

SURVEILLANCE CREDIT RATING REPORT NRB TEXTILE MILLS LIMITED



Ref. no.: FR/2022/028183

Report Contents:

Particulars	Page
Rating Rationale	1
Corporate Profile	2
Shareholding Position	2
Market Review	2
Business Analysis	4
Financial Position Analysis	5
Banking Relationship	6
Risk Factor Analysis	6
Rating Observation	7

Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-3	Stable	18 December 2022	17 December 2023

BDT. In Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 16.12.2022	Bank Loan Rating
Janata Bank Limited	CC (H)	400.00	213.78	blr ST-3
	LC	150.00	-	
	Total	550.00	213.78	

* blr-Bank Loan Rating

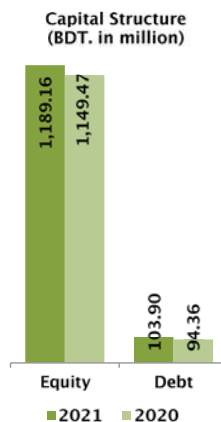
Financial Based on-Audited financial statements up to 30th June FY21.

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

Key Snapshot:

BDT. in million

Particulars	FY20	FY21
Revenue	3,357.04	3,458.05
EBIT	225.71	237.54
Net Profit	225.71	237.54
Total Assets	1,243.83	1,293.05
Total Equity	1,149.47	1,189.16
Debt	94.36	103.90
Net Profit Margin (%)	6.7	6.9%
CCC (Days)	121	123.51
FFO	225.71	237.54



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RATING RATIONALE

WCRCL has reaffirmed BBB2 (pronounced as Triple B Two) rating for the Long Term and ST-3 (pronounced as Short Term Three) rating for Short Term to NRB Textile Mills Limited (hereinafter referred as "NRBTML" 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 assigned to 'blr ST-3' (pronounced as bank loan rating Short Term Three) for the short term loan limit.

The above rating has been assigned based on the fundamentals of the company which includes experienced and skilled management, good business network, good profitability margin, low levered capital structure, good liquidity position in the capital structure, positioning of selling point at prime area and availability of the supply of raw materials.

However, the above rating has been moderated to some extent due to some factors like average disclosure in the financial statements, rented business, no insurance coverage, low management information system (MIS) and Manual accounting system and no transportation facility.

The long term rating implies that the company is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that currently the entity has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

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