

# 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT UNITED ENTERPRISE



Ref. no.: CRAR-11441/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	17 October 2023	16 October 2024

BDT. in million

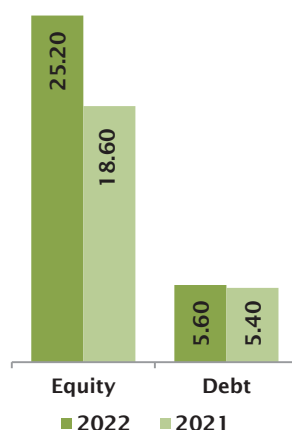
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
	RSTL	3.00	3.00	
United Commercial Bank PLC	SLC/PAD	10.00	--	26 September 2023
	LTR	(4.00)	--	
	Hire Purchase	2.50	0.59	

## Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	71.74	57.39
EBIT	11.91	9.30
Net Profit	10.91	8.36
Total Assets	30.80	24.00
Total Equity	25.20	18.60
Debt	5.60	5.40
Net Profit Margin (%)	15.2%	14.6%
CCC (Days)	129	124
ICR (X)	11.91	232.47

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



*Financial Based on-unaudited financial statements up to 2022.*

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

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to United 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 assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Good business network
- 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

The SME rating implies that the Enterprise has Above Average Credit Quality.

WCRCL also viewed the Enterprise with "Stable" outlook and believes that UE 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.

## Analysts:

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