

# INITIAL CREDIT RATING REPORT NABA EXPORTS LIMITED

Ref. no.: CRAR-18029/2023



## Report Contents:

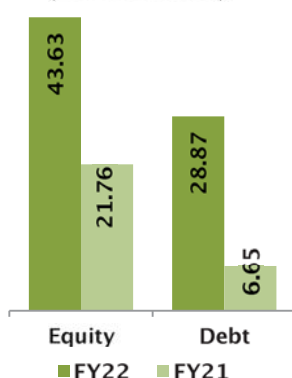
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## Key Snapshot:

*Tk. in million*

Particulars	FY22	FY21
Revenue	651.63	367.43
EBIT	34.54	9.39
Net Profit	21.87	4.90
Total Assets	72.51	28.42
Total Equity	43.63	21.76
Total debt	28.87	6.65
Net Profit Margin (%)	3.4	1.3
CCC (Days)	13	-
ICR (X)	3.66	3.54

**Capital Structure  
(BDT. in million)**



## Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 3	Stable	17 October 2023	16 October 2024

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

*Tk. in Million*

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Bank Loan Rating
Shahjalal Islami Bank Limited (15.10.2023)	BTB L/C	200.00	94.84	blr ST 3
	EDF	(200.00)	-	
	Bai-Salam	20.00	12.91	
	BMC TR	10.00	-	
	FDBP (Rev.)	30.00	17.40	
	Murabaha Sight/DP	5.00	-	

*Financial Based on-Audited statements up to 30<sup>th</sup> June 2022.*

## RATING RATIONALE

WCRCL has assigned 'BBB' (pronounced as Triple B) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to **Naba Exports Limited** (hereinafter referred to as 'NEL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has assigned 'blr ST 3' (pronounced as Bank Loan Rating Short Term Three) rating to short term loan limit.

The above ratings have been assigned based on the fundamentals of the company which include experienced management team, satisfactory health and safety measures, established market position and stable customer profile which, reflects healthy turnover and margins, experienced and skilled management, low levered capital structure, good liquidity position with short cash conversion cycle strong interest coverage position and maintain Insurance coverage.

However, the above factors are constrained by average disclosure in the financial statement, manual accounting process, volatile market price of the raw materials and adverse shock in RMG industry may affect revenue growth.

The long term rating implies that the entity has average credit quality. The short term rating implies that the company has average ability to meet short term financial commitments.

WCRCL also viewed the company with "Stable" outlook and believes that NEL 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.