

1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT  
AZAD CONSTRUCTION (PVT.) LIMITED



Ref. no.: CRAR-13579/2024

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| Entity Rating | Long Term | Short Term | Outlook | Date of Declaration | Date of Expiration |
|---------------|-----------|------------|---------|---------------------|--------------------|
|               | BBB-      | ST 3       | Stable  | 16 January 2024     | 15 January 2025    |

*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 upgraded ‘ST 3’ (pronounced as Short Term three) rating for Short Term to **Azad Construction (Pvt.) Limited** (hereinafter referred to as ‘**ACL**’ or ‘**The Company**’) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

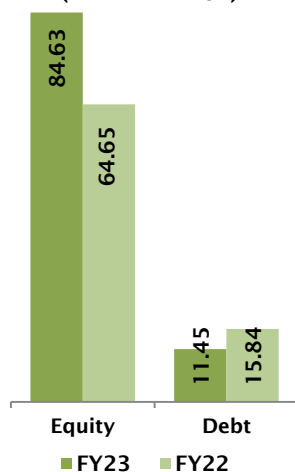
Key Snapshot:

| Particulars           | Tk. in million |         |
|-----------------------|----------------|---------|
|                       | FY23           | FY22    |
| Revenue               | 560.74         | 457.74  |
| EBIT                  | 28.57          | 31.35   |
| Net Profit            | 19.98          | 21.94   |
| Total Assets          | 96.07          | 80.49   |
| Total Equity          | 84.63          | 64.65   |
| Debt                  | 11.45          | 15.84   |
| Net Profit Margin (%) | 3.6%           | 4.8%    |
| CCC (Days)            | 43.31          | 55.54   |
| ICR (X)               | 1,299.9        | 3,617.0 |

The above ratings have been assigned based on the fundamentals of the company which include three projects already handed over, experienced and proactive management, and the company has few big on-going projects. However, the above factors are constrained to tight working capital requirement, low disclosure of financial statements, low management information system (MIS) and Manual accounting system.

The long term rating implies that the entity is subject below average credit quality. The short term rating implies that average ability to meet short term financial commitments.

Capital Structure (BDT. in million)



WCRCL also viewed the company with “Stable” outlook and believes that ACL 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

Analysts:

**Md. Rafiul Bary**  
rafi@wasocreditrating.com

**Maharan Nasrin**  
maharan@wasocreditrating.com