

3rd SURVEILLANCE CREDIT RATING REPORT NIPA PHARMACEUTICALS LIMITED

Ref. no.: CRAR-5926/2023



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A-	ST 3	Stable	17 October 2023	17 July 2024

Bank	Mode	Limit Amount	Outstanding Amount	Bank Loan Rating
Agrani Bank	L/C	25.00	0.00	
PLC	Bai-Muajjal (Hypo)	100.00	119.79	blr ST 3
(10.10.2023)	Bai-Murabaha TR	10.00	nil	

** blr-Bank Loan Rating

Financial Based on-Unaudited financial statement up to 31 December 2022.

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

RATING RATIONALE

WCRCL has assigned 'A-' (pronounced as A Minus) rating for the Long Term and 'ST3' (pronounced as Short Term Three) rating for Short Term to **Nipa Pharmaceuticals Limited** (hereinafter referred to as '**NPL**' 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 the aggregated short term limit.

The above ratings have been assigned based on the fundamentals of the company which include experience of promoter in the pharmaceuticals industries, experienced and skilled management, moderate regional diversification, moderate diversified product portfolio, sponsors have related experience, satisfactory health and safety measures, comfortable security arrangement, regular loan repayment history, owned manufacturing premises.

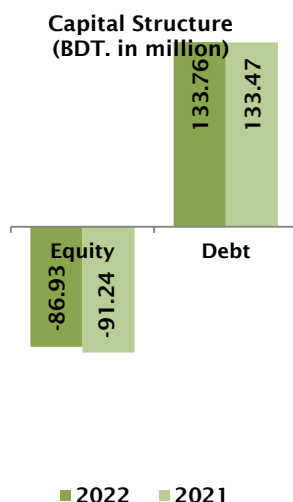
However, the above factors are constrained to average disclosure in the financial statement, moderate profitability margin, and small portion of market share, high levered in the capital structure, stressed liquidity position, poor interest coverage position and high inventory pile-up affecting working capital.

The long term rating implies that the entity is subject Moderately good credit quality. The short term rating implies that average ability to meet short term financial commitments.

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

Key Snapshot:

Particulars	2022	2021
Revenue	131.38	142.68
EBIT	15.24	14.50
Net Profit	2.07	-0.28
Total Assets	46.84	42.23
Total Equity	-86.93	-91.24
Debt	133.76	133.47
Net Profit Margin (%)	1.6%	-0.2%
CCC (Days)	105.27	75.37
Debt/Equity (X)	1.23	1.04
ICR (X)	131.38	142.68



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