

CREDIT RATING REPORT NAVID TRADING



Ref. no.: FR/2022/026126

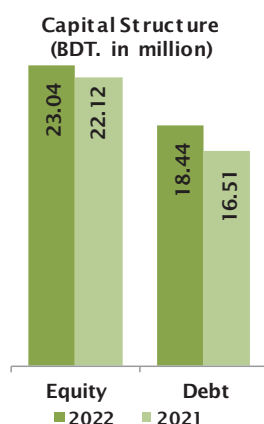
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	43.03	39.25
EBIT	5.41	4.88
Net Profit	3.47	2.94
Total Assets	41.47	38.62
Total Equity	23.04	22.12
Total debt	18.44	16.51
Net Profit Margin (%)	8.1%	7.5%
CCC (Days)	303	317
ICR (X)	4.07	3.44



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Negative	11 October 2022	10 October 2023

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh Limited	APSM (Baim-TR)	6.95	4.85	10.10.2022
	CFIL	25.00	17.39	

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

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Navid Trading (hereinafter referred as "NT" or "The Enterprise") 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 enterprise which includes:

- Experienced and skilled management
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position
- Low levered capital structure

However, the above rating has been moderated to some extent due to some factors like:

- First time rescheduled experience.
- Poor banking conduct with overdue in nature.
- No insurance coverage
- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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 enterprise with "Negative" outlook and believes that NT will be able to maintain its good fundamentals in the foreseeable future.