

**ARGUS CREDIT RATING SERVICES LTD.**

## **Credit Rating Report**

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**Australia-Bangladesh  
Development Associate  
Limited (ABDA)**



(CRR 0001122011)  
CREDIT RATING REPORT OF AUSTRALIA BANGLADESH DEVELOPMENT  
ASSOCIATE LIMITED (ABDA)

RATINGS SUMMARY

CREDIT RATING – Entity	CURRENT	PREVIOUS
Long-Term	A	N/A
Short-Term	ST-3	N/A
Date	December 1, 2011	N/A

RATINGS EXPLANATION

A	<b>Long Term:</b> This category for an institution is considered to offer moderate degree of safety for timely repayment of financial obligations. This level of rating has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions compared to the higher-rated categories.
ST-3	<b>Short Term:</b> Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.

**ABDA ACTIVITY**

Real Estate Business

**INCORPORATED ON**

February 25, 2007

**CHAIRMAN**

Mr. Ekhtear Hassan

**MANAGING DIRECTOR**

Mr. Iftekhar Hassan

**TOTAL ASSETS**

Tk. 399.6 MN

**TOTAL EQUITY**

Tk. 303.9 MN

**HEAD OFFICE**

57, Kazi Nazrul Islam  
Avenue, Kawran Bazar  
(C/A), Dhaka-1215

**MAJOR RATING CONSIDERATIONS:**

**Strength:**

- ABDA is part of a diversified global conglomerate with a high level of financial flexibility.
- ABDA's ability to service its financial obligations is backed by asset rich Directors, with significant land holdings in Dhaka City.
- ABDA enjoys a low degree of leverage, with operations and expansions primarily funded through internal cash flow and group capital base.
- The Company revenue trajectory has been positive with new projects coming online, in contrast to the overall negative trend among its peers.
- Senior management is highly educated, with global exposure and a track record of implementing strategic vision.
- ABDA is expanding its access to capital market.

**Concerns:**

- ABDA's core business is Real Estate, a sector with a negative near-to-intermediate term outlook.
- Rapid pace of expansion may stress the Company financials and stretch management resources.
- ABDA's employees are not highly educated, prudent and efficient as is its directors.