

MIRA INFORM REPORT

Report No. :	532988
Report Date :	08.10.2018

IDENTIFICATION DETAILS

Name :	NAVEENA EXPORT LIMITED
Registered Office :	B-21, Block 7/8, Banglore Town, Main Shahrah-e-Faisal, Karachi
Country :	Pakistan
Financials (as on) :	2017 (Summarized)
Year of Establishment :	1989
Com. Reg. No.:	0019395
Legal Form :	Public Limited Company
Line of Business :	Subject is engaged in manufacturer and export of Fabric and Garments.
No. of Employees :	2,270

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	Slow and delayed
Litigation :	Clear

NOTES:

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Any query related to this report can be made on e-mail: while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Pakistan	B1	B1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

PAKISTAN - ECONOMIC OVERVIEW

Decades of internal political disputes and low levels of foreign investment have led to underdevelopment in Pakistan. Pakistan has a large English-speaking population, with English-language skills less prevalent outside urban centers. Despite some progress in recent years in both security and energy, a challenging security environment, electricity shortages, and a burdensome investment climate have traditionally deterred investors. Agriculture accounts for one-fifth of output and two-fifths of employment. Textiles and apparel account for more than half of Pakistan's export earnings; Pakistan's failure to diversify its exports has left the country vulnerable to shifts in world demand. Pakistan's GDP growth has gradually increased since 2012, and was 5.3% in 2017. Official unemployment was 6% in 2017, but this fails to capture the true picture, because much of the economy is informal and underemployment remains high. Human development continues to lag behind most of the region.

In 2013, Pakistan embarked on a \$6.3 billion IMF Extended Fund Facility, which focused on reducing energy shortages, stabilizing public finances, increasing revenue collection, and improving its balance of payments position. The program concluded in September 2016. Although Pakistan missed several structural reform criteria, it restored macroeconomic stability, improved its credit rating, and boosted growth. The Pakistani rupee has remained relatively stable against the US dollar since 2015, though it declined about 10% between November 2017 and March 2018. Balance of payments concerns have reemerged, however, as a result of a significant increase in imports and weak export and remittance growth.

Pakistan must continue to address several longstanding issues, including expanding investment in education, healthcare, and sanitation; adapting to the effects of climate change and natural disasters; improving the country's business environment; and widening the country's tax base. Given demographic challenges, Pakistan's leadership will be pressed to implement economic reforms, promote further development of the energy sector, and attract foreign investment to support sufficient economic growth necessary to employ its growing and rapidly urbanizing population, much of which is under the age of 25.

In an effort to boost development, Pakistan and China are implementing the "China-Pakistan Economic Corridor" (CPEC) with \$60 billion in investments targeted towards energy and other infrastructure projects. Pakistan believes CPEC investments will enable growth rates of over 6% of GDP by laying the groundwork for increased exports. CPEC-related obligations, however, have raised IMF concern about Pakistan's capital outflows and external financing needs over the medium term.

Source : CIA

COMPANY NAME

Business Name **NAVEENA EXPORT LIMITED**

FULL ADDRESS

Registered Address

B-21, Block 7/8, Banglore Town, Main Shahrah-e-Faisal, Karachi, Pakistan

Tel # 92 (21) 34310631, 34310632, 34543181, 34543182

Fax # 92 (21) 34310630

SHORT DESCRIPTION OF BUSINESS

- | | | |
|----|---------------------------|---|
| a. | Nature of Business | Principally engaged in manufacture & export of
Fabric & Garments |
| b. | Year Established | 1989 |
| c. | Registration No. | 0019395 |

OVERSEAS BRANCHES

Flat # 10, House 531/4, Road # 11,
DOHS Bharidhara, Dhaka,
Bangladesh

FACTORIES LOCATION

(1) Plot No. 1, Sector-28, Korangi Industrial Area, Karachi - 74900. Pakistan

(2) 3.5 KM off Bhuptian Chowk, Raiwind Road, Lahore, Pakistan.

AUDITORS

Ibrahim Shaikh & Co.
(Chartered Accountants)

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LEGAL STATUS

Public Limited Company (Not listed at Stock Exchange of Pakistan)

CAPITAL

AUTHORIZED CAPITAL	Rs.850,000,000/- divided into 8,500,000 shares of Rs.100/- each
ISSUED & PAID UP CAPITAL	Rs.848,867,000/- divided into 8,488,670 shares of Rs.100/- each

DETAILS OF MANAGEMENT

Names	Designation
Mr. Masood Riaz	Chief Executive
Mr. Asif Riaz	Director
Mr. Saqib Riaz	Director

SHAREHOLDERS

Names	No. of Shares
Mr. Asif Riaz	2,971,034
Mr. Masood Riaz	3,140,808
Mr. Saqib Riaz	2,207,054
Mr. Asad Asif	169,774

ASSOCIATES

- A. SUBSIDIARY**
None

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B. ASSOCIATED COMPANIES

- (1) Naveena Industries (Private) Limited, Pakistan.
- (2) Naveena Microsystems (Private) Limited, Pakistan.

BUSINESS ACTIVITIES

Subject Company is principally engaged in manufacture & export of Fabric & Garments.

It's import Textile Raw Materials, Machineries through **L/C, D/P** basis.

It sell its products to its domestic customers on cash term basis. Whereas in case of import / export, payments would be accepted / made through L/C, D/P basis to its trade suppliers / customers globally

Its exporting countries are U.S.A. & European Countries.

Its importing countries are China, Korea, Taiwan, Thailand, Hong Kong India & Japan.

Its major customers are reputable companies, Domestic & Worldwide.

Subject Company is located at commercial & industrial centers of Karachi & Lahore.

Subject employs about **2,270** persons in its set up.

ANNUAL SALES VOLUME

Years	In Pak Rupees
2014	9,197,340,000/-
2015	9,883,600,000/-
2016	9,950,560,000/-
2017	10,850,600,000/-

TRADE SUPPLIERS (FOREIGN)

Subject import globally from Companies belongs to China, Korea, Taiwan, Thailand, Hong Kong India & Japan

ANNUAL PRODUCTION VOLUME

Annual production volume is indeterminable as it mainly depends on the demand /

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requirements from their international customers

BANKERS

- (1) National Bank of Pakistan.
- (2) Habib Bank Limited, Pakistan.
- (3) Meezan Bank Limited, Pakistan.
- (4) Faysal Bank Limited, Pakistan.
- (5) HSBC Bank Middle East Limited, Pakistan
- (6) Habib Metropolitan Bank Limited, Pakistan.
- (7) United Bank Limited, Pakistan.
- (8) Dubai Islamic Bank Pakistan Limited, Pakistan.

FUTURE OUTLOOK

Naveena's success is due to the relation with brands which has been developed over years. Working large brands like LEVIs, GAP, Jordache, JC Penny etc needs lot of hard work in complying with many processes and procedural requirements which are not easy for the new comers. Its participation in international exhibitions and frequent travel of its marketing teams around the world has helped them become an established brand of the world.

MEMBERSHIPS

- Lahore Chamber of Commerce & Industry.(**FCCI**)
- Pakistan Hosiery Manufacturers Association.(**PHMA**)
- Federation Pakistan Chamber of Commerce & Industry.(**FPCCI**)

COMMENTS

Subject Company was established in 1989 and is engaged in manufacture & export of Fabric & Garments. Market reputation is satisfactory. Trade relations are reported as fair. In view of current disturbed economic and political situation, we would advise to deal with all the business in Pakistan with some caution.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.58
UK Pound	1	INR 95.89
Euro	1	INR 84.70
PKR	1	INR 0.60

Note: Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	NIT

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)