

# SURVEILLANCE CREDIT RATING REPORT UZZAL COLOUR

Ref. no.: FR/2022/26145



Report Contents:		SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
Particulars	Page		WCRSE 3	Stable	11 October 2022	03 October 2023
Rating Rationale	1	WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093.				
Business Profile	2					
Proprietor's Profile	2					
Management's Profile	3					
Business Analysis	3					
Financial Analysis	3	Bank	Facility		Limit Amount	Outstanding Amount
Banking Position Analysis	4		National Bank Limited		CC (Hypo)	5.00
Risk Factors Analysis	4		Total		5.00	-
Rating Observations	4					28/09/2022

## Key Snapshots:

Tk. in Million

Particulars	2021	2020
Revenue	30.30	125.00
EBIT	3.80	7.50
Net Profit	3.78	7.42
Total Assets	30.40	30.40
Total Equity	29.50	29.50
Debt	0.90	0.90
Net Profit Margin (%)	12.5	5.9
CCC (Days)	378	88
ICR (X)	200.00	88.24

**Financial Based on:** Unaudited financial statements up to 31<sup>st</sup> December 2021.

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (Pronounced WASO Credit Rating Small Enterprise Three) rating to **Uzzal Colour** (hereinafter referred to as 'UC' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Good business network
- Good mortgage security coverage against loan
- Good interest coverage position
- Low levered capital structure

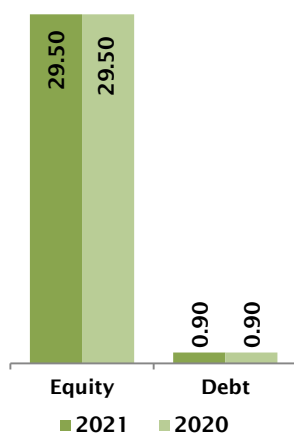
However, the above rating has been moderated to some extent due to some factors like:

- Tight liquidity position with long cash conversion cycle
- Inventory holding risk
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

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

**Capital Structure (BDT. in million)**



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