

5<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT  
 UNITED LEATHER INDUSTRIES (PVT.) LIMITED



Ref. no.: CRAR-041/2023

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A+	ST 3	Stable	10 October 2023	09 October 2024

Tk. In Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Shahjalal Islami Bank Limited	BMC TR	400.00	222.05	
	MPI TR	100.00	9.21	01.10.2023
	L/C	500.00	80.13	
Basic Bank Limited	CC	100.00	102.53	
	LTR	5.00	Nil	01.10.2023
	LC	25.00	nil	

**Key Snapshot:**

Tk. In million

Particulars	FY23	FY22
Revenue	1,041.7	1,058.8
EBIT	81.31	87.94
Net Profit	34.26	45.99
Total Assets	762.47	548.84
Total Equity	306.71	272.45
Debt	455.76	276.39
Net Profit Margin (%)	3.3%	4.3%
CCC (Days)	90	60
ICR (X)	2.51	3.95

**Financial Based on-** Audited financial statements up to 30 June 2023.

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

**RATING RATIONALE**

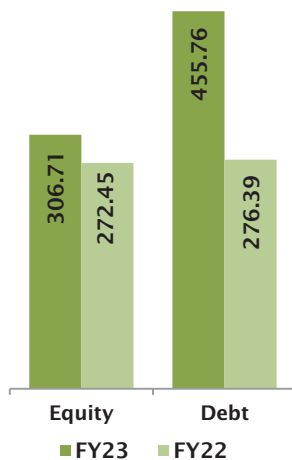
WCRCL has reaffirmed 'A+' (pronounced Single A Plus) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to United Leather Industries (Pvt.) Limited (hereinafter referred to as 'ULIL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also reaffirmed "blr ST 3" (pronounced as Bank Loan Rating Short Term Three) rating to the short term limit. The above ratings have been assigned based on the fundamentals of the company which include group support, flagship company of the group, long experienced management, strong network of the sponsors, satisfactory liquidity position, good interest coverage position, maintain insurance coverage, satisfactory credit repayment history. However, the above factors are constrained to levered capital structure, tight working capital requirement, low management information system (mis) and manual accounting system.

The long term rating implies that the entity is subject good credit quality. The short term rating implies that average ability to meet short term financial commitments.

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

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



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