SURVEILLANCE CREDIT RATING REPORT

NAVANA INDUSTRIES LIMITED

Ref. no.: FR/2022/025821

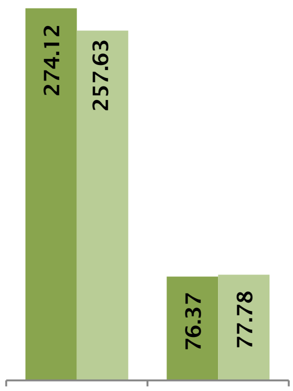
Report Contents:

Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	97.29	95.01
EBIT	22.28	21.61
Net Profit	17.08	20.96
Total Assets	350.49	335.41
Total Equity	274.12	257.63
Debt	76.37	77.78
Net Profit Margin (%)	17.6%	22.1%
CCC (Days)	1,040.58	1,060.78
ICR (X)	4.29	n/a

Capital Structure (BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	19 September 2022	18 September 2023

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Tk. in Million

Name of the Bank	Mode of Investment	Sanctioned/ Limit Amount	Outstanding Amount	Date of Outstanding
Mutual Trust Bank Limited	House Building Loan	6.28	2.43	18.09.2022
	CC (Hypo)	47.00	46.92	
	Trust Receipt	23.00	4.35	
	LC	40.00	4.64	

**These limits are interchangeably used by Navana industries Limited and Golden Agro Chemicals Limited. Aggregated outstanding amount represents the outstanding position for concerns.*

Financial Based on*- Audited financial statements up to 30 June 2022.*

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Navana Industries Limited (hereinafter referred as "NIL" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above ratings have been reaffirmed based on the fundamentals of the company which include experienced management, good business network, long operation and profitable concern, covering all over the Bangladesh with many dealers, good market reputation, good relationship with the distributors and low levered capital structure. However, the above rating has been moderated to some extent due to some factors like tight liquidity position with long cash conversion cycle, decreasing trend in sales and profitability, low discloser of the financial statement, high inventory pile-up affecting working capital and high competition of the market.

The SME rating implies that the enterprise is adjudged to average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the company with "Stable" outlook and believes that NIL will be able to maintain its good fundamentals in the foreseeable future.