

1st SURVEILLANCE CREDIT RATING REPORT WESTERN BUILDING AND CONSTRUCTION PRODUCTS LIMITED

Ref. no.: FR/2023/032224



Report Contents:

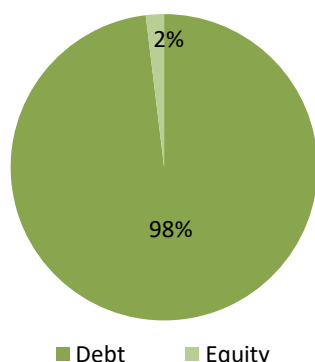
Particulars	Page
Rating Rationale	1
Corporate Profile	2
Management Evaluation	2
Market Review	3
Business Analysis	4
Financial Strength Analysis	5
Risk Factor Analysis	6
Rating Observation	6

Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	352.00	137.22
EBIT	15.87	4.76
Net Profit	9.94	3.33
Total Assets	558.71	456.51
Total Equity	13.88	3.95
Debt	544.83	452.57
Net Profit Margin (%)	2.8%	2.4%
CCC (Days)	83	63
ICR (X)	9.51	n/a

Capital Structure in FY22



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 3	Stable	04 July 2023	14 March 2024

BDT. in Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 03 July 2023	Bank Loan Rating
United Commercial Bank PLC	LC	750.00	192.49	blr ST 3
	Time Loan (R)	150.00	83.34	

**blr: Bank Loan Rating*

Financial Based on—Audited financial statements as on 30 June 2021 and 2022.

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

RATING RATIONALE

WCRCL has reaffirmed ‘**BBB**’ (pronounced as Triple B) rating for the Long Term and **ST 3** (pronounced as Short Term Three) rating for Short Term to **Western Building and Construction Products Limited** (hereinafter referred to as ‘WB&CPL’ or ‘the company’) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration. WCRCL has also reaffirmed “**blr ST 3**” (pronounced as Bank Loan Rating Short Term Three) to the short term limit.

The above ratings have been assigned based on the fundamentals of the company which include; experienced and proactive management, strong group support– “Western Group”, availability of the supply of raw materials, and owned factory premises and good infrastructural arrangement. However, the above factors are constrained by average disclosure in the financial statement, volatile construction raw material price, moderate levered in the capital structure, stressed liquidity position with low quick ratio and long cash conversion cycle, and no insurance coverage.

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

WCRCL also viewed the company with “Stable” outlook and believes that WB&CPL 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.