

Ref No : ACRSL39067/24
Company Name : Fabrics & Apparels Limited (FAL)
Assigned Ticker : FbrAppLtd
Activity : Apparel, Manufacturing
Incorporated On : 11 Feb 2002
Head Office : Tingao, Duptara, Araihasar, Narayangonj, Bangladesh

Rating Type : Corporate / Entity
Rating Validity : 03 Oct 2025
Nature of Rating : First Surveillance
Outlook : Negative
Analyst(s) : ACRSL Analyst Team
Committee(s) : ACRSL Rating Committees


Rating Summary

| Credit Rating | Current | Previous |
|-----------------|-------------|-------------|
| Long-Term | BB+ | BBB- |
| Short-Term | ST-5 | ST-4 |
| Publishing Date | 03 Oct 2024 | 05 Oct 2023 |

Rating Explanation

| Rating | Explanation |
|--------|---|
| BB+ | Speculative grade. Substantial credit risk. When assigned this rating indicates the obligor has business or other alternatives to meet current financial obligations but is substantially vulnerable to adverse economic conditions that may impair ability to meet such obligations in the future. |
| ST-5 | Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation. |

Rating Validity: This validity assumes no additional loan over that disclosed in FY23 [Ending June 30] audited/management certified balance sheet and that management has disclosed all material & adverse to financials since FY21.


 Khan Md. Abul Wahab, FCMA
 Chief Executive Officer
 ARGUS Credit Rating Services Ltd.

APPENDIX D: SHORT TERM RATING DETAILS

ACRSL CORPORATE / ENTITY RATING (SHORT TERM)

| Rating | Definition |
|--------|--|
| ST-1 | <p>Highest Grade Highest certainty of timely payment. Short-term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding, Safety is almost like risk free Government short-term obligations.</p> |
| ST-2 | <p>High Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.</p> |
| ST-3 | <p>Good Grade 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.</p> |
| ST-4 | <p>Satisfactory Grade Satisfactory liquidity and other protection factors qualify issues as to investment grade. Risk factors are larger and subject to more variation.</p> |
| ST-5 | <p>Non-Investment Grade Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation.</p> |
| ST-6 | <p>Default Issuer failed to meet scheduled principal and/or interest payments.</p> |

