

# 8<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT NETWORK TECHNOLOGY LIMITED

Ref. no.: FR/2023/033402



## Report Contents:

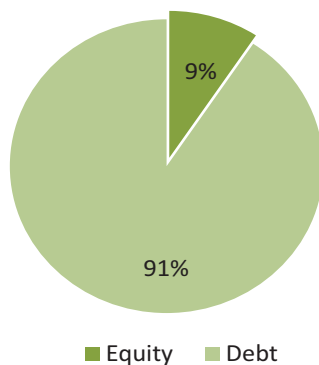
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## Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	696.02	184.18
COGS	448.64	127.11
PAT	137.70	19.82
Net Profit Margin (%)	19.78	10.76
Debt to Equity (X)	9.72	2.98
ICR	13.65	3.09

## Capital Structure



## Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB+	ST 3	Stable	05 September 2023	18 July 2024

Tk. in Million				
Bank Name	Mode of Investment	Sanction or Limit	Outstanding amount as on 30.06.2023	Bank Loan Rating
AB Bank Ltd.	OD	10.00	10.21	blr ST 3
	Rev. Time Loan	375.00	364.59	
	Rev. LC	80.00	0.00	
	LTR	57.00	40.83	

\* blr-Bank Loan Rating

**Financial Based on**– Audited financial statements up to 30 June 2022, 2021, 2020.

**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 Plus) rating for the Long Term and assigned 'ST 3' (pronounced as Short Term Three) rating for Short Term to Network Technology Limited (hereinafter referred to as 'NWTL' 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 ST 3' (Pronounced as Bank Loan Rating Short Term Three) for short term loan limit.

The above ratings have been assigned based on the fundamentals of the company which include strong business network, experienced and proactive management, long track record of business in the same line, healthy interest coverage ratio. However, the above factors are constrained to operational bottleneck due to highly levered company, tight liquidity position, and insufficient disclosure of financial statements, lower profit margin.

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

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