

11th SURVEILLANCE CREDIT RATING REPORT
GLORY FASHION WEAR LIMITED



Ref. no.: CRA/2024/102

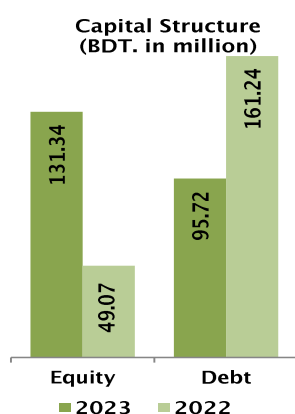
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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB+	ST 3	Stable	31 January 2024	15 January 2025

Key Snapshot:

Particular	Tk. in million	
	2022	2023
Revenue	1429.02	1061.60
Net Profit	16.35	80.60
Total Assets	210.31	227.05
Total Equity	49.07	131.33
Total Debt	161.24	95.71
Net Profit Margin (%)	1.14	7.59
Debt to Equity (X)	3.28	0.73
Current Ratio (X)	1.29	2.35



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Bank Name	Mode of Investment	Limit Amount	Outstanding amount as on 31.12.2023	Bank loan Rating
Dhaka Bank PLC	BBLC	250.00	41.93	blr ST 3
	ABP		86.59	
	EDF		122.44	
	Rev. LC	4.00	0.00	
	ABP		0.00	
	BG	-4.37	4.37	
	Time Loan	10.00	0.00	
	OD	50.00	0.05	

Financial Based on- Unaudited statements up to 30 June 2023, 2022, and 2021.

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

RATING RATIONALE

WCRCL has assigned 'BBB+' (pronounced as Triple B Plus) rating for the Long Term and reaffirmed 'ST 3' (pronounced as Short Term Three) rating for Short Term to **Glory Fashion Wear Limited** (hereinafter referred to as 'GFWL' 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 reaffirmed 'blr ST 3' (pronounced as Bank Loan Rating Short Term Three) to the aggregate Short Term Limit. And also assigned blr BBB+' (pronounced as Bank Loan Rating Triple B Plus) to Long Term loan outstanding.

The above ratings have been assigned based on the fundamentals of the company which include experienced and skilled management, good infrastructural arrangement, equipped with power backup, have fire insurance, give good supportive facilities to the workers and strong group support from 'Sepal Group'. However, the above factors are constrained by very low net profit margin, tight liquidity position, and huge dependency on working capital loan, highly levered capital structure and low disclosure of the financial statements.

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

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