

## MIRA INFORM REPORT

Report No. :	523418
Report Date :	03.08.2018

### IDENTIFICATION DETAILS

Name :	DONG IL CORPORATION
Formerly Known As :	DONG YANG CORPORATION
Registered Office :	516, Teheran-Ro, Gangnam-Gu, Seoul, Korea, 8th Fl., Jeong-Heon Bldg, 06180
Country :	South Korea
Financials (as on) :	31.03.2018
Date of Incorporation :	01.09.1955
Com. Reg. No.:	120-81-14879
Legal Form :	Listed Company
Line of Business :	<ul style="list-style-type: none"> <li>• Export/Import of Cotton Yarn, Gassed Mercerized Yarn, Knitted Fabrics</li> <li>• Manufacture of Knitted Fabric Mills</li> </ul>
No. of Employees :	389

**RATING & COMMENTS**

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> January 2017)

**MIRA's Rating :**

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular
<b>Litigation :</b>	Clear

**NOTES:**

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
South Korea	A1	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

**SOUTH KOREA - ECONOMIC OVERVIEW**

After emerging from the 1950-53 war with North Korea, South Korea emerged as one of the 20th century's most remarkable economic success stories, becoming a developed, globally connected, high-technology society within decades. In the 1960s, GDP per capita was comparable with levels in the poorest countries in the world. In 2004, South Korea joined the trillion-dollar club of world economies.

Beginning in the 1960s under President PARK Chung-hee, the government promoted the import of raw materials and technology, encouraged saving and investment over consumption, kept wages low, and directed resources to export-oriented industries that remain important to the economy to this day. Growth surged under these policies, and frequently reached double-digits in the 1960s and 1970s. Growth gradually moderated in the 1990s as the economy matured, but remained strong enough to propel South Korea into the ranks of the advanced economies of the OECD by 1997. These policies also led to the emergence of family-owned chaebol conglomerates such as Daewoo, Hyundai, and Samsung, which retained their dominant positions even as the government loosened its grip on the economy amid the political changes of the 1980s and 1990s.

The Asian financial crisis of 1997-98 hit South Korea's companies hard because of their excessive reliance on short-term borrowing, and GDP ultimately plunged by 7% in 1998. South Korea tackled difficult economic reforms following the crisis, including restructuring some chaebols, increasing labor market flexibility, and opening up to more foreign investment and imports. These steps lead to a relatively rapid economic recovery. South Korea also began expanding its network of free trade agreements to help bolster exports, and has since implemented 16 free trade agreements covering 58 countries—including the United State and China—that collectively cover more than three-quarters of global GDP.

In 2017, the election of President MOON Jae-in brought a surge in consumer confidence, in part, because of his successful efforts to increase wages and government spending. These factors combined with an uptick in export growth to drive real GDP growth to more than 3%, despite disruptions in South Korea's trade with China over the deployment of a US missile defense system in South Korea.

In 2018 and beyond, South Korea will contend with gradually slowing economic growth - in the 2-3% range - not uncommon for advanced economies. This could be partially offset by efforts to address challenges arising from its rapidly aging population, inflexible labor market, continued dominance of the chaebols, and heavy reliance on exports rather than domestic consumption. Socioeconomic problems also persist, and include rising inequality, poverty among the elderly, high youth unemployment, long working hours, low worker productivity, and corruption.

Source : CIA

## **BASIC INFORMATION**

Company Name	DONG IL CORPORATION
Registered Address	516, Teheran-ro, Gangnam-gu, Seoul, Korea
Building	8th Fl., Jeong-heon Bldg.
Zip Code	06180
Tel	+82-2-2222-3071
Fax	+82-2-2222-3280
E-mail	export@dong-il.com
Website	www.dong-il.com
Trading Address	8th Fl., Jeong-heon Bldg., 516, Teheran-ro, Gangnam-gu, Seoul, Korea (Old Address System : 8th Fl., Jeong-heon Bldg., 944-1, Daechi 3-dong, Gangnam-gu, Seoul, Korea)
Tel	+82-2-2222-3071
Fax	+82-2-2222-3280
Other Address-Cheonju	140-26, Songjeong-dong, Heungdeok-gu, Cheongju-si, Chungcheongbuk- do, Korea
Factory	
Tel	+82-43-263-0701
Fax	+82-43-263-0704
Other Address-Incheon	37, Manseok-dong, Dong-gu, Incheon, Korea
Factory	
Tel	+82-32-764-1531
Fax	+82-32-764-2228
Other Address-Janghang	450-8, Wonsu-ri, Janghang-eup, Seocheon-gun, Chungcheongnam-do, Korea
Factory	
Tel	+82-41-956-6061
Fax	+82-41-956-5181
Type	Export/Import
Industry	Cotton of Spinning
Main Business	Cotton Yarn, Gassed Mercerized Yarn, Knitted Fabrics
Sub Business	Manufacture of Knitted Fabric Mills
Established (mm/dd/yyyy)	09/01/1955

## **DETAILED PRODUCTS**

<b>Activity</b>	<b>Detailed Products (UNSPSC)</b>
Sell	Cotton fabrics(11161700)
Sell	Yarns(11151700)
Sell	Specialty fabrics or cloth(11162100)
Sell	Silk yarn(11151705)
Sell	Cotton thread(11151601)
Sell	Rubber fabrics(11162117)
Sell	Synthetic fabrics(11161800)

## **CEO'S**

Name	Suh Min-Sok
Date of Birth	06/15/1943
Title	Chairman & CEO
Nationality	Korean

## **PROFILES**

Capital (KRW)	11,891,545,000
Employees	389
Formation	Listed Company (Korea Stock Exchange : 001530) as of 01/04/1964 A Company of DONG IL GROUP

Bank Details	Shinhan Bank-Teheranro Branch Citibank, Korea KEB Hana Bank Kookmin Bank
--------------	---

Corporate Registered No.	110111-0019219
Business Registered No.	120-81-14879
Permit & Licenses	07/1964 KS Mark 12/1971 KS Mark

Int'l Trade No.: 671714

Shareholder Position	Name	Shares	%
	KOREA VALUE ASSET MANAGEMENT CO., LTD.(110111-3398959 )	100,000	4.20
	JUNHEON FOUNDATION(134122-0000035) SUH MIN-SOK	249,732	10.50
	DONG YANG TEXTILE MFG. CO., LTD.(134111-0000319)	145,649	6.12
	TREASURY STOCK	142,575	5.99
	OTHERS	637,499	26.80
	TOTAL	1,102,854	46.37
		2,378,309	100.00

Company History	09/01/1955 Incorporated as DONG YANG CORPORATION 01/1966 Changed company name to the present name 08/1986 Moved to the present HQ address 03/14/2003 Increased capital to 6,000,000 shares from 3,000,000 shares 03/18/2016 Increased capital to 11,471,555,000 KRW from 11,269,260,000 KRW 03/31/2016 Acquired DONG-IL INDUSTRIAL CO., LTD.(130111-0006973) and DONG-IL Y&K INC.(110111-0090384) 03/17/2017 Increased capital to 11,678,930,000 KRW from 11,471,555,000 KRW 03/16/2018 Increased capital to 11,891,545,000 KRW from 11,678,930,000 KRW
-----------------	--

## **MANAGEMENT**

Job Description	Name	Nationality	Date of Birth	Inauguration Date
Chairman & CEO	Suh Min-Sok	Korean	06/15/1943	02/28/1994
Vice President & CEO	Kim In-Hwan	Korean	09/21/1954	03/19/2010
Executive Director	Yoo Yong-Ho	Korean	02/10/1969	03/30/2017
Executive Director	Kim Jong-Gyu	Korean	06/07/1964	03/18/2018
Vice President	Seo Tae-Won	Korean	09/06/1974	03/18/2011
Executive Director	Jung Kyu-Young	Korean	04/24/1963	03/18/2016
Outside Director	Kang In-Sang	Korean	01/17/1968	03/18/2016
Outside Director	Shin Hong-Soon	Korean	02/23/1941	03/18/2011
Outside Director	Lee Sang-Ryeol	Korean	12/18/1946	03/18/2011
Auditor	Kim Ki-Po	Korean	08/16/1953	03/16/2007

## **FINANCIALS**

Year / Unit : KRW	Sales	Assets	Net Income
03/2018	75,896,888,995	731,111,657,085	7,534,260,579
2017	280,898,529,169	715,282,459,746	-5,606,020,715
2016	283,992,654,510	726,449,573,797	662,236,566
2015	243,880,194,911	651,104,528,837	-10,055,465,208
2014	243,419,473,231	639,369,630,133	-19,884,706,422
2013	255,904,574,555	662,848,793,562	2,193,130,454
2012	261,397,754,675	672,500,906,851	-9,301,642,247
2011	295,953,323,648	709,438,280,893	1,236,179,890
2010	244,394,629,358	713,573,629,271	16,125,770,587
2009	171,817,444,152	380,929,243,871	5,208,862,754
2008	162,516,632,066	384,616,430,647	2,413,495,053
2007	133,981,732,455	375,985,401,534	2,239,537,345
2006	127,214,782,497	408,382,284,310	59,609,035,221
2005	141,201,770,436	331,077,514,318	5,872,926,198
2004	143,139,202,718	320,490,082,257	4,496,725,823
2003	161,409,690,559	349,264,971,376	11,349,956,057

## **FINANCIAL DESCRIPTION**

Authorized Capital(KRW)	30,000,000,000
Paid-Up Capital(KRW)	11,891,545,000
Total Issues Shares	2,378,309

### **Balance Sheet**

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**DONG IL CORPORATION - 523418**

**PAGE NO. : 7**

<b>Unit : Korean Won</b>	<b>01/01/2018~03/31/2018</b>	<b>As of 12/31/2017</b>	<b>As of 12/31/2016</b>
Total Assets	731,111,657,085	715,282,459,746	726,449,573,797
Current Assets	157,622,877,349	140,764,363,558	130,384,345,938
Cash & Cash Equivalents	2,982,188,094	8,303,751,349	5,735,615,706
Current Financial Instruments	1,670,438,748	667,777,056	2,270,798,984
Trade Receivables & Other Receivables	94,288,768,448	83,923,029,933	74,600,096,677
Deferred Income Tax Assets	0	365,415,620	959,555,347
Inventories	56,373,447,627	45,605,592,092	44,404,075,384
Other Current Assets	2,308,034,432	1,898,797,508	2,414,203,840
Non-Current Assets	573,488,779,736	574,518,096,188	596,065,227,859
Other Financial Assets	18,241,372,645	18,238,176,249	20,253,160,271
Investment_Related Companies	138,314,185,640	138,314,185,640	135,606,985,098
Tangibles	383,099,787,442	384,051,475,836	387,602,090,945
Investment_Related Companies	30,423,232,105	30,439,727,302	30,505,708,086
Intangibles	2,964,894,352	2,966,972,266	3,282,493,250
Long-Term Trade Receivables & Other Receivables	237,278,552	299,529,895	365,126,488
Assets to be Sold	208,029,000	208,029,000	18,449,663,721
Total Liabilities	265,751,738,048	256,454,686,926	259,411,679,511
Current Liabilities	170,606,120,403	160,788,861,470	162,050,133,275
Trade Payables & Other Payables	13,197,003,309	10,098,413,238	8,527,298,188
Other Current Financial Debts	156,859,432,370	150,006,056,832	152,015,386,964
Accrued Income Taxes	225,628,417	0	
Other Current Liabilities	324,056,307	684,391,400	1,507,448,123
Non-Current Liabilities	95,145,617,645	95,665,825,456	97,361,546,236
Other Non-Current Financial Debts	12,886,583,337	14,023,166,670	18,505,000,002
Provision for Severance & Retirement	857,433,033	753,724,777	48,857,468
Deferred Income Tax Credit	69,445,480,952	68,932,813,686	70,268,665,089
Other Payables	11,956,120,323	11,956,120,323	8,539,023,677
Capital Stock	11,678,930,000	11,678,930,000	11,471,555,000
Capital Surplus	31,717,303,300	31,717,303,300	31,754,563,880
Others	-29,852,633,927	-29,902,649,083	-28,738,176,901
Profit Surplus	451,816,319,664	445,334,188,603	452,549,952,307
Total Equity	465,359,919,037	458,827,772,820	467,037,894,286
Liab. & Shareholder's Equity	731,111,657,085	715,282,459,746	726,449,573,797

**Income Statement**

<b>Unit : Korean Won</b>	<b>01/01/2018~03/31/2018</b>	<b>As of 12/31/2017</b>	<b>As of 12/31/2016</b>
--------------------------	------------------------------	-------------------------	-------------------------

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Sales	75,896,888,995	280,898,529,169	283,992,654,510
Cost of Sold Goods	71,879,881,511	270,659,305,642	272,280,897,740
Gross Profit	4,017,007,484	10,239,223,527	11,711,756,770
Selling & Admin. Expenses	2,325,085,223	9,217,192,320	8,354,797,661
Operating Income	1,691,922,261	1,022,031,207	3,356,959,109
Finance Income	8,640,910,748	16,954,019,775	18,932,820,478
Finance Expenses	1,575,262,077	8,862,189,932	14,185,851,580
Other Income	47,233,792	528,036,633	882,532,294
Other Expenses	439,302,304	16,129,693,879	8,195,838,439
Income Before Taxes	8,365,502,420	-6,487,796,196	790,621,862
Income Taxes Expenses	831,241,841	-881,775,481	128,385,296
Net Income	7,534,260,579	-5,606,020,715	662,236,566

**Cash Flows**

Unit : Korean Won	01/01/2018~03/31/2018	As of 12/31/2017	As of 12/31/2016
Operating Activities Cash Flows	-10,428,558,777	17,833,176,011	9,349,077,624
Net Income	7,534,260,579	-5,606,020,715	662,236,566
Adjustment	-17,042,067,426	12,762,871,152	3,633,104,537
Interests Received	319,969,876	1,340,965,763	994,758,268
Interests Paid	-1,205,219,141	-4,513,744,164	-4,241,254,187
Dividends Received	52,341,225	13,204,964,875	9,092,297,290
Income Taxes	-87,843,890	644,139,100	-792,064,850
Cash Flows from Investing	-502,498,290	-8,321,419,250	-3,316,351,431
Cash Flows from Financing	5,608,685,062	-6,829,412,575	-8,386,276,966
Increase/Decrease in Cash	-5,321,563,255	2,568,135,643	-2,312,139,851
Cash at the Beginning of Year	8,303,751,349	5,735,615,706	8,047,755,557
Cash at the End of Year	2,982,188,094	8,303,751,349	5,735,615,706

**PRODUCTS, TECHNOLOGIES, SERVICES  
DESCRIPTION**

Main Products & Services	Greige Yarn Dyed Yarn Woven Fabric Knitted Fabric
--------------------------	--

**TRADE PARTNERS & COMPETITORS**

Competitors	ILSHIN SPINNING CO., LTD.(110111-0041717) ILSHIN BLDG., 15-15, YEOUIDO-DONG, YEONGDEUNGPO-GU, SEOUL, KOREA
-------------	--

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

TEL:+82-2-3774-0114 FAX:+82-2-786-5891~3

CHONBANG CO.,LTD.(110111-0005664)  
12TH FL., CHUNGJEONG TOWER BLDG., 464, CHUNGJEONGNO 3-GA,  
SEODAEMUN-GU, SEOUL, KOREA  
TEL:+82-2-2122-6000 FAX:+82-2-392-3923

KYUNGBANG CO., LTD.(110111-0013287)  
441-10, YEONGDEUNGPODONG 4-GA, YEONGDEUNGPO-GU,  
SEOUL, KOREA  
TEL:+82-2-2639-6114 FAX:+82-2-2639-6079

## **RELATED PARTIES (SUBSIDIARIES, JOINT- VENTURE & AFFILIATES)**

Affiliates-Domestic	DONG YANG TEXTILE MFG. CO., LTD.(134111-0000319) (22.77% held by the subject company)
	DONG IL RENOWN INC.(120111-0002444) (85.71% held by the subject company)
	DONG-IL ALUMNIUM CO., LTD.(161511-0005350) (90.23% held by the subject company)
	DONG-IL DEVANLAY INC.(110111-1973604) (50.0% held by the subject company)
Affiliates-Overseas	DI BIZ CO., LTD.(110111-0584858) (2.0% held by the subject company)
	PT DONG-IL INDONESIA (75.0% held by the subject company)
	DIB-EGYPT (96.0% held by the subject company)
Subsidiary	QINGDAO DONG-IL CO., LTD.-CHINA DIA ALUMINUM INDIA PVT. LTD DIR INC.(120111-0002444) (100.00% held by the subject company)
	DONG IL RENOWN INC.(120111-0002444) (85.71% held by the subject company)
	DONG-IL ALUMNIUM CO., LTD.(161511-0005350) (90,39% held by the subject company)

DONG-IL DEVANLAY INC.(110111-1973604)  
(50.0% held by the subject company)

DONG-IL AIGLE INC.(110111-5635622)  
(50.00% held by the subject company)

DI BIZ CO., LTD.(110111-5783637)  
(100.00% held by the subject company)

PT DONG-IL INDONESIA  
(95.0% held by the subject company)

DIB-EGYPT  
(100.00% held by the subject company)

DONG-IL CNE CO., LTD.(110111-0395205)  
(100.00% held by the subject company)

DONG-IL ALUMNIUM INDIA  
(50.0% held by the subject company)  
PLOT NO.A-6/2, MIDC RANJANGAON, TAL. SHIRUR, DIST. PUNE 412-  
220, MAHARASHTRA, INDIA

DONG-IL VIETNAM  
(100.00% held by the subject company)  
LOT F, LOC AN-BIHN SON INDUSTRIAL ZONE, LONG THANH  
DISTRICT, DONG NAI PROVINCE, VIETNAM  
-Insured Company  
MERITZ FIRE & MARINE INSURANCE CO., LTD.(110111-0013328)

Cooperative Enterprise

## ***SALES BY REGION (ACTIVITY & MARKETS)***

Sales/ Unit :Mil KRW	03/2018	2017	2016
Export	24,740	99,282	114,508
Domestic	51,157	181,617	169,485
Total	75,897	280,899	283,993

The Subject Company exports the dyed yarn and functional yarn to Asia, Europe and USA. And it imports from USA, Egypt, Australia, China, Pakistan and Uzbekistan.

## ***COURT ACTION***

No Records.

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.



**MIRA INFORM PRIVATE LIMITED**  
605, Palmspring, Near D'Mart, Link Road,  
Malad (West), Mumbai - 400 064. INDIA  
Tel : 91-22-40448000 (44 lines)  
Fax : 91-22-40448045 / 40448046  
E-mail : mira@mirainform.com  
info@mirainform.com  
Website : <http://www.mirainform.com>  
<http://www.miraglobalcheck.com>  
<http://www.miraglobalcollections.com>

---

***DONG IL CORPORATION - 523418***

***PAGE NO. : 11***

## ***NEWS CLIPPING***

-----

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.36
UK Pound	1	INR 89.52
Euro	1	INR 79.57
KRW	1	INR 0.061

**Note:** Above are approximate rates obtained from sources believed to be correct

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIY
<b>Report Prepared by :</b>	NIT

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**RATING EXPLANATIONS**

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)