced management, majority bills of the company are made by short period, the company has nine big on-going project, many project already handed over, average disclosure in the financial statements and the entity is profitable concern. However, the above rating has been moderated to some extent due to some factors like highly levered in the capital structure, vulnerable market condition, market saturation or high competition and medium scale in the business.

The long term rating implies that the entity has average credit quality. The short term rating implies that the company has average ability to meet short term financial commitments.

Capital Structure  
(BDT. in million)



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WCRCL also viewed the company with "Stable" outlook and believes that HCL 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.