

MIRA INFORM REPORT

Report No. :	523458
Report Date :	03.08.2018

IDENTIFICATION DETAILS

Name :	NELSON JEWELLERY ARTS CO. LIMITED
Registered Office :	Room 202, 2/F., Guardforce Centre, 3 Hok Yuen Street East, Hunghom, Kowloon
Country :	Hongkong
Date of Incorporation :	30.06.1981
Com. Reg. No.:	09311761
Legal Form :	Private Limited Company
Line of Business :	Importer, Retailer and Exporter of all kinds of jewellery products including 14K and 18K gold fine diamond jewellery with gem-stone settings, precious stone jewellery, platinum jewellery and South Sea pearl jewellery
No. of Employees :	2800 (Group)

RATING & COMMENTS

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

MIRA's Rating :	A
-----------------	---

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

Status :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES:

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

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.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Hongkong	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

HONG KONG - ECONOMIC OVERVIEW

Hong Kong has a free market economy, highly dependent on international trade and finance - the value of goods and services trade, including the sizable share of reexports, is about four times GDP. Hong Kong has no tariffs on imported goods, and it levies excise duties on only four commodities, whether imported or produced locally: hard alcohol, tobacco, hydrocarbon oil, and methyl alcohol. There are no quotas or dumping laws. Hong Kong continues to link its currency closely to the US dollar, maintaining an arrangement established in 1983.

Hong Kong's open economy left it exposed to the global economic slowdown that began in 2008. Although increasing integration with China through trade, tourism, and financial links aided a more rapid initial recovery than many observers anticipated, its continued reliance on foreign trade and investment leaves it vulnerable to renewed global financial market volatility or a slowdown in the global economy.

The Hong Kong Government is promoting the Special Administrative Region (SAR) as the site for Chinese renminbi (RMB) internationalization. Hong Kong residents are allowed to establish RMB-denominated savings accounts; RMB-denominated corporate and Chinese government bonds have been issued in Hong Kong; and RMB trade settlement is allowed. The territory far exceeded the RMB conversion quota set by Beijing for trade settlements in 2010 due to the growth of earnings from exports to the mainland. RMB deposits grew to roughly 9.4% of total system deposits in Hong Kong by the end of 2015. The government is pursuing efforts to introduce additional use of RMB in Hong Kong financial markets and is seeking to expand the RMB quota.

The mainland has long been Hong Kong's largest trading partner, accounting for about half of Hong Kong's total trade by value. Hong Kong's natural resources are limited, and food and raw materials must be imported. As a result of China's easing of travel restrictions, the number of mainland tourists to the territory has surged from 4.5 million in 2001 to 47.3 million in 2014, outnumbering visitors from all other countries combined. Mainland visitors to Hong Kong declined 3% in 2015 to approximately 45.7 million, reflecting an overall drop of 2.5% in total visitors to Hong Kong. Hong Kong has also established itself as the premier stock market for Chinese firms seeking to list abroad. In 2015, mainland Chinese companies constituted about 51% of the firms listed on the Hong Kong Stock Exchange and accounted for about 62.1% of the exchange's market capitalization. During the past decade, as Hong Kong's manufacturing industry moved to the mainland, its service industry has grown rapidly. In 2014, Hong Kong and China signed a new agreement on achieving basic liberalization of trade in services in Guangdong Province under the Closer Economic Partnership Agreement, adopted in 2003 to forge closer ties between Hong Kong and the mainland. The new measures, which took effect in March 2015, cover a negative list and a most-favored treatment provision, and will improve access to the mainland's service sector for Hong Kong-based companies.

Credit expansion and a tight housing supply have caused Hong Kong property prices to rise rapidly; consumer prices increased 2.6% in 2016, but slowed to 2.0% in 2017. Lower- and middle-income segments of the population are increasingly unable to afford adequate housing.

Hong Kong's economic integration with the mainland continues to be most evident in the banking and finance sector. Initiatives like the Hong Kong-Shanghai Stock Connect, the Mutual Recognition of Funds, and The Hong Kong Shanghai Gold Connect are all important steps towards opening up the Mainland's capital markets and has reinforced Hong Kong's leading role as China's offshore RMB market. Additional connect schemes from bonds to commodities and other investment products are also under exploration by Hong Kong authorities. In 2017, Chief Executive Lam announced plans to increase government spending on research and development, education, and technological innovation with the aim of spurring continued economic growth through greater sector diversification.

Source : CIA

COMPANY NAME AND ADDRESS

NELSON JEWELLERY ARTS CO. LIMITED

ADDRESS: Room 202, 2/F., Guardforce Centre, 3 Hok Yuen Street East, Hunghom, Kowloon, Hong Kong.

PHONE: 852-2362 2888, 2362 2333

FAX: 852-2764 4028, 2330 3274

E-MAIL: info@nelson-jewellery.com
custserve@nelson-jewellery.com
hr@nelson-jewellery.com

MANAGEMENT

Managing Director: Mr. Ho Chi Kai, Nelson

SUMMARY

Establishment: 30th June, 1981. (Partnership)

Incorporated on: 2nd November, 1984.

Organization: Private Limited Company.

Issued Share Capital: HK\$15,000,000.00

Business Category: Jewellery Trader.

Annual Turnover: HK\$500~600 million.

Group Employees: 2,800.

Main Dealing Bankers: Hang Seng Bank Ltd., Hong Kong.
The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

Banking Relation: Good.

ADDRESS

Registered Head Office:-

Room 202, 2/F., Guardforce Centre, 3 Hok Yuen Street East, Hunghom, Kowloon, Hong Kong.

Overseas Offices/Factories:-

Los Angeles Office

Suite 900, Crown Plaza, 631 South Olive Street, Los Angeles, CA 90014, USA.

Tel: (1-213) 489 3323

Fax: (1-213) 489 1832

E-mail: info@nelsonus.com

New York Office

Suite 608, 10 West 46th Street, New York, NY 10036, USA.

Tel: (1-212) 398 8682

Fax: (1-212) 398 8683

E-mail: nynelson@nelsonus.com

United Kingdom Office

Suite 305, The Jewellery Business Centre, 95 Spencer Street, Birmingham, B18 6DA, UK.

Tel: (44) 012 1523 1183

Fax: (44) 208 181 6439

E-mail: info-contact@uk.nelson-jewellery.com

Australia Office

Suite 1210, World Tower 87-89 Liverpool Street, Sydney 2000, New South Wales, Australia.

Tel: (61) 2-9283-5020

Fax: (61) 2-9283-9250

E-mail: ausales@nelson-jewellery.com

[Operated by Nelson (Aust.) J.A. Pty. Ltd.]

Taiwan Office

Room 911, No. 205, Sec. 1, Dunhua South Road, Taipei City 106, Taiwan.

Tel: (886-2) 2778 2580

Fax: (886-2) 2778 2501

E-mail: twsales@nelson-jewellery.com

Italy Office

Via Paolo Cannobio N.5, 20122, Milano, Italy.

Tel: (023) 938 1078

Email: sales@nelsonitaly.com

Malaysia Office

Suite 19-11-3, Level 11 UOA Centre, No. 19 Jalan Pinang, 50450 Kuala Lumpur, Wilayah Pereskutan, Malaysia.

Tel: (60)3 2162 2088

E-mail: klsales@nelson-jewellery.com

China Panyu Factory

No. 18, Jie-Jin 2 Road, Shatou Town, Panyu, Guangdong Province, China 511490.

Tel: (86-20) 8487 1571

Fax: (86-20) 8487 1517

[Operated by Pan-Hua Nelson Jewellery Arts Co. Ltd.]

China Longmen Factory

Industrial Road 4, Huizhou Industrial Park, Longmen District, Huizhou City, Guangdong Province, China 516800.

Tel: (86-752) 7788 299, 5949 889

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.

Fax: (86-752) 5949 899
[Operated by Long-Men Nelson Jewellery Co. Ltd.]

Holding Company:-

Nelson Jewellery Holdings Ltd., British Virgin Islands.

Associated/Related Companies:-

A & N Co. Pty. Ltd., Australia.
China Diamond Production Co. Ltd., Hong Kong.
Long-Men Nelson Jewellery Co. Ltd., China.
Nelgold Ltd., Hong Kong.
Nelson (Aust.) J.A. Pty. Ltd., Australia.
Nelson Jewellery (HK) Ltd., Hong Kong.
Nelson Jewellery (International) Ltd., Hong Kong.
Nelson Jewellery Management Ltd., Hong Kong.
Nelson Jewellery Trading Ltd., Hong Kong.
Pan-Hua Nelson Jewellery Arts Co. Ltd., China.

BUSINESS REGISTRATION NUMBER

09311761

COMPANY FILE NUMBER

0143110

MANAGEMENT

Managing Director: Mr. Ho Chi Kai, Nelson
General Manager: Ms. Candy Lau
Contact Person: Mr. John Choi

ISSUED SHARE CAPITAL

HK\$15,000,000.00

SHAREHOLDER

(As per registry dated 02-11-2017)

Name

Nelson Jewellery Holdings Ltd.

P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola,
British Virgin Islands.

No. of shares

15,000,000

=====

DIRECTORS

(As per registry dated 02-11-2017)

Name

(Nationality)

HO Chi Kai, Nelson

Address

Room 202, 2/F., Guardforce Centre, 3 Hok Yuen Street
East, Hunghom, Kowloon, Hong Kong.

CHUNG Yuk Wah, Christina

Room 202, 2/F., Guardforce Centre, 3 Hok Yuen Street
East, Hunghom, Kowloon, Hong Kong.

SECRETARY

(As per registry dated 02-11-2017)

Name

LUK Kit Mui

Address

Room 202, 2/F., Guardforce Centre, 3 Hok Yuen Street East,
Hunghom, Kowloon, Hong Kong.

HISTORY

The subject was originally established on 30th June, 1981 as a partnership concern jointly owned by Mr. Ho Chi Kai and Mr. Chow Lap Koon under the name of Nelson Jewellery Arts Company. Re-organized and incorporated on 2nd November, 1984 as a private limited liability company under the Hong Kong Companies Ordinance.

Apart from these, neither material change nor amendment has been ever traced and noted.

OPERATIONS

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.

Activities:	Importer, Retailer and Exporter.
Lines:	All kinds of jewellery products including 14K and 18K gold fine diamond jewellery with gem-stone settings, precious stone jewellery, platinum jewellery and South Sea pearl jewellery.
Trade Mark:	NELSON [®] .
Group Employees:	2,800.
Commodities Imported:	Imported from South Africa, Belgium, Israel and other European countries.
Markets:	Hong Kong, Japan, Southeast Asia, US, Europe, Middle East, Australia, etc.
Annual Turnover:	HK\$500~600 million.
Terms/Sales:	As per contracted.
Terms/Buying:	Various terms.

MEMBERSHIP

Federation of Hong Kong Industries, Hong Kong.
[Membership No. A8577]
Hong Kong Jewellery & Jade Manufacturers Association, Hong Kong.
[Membership No. 123]
Hong Kong Jewelry Manufacturers' Association, Hong Kong.
The Chinese General Chamber of Commerce, Hong Kong.
The Chinese Manufacturers' Association of Hong Kong, Hong Kong.
[Membership No. 005885]
The Hong Kong General Chamber of Commerce, Hong Kong.
[Membership No. HKN0124]
Tahitian Pearl Association Hong Kong.
The American Chamber of Commerce in Hong Kong

FINANCIAL INFORMATION

Issued Share Capital:	HK\$15,000,000.00
Mortgage or Charge:	(See attachment)
Profit or Loss:	Business is profitable.

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.

Condition:	Keeping in a very good condition.
Facilities:	Making very active use of general banking facilities.
Payment:	Slow but Correct.
Commercial Morality:	Very Good.
Bankers:-	Hang Seng Bank Ltd., Hong Kong. The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong. Standard Chartered Bank (Hong Kong) Ltd., Hong Kong. The Bank of Nova Scotia, Hong Kong Branch. Industrial & Commercial Bank of China (Asia) Ltd., Hong Kong. Bank of China (Hong Kong) Ltd., Hong Kong.
Standing:	Very Good.

GENERAL

Nelson Jewellery Arts Co. Limited was founded by Mr. Nelson Ho Chi Kai in 1981.

Now, the subject is a wholly-owned subsidiary of Nelson Jewellery Holdings Ltd. which is a BVI-registered firm. The directors of the subject are Nelson Ho Chi Kai and his wife Ms. Christina Chung Yuk Wah.

The subject has expanded from a local sub-contractor to a major diamond and gold jewellery manufacturer. It is one of the leading manufacturers and exporters of diamond and jewellery products in the global market. It is engaged in manufacturing, marketing and exporting of fine jewellery. It is also trading in fine diamond and gemstone jewellery, set in platinum and/or gold.

The followings are the main products of the subject:

Diamond ring, emerald ring, sapphire ring, diamond necklace, 18K white gold diamond ruby bracelet, 18K white gold diamond ring, 18K white gold jade diamond ring, emerald necklace, emerald ring, diamond ring, 18K white gold south sea pearl necklace, 18K white gold diamond bracelet, etc.

Its products are exported to Asian countries, Europe, the Middle East, North America, Australia, etc.

In 1996, the subject became the first jewellery manufacturer got "The Hong Kong Award for Industry: HKPC Productivity".

The subject has set up four factories in Hong Kong, China and Thailand.

All of the subject's products are ISO 9001:2000 certified.

The subject's operations are backed up by a number of overseas sales offices such as in New York, Los Angeles, Miami of the United States, Sydney of Australia, Germany, Shanghai of China, Taiwan, the United Kingdom, Malaysia, Italy, etc.

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.

Most of the subject's customers are international jewellery importers and wholesalers. It is also a direct marketer of its own products. It has had about 2,800 employees including factory workers and overseas staff.

In 1995, the subject innovated the utilisation of laser welding technology and the wax setting technique to enhance productivity. It also has adopted the CAD/CAM model-making technology for automating its design processes.

In 2000, Mr. Nelson Ho invested more than US\$2 million to introduce the world's premier SAP-ERP Enterprise Resource Management System, making the subject the first company in the world to apply the system in the jewellery industry.

The subject has developed its own branded product bearing the trade mark *Nelson*. Engaged in Original Brand Manufacturing [OBM], the subject now has about 85 designers working in Hong Kong and China.

In order to penetrate the international market further, the subject has taken part in fairs and exhibitions held in Hong Kong and other foreign large cities.

The subject takes part in some 40 large-scale trade shows in overseas countries in order to achieve more business opportunities.

For instance, it is going to take part in "HKTDC Hong Kong International Jewellery Show 2018" which will be held in Hong Kong Convention and Exhibition Centre, Wanchai, Hong Kong during the period of 1st to 5th March, 2018. Its booth No. is CEC 1C-E02.

The subject is also a member of Tahitian Pearl Association Hong Kong.

The annual sales turnover of the subject ranges from HK\$500 to 600 million. Business is lucrative and active.

Currently, the subject has about 50 staff in Hong Kong. The contact person is Mr. John Choi.

The subject operates from its own office in Hong Kong.

As the history of the subject in Hong Kong is over thirty-two years and seven months, on the whole, consider it good for normal business engagements.

REMARKS

Property information of affiliate:-

Property Location: 2/F., Guardforce Centre, 3 Hok Yuen Street East, Kowloon, Hong Kong.

Owner: Nelgold Ltd.

Date of Purchase: 18-02-1998

Purchased Price: HK\$28,000,000 pt.

Incumbrances:-

Date of Mortgage	Amount Consideration	Mortgagee	Nature
18-02-1998	-	The Hongkong & Shanghai Banking Corp.	Mortgage to secure general banking facilities

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.

Ltd., Hong Kong.

MORTGAGE OR CHARGE

Date	Particulars	Amount
02-05-2000	<i>Instrument:</i> Charge Over Deposits <i>Property:</i> By way of fixed charge and release to The Bank of Nova Scotia all their present future rights in the respect of: (a) the sum deposited by Nelson Jewellery Arts Co. Ltd. or for their benefit in the account or as evidenced by the deposit instrument or other evidence of indebtedness; and (b) all other sums in any currency from time to time standing to Nelson Jewellery Arts Co. Ltd.'s credit or the credit of any other persons for their benefit on any deposit account	All banking facilities or other accommodation or services
27-11-2006	<i>Mortgagee:</i> The Bank of Nova Scotia, Hong Kong Branch. <i>Instrument:</i> Security Over Deposits with The Bank (Limited Company – Under Seal) <i>Property:</i> All monies for the time being standing to the credit of the deposit account No. 009-206251-003 <i>Mortgagee:</i> The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.	To secure general banking facilities

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.36
UK Pound	1	INR 89.52
Euro	1	INR 79.57
HKD	1	INR 8.75

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

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	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)