

# INITIAL CREDIT RATING REPORT

## BEXIMCO AVIATION LIMITED

Ref. no.: FR/2023/030883



### Report Contents:

Particulars	Page
Rating Rationale	01
Corporate Background	02
Management Evaluation	03
Analysis of Industry Dynamics	04
Business Analysis	06
Financial Strength Analysis	06
Banking Relationship	07
Risk Factor Analysis	08
Rating Observations	09

Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BB1	ST-5	Stable	07 May 2023	06 May 2024

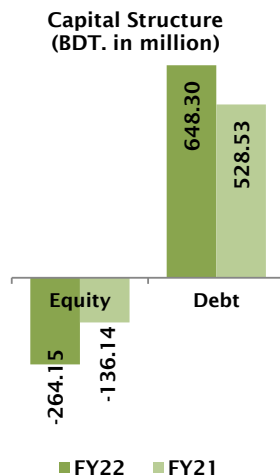
Tk. in Million				
Bank Name	Mode of Investment	Limit Amount	Outstanding Amount	Outstanding Date
National Bank Limited	Term Loan	399.40	404.51	30.03.2023

**Financial:** Audited financial statements up to 30 June 2022.

**Methodology:** Corporate rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com).

### Key Snapshot:

Tk. in million		
Particulars	FY22	FY21
EBIT	-88.05	-73.87
Net Profit	128.01	106.32
Total Assets	384.14	392.38
Total Equity	264.15	136.14
Debt	648.30	528.52
ICR (X)	-2.20	-2.28



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### RATING RATIONALE

WCRCL has assigned 'BB1' rating (pronounced as double B one) for the long term and 'ST-5' rating (pronounced as Short Term Five) for the short term to Beximco Aviation Limited (hereinafter referred to as 'BAL' 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 'blr BB1 rating (pronounced as bank loan rating double B One) to long term loan limit. The above ratings have been assigned based on strong group support from BEXIMCO. However, the above factors are constrained to some extent by average disclosure of financial statements, highly levered capital structure, stressed liquidity position considering high current liabilities, high maintenance of aircrafts, negative profitability and poor / irregular banking conduct with overdue and rescheduling history

The long term rating implies that the company is judged to have speculative elements and subject to substantial credit risk. The short term rating implies that the company is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.

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