

5th SURVEILLANCE CREDIT RATING REPORT GLOBAL FASHION GARMENTS LIMITED

Ref. no.: CRAR-2656/2024



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 3	Stable	19 February 2024	18 February 2025

BDT. In Million

Banks Name	Mode of Investment	Limit Amount	Outstanding Amount	Bank Loan Rating
Commercial Bank of Ceylon PLC (31.01.2024)	OD	30.00	30.87	blr ST 3
	BTB L/C	400.00	-	
	Force Loan	0.31	0.31	
	MTL	4.22	4.22	
Pubali Bank PLC (31.01.2024)	Bill Negotiation	30.00	-	blr BBB
	Term Loan	350.00	102.78	
	BTB L/C	400.00	387.30	
	PC	10.00	10.00	
	OD	50.00	51.37	blr ST 3
	BG	1.00	1.00	

Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	745.30	587.54
EBIT	47.09	34.28
Net Profit	27.07	14.98
Total Assets	798.30	795.85
Total Equity	51.68	24.61
Debt	746.62	771.24
Net Profit Margin (%)	3.6%	2.5%
CCC (Days)	124	114
ICR (X)	3.33	2.21

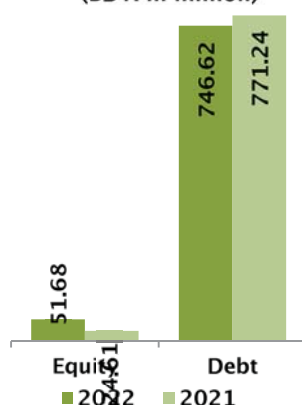
Financial Based on-Audited financial statements (DVC) up to 30 June 2022.

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

RATING RATIONALE

WCRCL has assigned 'BBB' (pronounced as Triple B) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to **Global Fashion Garments Limited** (hereinafter referred to as '**GFGL**' 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 'blr BBB' (pronounced as Bank Loan Rating Triple B) rating to the long term loan outstanding and "blr ST 3" (pronounced as Bank Loan Rating Short Term Three) rating to the aggregated short term limit.

Capital Structure (BDT. in million)



The above ratings have been assigned based on the fundamentals of the company which include experienced management, satisfactory safety measures, financial flexibility arising from Azim Group, experience of promoter ingarments industries, sufficient liquidity position.

However, the above factors are constrained to moderated disclosure in the financial statements, increased outside liabilities, highly levered company, stressed liquidity position, marginal interest coverage position and adverse shock in RMG industry may affect revenue growth.

The long term rating implies that the entity has average credit quality. The short term rating implies that the entity has a average ability to meet short term financial commitments.

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WCRCL also viewed the company with "**Stable**" outlook and believes that **GFGL** 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.