

INITIAL CREDIT RATING REPORT NATIONAL GAS & CONSTRUCTION CO. LIMITED



Ref. no.: FR/2023/33404

Report Contents:

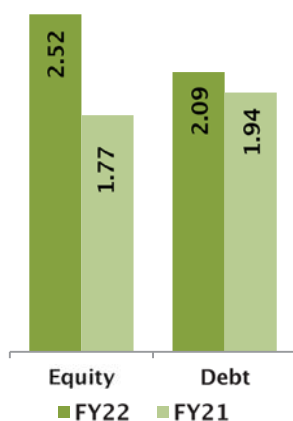
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Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	40.36	54.36
EBIT	1.07	0.93
Net Profit	0.75	0.60
Total Assets	4.61	3.70
Total Equity	2.52	1.77
Debt	2.09	1.94
Current Assets	3.23	2.16
Net Profit Margin (%)	1.9	1.1
ICR (X)	39	83

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	07 August 2024

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

Financial Based on-audited financial statements up to 30th June 2022.

RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to National Gas & Construction Co. Limited (hereinafter referred as "NG&CCL" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the company which includes experienced and skilled management, good business network, low levered capital structure, financial and operational flexibility, satisfactory banking relationship, good liquidity position and comfortable interest coverage position.

However, the above rating has been moderated to some extent due to some factors like medium disclosure in the financial statements, market saturation or high competition, all outlets of the company are rented, low management information system (MIS) and Manual accounting system.

The SME rating implies that the enterprise has above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that NG&CCL 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.