

4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT  
**NEXT FOOD & BEVERAGE INDUSTRIES LIMITED**

Ref. no.: FR/2023/033107



**Report Contents:**

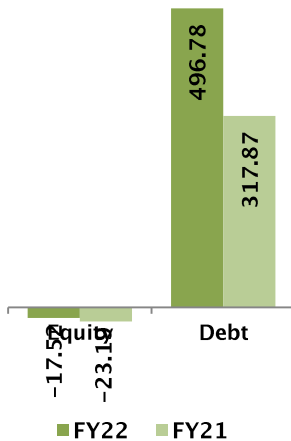
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**Key Snapshot:**

*BDT. in million*

Particulars	FY22	FY21
Revenue	242.61	86.08
EBIT	28.50	12.36
Net Profit	5.67	3.64
Total Assets	479.26	294.68
Total Equity	-17.52	-23.19
Total debt	496.78	317.87
Net Profit Margin (%)	2.3%	4.2%
CCC (Days)	-4.01	-9.64
ICR (X)	1.39	1.73

**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 4	Stable	22 August 2023	21 August 2024

*BDT. in Million*

Bank Name	Investment Mode	Limit/Sanctioned Amount	Outstanding as on 31.07.2023	Bank Loan Rating
NRB Commercial Bank Limited	Term Loan-I	12.53	13.14	blr BBB-
	Term Loan-II	2.89	3.03	
	Term Loan-III	17.89	18.75	
	Term Loan-IV	10.01	10.50	
	Loan General-I (RS)	131.75	137.95	
	Loan General-II (RS)	(16.11)	16.87	blr BBB-
	Loan General-III (RS)	(41.97)	43.94	
	Hire Purchase	2.13	2.23	
	Hire Purchase	2.03	2.09	blr ST 4
	Hire Purchase	1.05	1.06	
	NRBC Vehicle Loan-SE	3.96	4.18	
	LC (Revolving)	50.00	-	
	LTR	45.00	5.00	
	CC(H)	80.00	88.30	
	Time Loan-I (Duty)	30.00	1.60	
	Time Loan-II (WC)	75.00	77.60	
	Time Loan-SD (WC)	80.00	89.00	

\*blr - Bank Loan Rating

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

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

**RATING RATIONALE**

WCRCL has reaffirmed and assigned **BBB-** rating (pronounced as Triple B Minus) for the long term and **ST 4** rating (pronounced as Short Term Four) for the short term to **Next Food & Beverage Industries Limited** (hereinafter referred to as 'NFBIL' 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 BBB-** (pronounced as bank loan rating Triple B Minus) rating to the long term loan outstanding of BDT. 253.74 million and **blr ST 4** (pronounced as bank loan rating Short Term Four) rating to aggregate short term loan limit of BDT. 360.00 million.

The above ratings have been assigned based on wide business network, experienced & skilled management, own factory premise, deals with own branded chocolate, candy and lozenge, regular loan repayment history. However, the above factors are constrained to some extent by no insurance policy, tight liquidity position, highly levered company, poor debt coverage position, equity was in negative position, poor security arrangement and moderated disclosure in the financial statements.

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

WCRCL also viewed the company with “Stable” outlook and believes that NFBIL 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.