

# 3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT USHA ENTERPRISE



Ref. no.: FR/2022/228658

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	27 December 2022	26 December 2023

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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Tk. in million Date of Outstanding
United commercial Bank Limited	CC (Hypo) Time Loan	25.00 20.00	16.56 21.26	26.12.2022

\*Same facility interchangeably uses by the Usha Enterprise and its sister concerns.

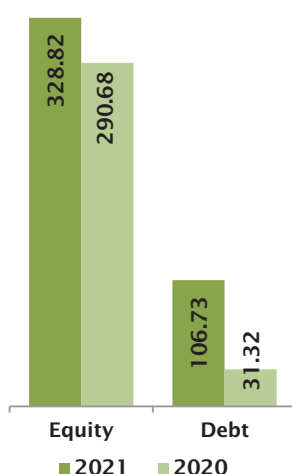
Financial Based on-unaudited financial statements up to 31 December 2021.

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

## Key Snapshot:

Particulars	2021	2020
Revenue	672.01	437.05
EBIT	80.98	73.91
Net Profit	74.06	68.38
Total Assets	435.55	321.99
Total Equity	328.82	290.68
Debt	106.73	31.32
Net Profit Margin (%)	11.0%	15.6%
CCC (Days)	110	145
ICR (X)	27.59	25.22

Capital Structure  
(BDT. in million)



## RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Usha Enterprise (hereinafter referred as "UE" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

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

- Experienced and skilled management
- Satisfactory banking relationship
- Good business network
- Good Net Worth of the Proprietor
- 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
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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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 UE will be able to maintain its good fundamentals in the foreseeable future.