

SURVEILLANCE CREDIT RATING REPORT EVA SWEATER LIMITED

Ref. no.: FR/2023/031512



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB1	ST-3	Stable	12 June 2023	11 June 2024

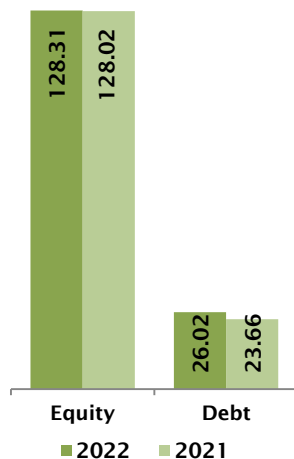
Tk. in million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 08.06.2023	Bank Loan Rating
Al Arafah Islami Bank Limited	BBLC	130.00	--	blr ST-3
	Bai Salam	18.5	--	
	Bai Salam (Special)	11.0	--	
	QSF	8.80	--	
	Bai Muajjal	5.00	--	

Financial Based on- Audited financial statements of up to FY22.

Key Snapshot:

Tk. in million		
Particulars	FY22	FY21
Revenue	104.32	124.74
EBIT	2.93	2.84
Net Profit	1.57	1.55
Total Assets	154.32	151.68
Total Equity	128.31	128.02
Debt	26.02	23.66
Net Profit Margin (%)	1.5%	1.2%
CCC (Days)	348	307
ICR (X)	3.49	4.29

Capital Structure (BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'BBB1' (pronounced as Triple B One) rating to the entity for long term and 'ST-3' (pronounced as Short Term Three) for short term to Eva Sweater Limited (hereinafter referred as "ESL" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment. WCRCL has also reaffirmed 'blr ST-3' to all the short-term loan facilities enjoyed by the company. The above ratings have been assigned based on the fundamentals of the entity, which include experienced management, established market position and stable customer profile which reflects healthy turnover and margins, long standing relationship with clients, mitigate demand risk, increasing business trend, have biological ETP which is very cost effective in respect of regular business operation. However, the above factors are constrained to low financial coverage, stressed liquidity position, moderate quality of financial statements, highly levered capital structure.

The long-term rating is subject to medium credit risk and considered medium grade and as such may possess certain volatile characteristics. The short term rating implies that the company has 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 believes that the issuer may require covenant relief in order to maintain orderly access to funding lines.

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

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