

CREDIT RATING REPORT ONUS GARMENTS LIMITED

Ref. no.: FR/2022/025748



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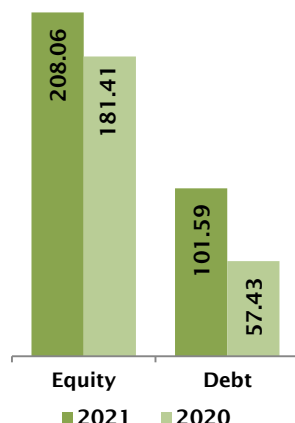
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Key Snapshot:

Tk. in million

Particulars	2021	2020
Revenue	744.2	514.0
EBIT	33.63	18.40
Net Profit	26.66	13.16
Total Assets	309.6	238.8
Total Equity	208.0	181.4
Debt	101.5	57.43
Net Profit Margin (%)	3.6%	2.6%
CCC (Days)	23	1
ICR (X)	10.47	7.75

Capital Structure (BDT. in million)



Analysts:

Ummay Fatema
fatema@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB3	ST-4	Stable	19 September 2022	18 September 2023

Tk. in Million

Bank Name	Investment Mode	Limit Amount	Outstanding as on 18.08.2022	Bank Loan Rating
Dhaka Bank Limited			LC: 197.48	
			ABP: 101.00	
			EDF: 2.52	
			SG: 32.04	
	BBLC	400.00		
	PC	25.00	14.91	
	OD (Others)	30.00	29.77	blr ST-4
	Rev FDBP	20.00	--	
	Rev STL (Inner of FDBP)	(20.00)	--	
	One-off BG (as inner of BBLC)	(0.50)	0.50	
	Lease (Transport)	2.69	2.72	blr BBB3
	Term Loan	9.94	10.63	

**blr- Bank Loan Rating*

Financial Based- Audited financial statements up to 2021.

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

RATING RATIONALE

WCRCL has assigned 'BBB3' rating for the long term (pronounced as Triple B Three) and upgraded the rating to 'ST-4' (pronounced as Short Term Four) for the short term to Onus Dresses Limited (hereinafter referred to as 'ODL' 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 the bank loan rating to "BBB3" (pronounced as Triple B Three) to long term loan outstanding and 'blr ST-4' (pronounced as bank loan rating Short Term Four) for aggregate short term loan. The above ratings have been assigned based on experienced promoter and management, financial flexibility arising from 'Onus Group', significant increase in export revenue, good security arrangement and regular loan repayment history. However, the above factors are constrained to some extent by highly levered capital structure, overdue history in long repayment behavior, and insufficient disclosure in the financial statements.

The long term rating implies that the company is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the company has an acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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