

MIRA INFORM REPORT

Report No. :	526353
Report Date :	22.08.2018

IDENTIFICATION DETAILS

Name :	RUBBERFLEX SDN.BHD.
Formerly Known As :	<ul style="list-style-type: none"> • HEVEAFLEX SDN. BHD. (18/10/1986) • HEVEA INDUSTRIES SDN BHD (12/08/1985)
Registered Office :	21st Floor Ubn Tower, P.O. Box 48, 10 Jalan P. Ramlee, K. Lumpur, 50470 Kuala Lumpur, Wilayah Persekutuan
Country :	Malaysia
Financials (as on) :	31.12.2016
Date of Incorporation :	26.01.1985
Com. Reg. No.:	134208-U
Legal Form :	Private Limited (Limited By Share)
Line of Business :	The subject is principally engaged in the manufacturing of rubber thread.
No. of Employees :	800 [2018]

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+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
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.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Malaysia	A2	A2

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

MALAYSIA - ECONOMIC OVERVIEW

Malaysia, an upper middle-income country, has transformed itself since the 1970s from a producer of raw materials into a multi-sector economy. Under current Prime Minister NAJIB, Malaysia is attempting to achieve high-income status by 2020 and to move further up the value-added production chain by attracting investments in high technology, knowledge-based industries and services. NAJIB's Economic Transformation Program is a series of projects and policy measures intended to accelerate the country's economic growth. The government has also taken steps to liberalize some services sub-sectors. Malaysia is vulnerable to a fall in world commodity prices or a general slowdown in global economic activity.

The NAJIB administration is continuing efforts to boost domestic demand and reduce the economy's dependence on exports. Domestic demand continues to anchor economic growth, supported mainly by private consumption, which accounts for 53% of GDP. Nevertheless, exports - particularly of electronics, oil and gas, and palm oil - remain a significant driver of the economy. In 2015, gross exports of goods and services were equivalent to 73% of GDP. The oil and gas sector supplied about 22% of government revenue in 2015, down significantly from prior years amid a decline in commodity prices and diversification of government revenues. Malaysia has embarked on a fiscal reform program aimed at achieving a balanced budget by 2020, including rationalization of subsidies and the 2015 introduction of a 6% value added tax. Sustained low commodity prices throughout the period not only strained government finances, but also shrunk Malaysia's current account surplus and weighed heavily on the Malaysian ringgit, which was among the region's worst performing currencies during 2013-17. The ringgit hit new lows following the US presidential election amid a broader selloff of emerging market assets.

Bank Negara Malaysia (the central bank) maintains adequate foreign exchange reserves; a well-developed regulatory regime has limited Malaysia's exposure to riskier financial instruments, although it remains vulnerable to volatile global capital flows. In order to increase Malaysia's competitiveness, Prime Minister NAJIB raised possible revisions to the special economic and social preferences accorded to ethnic Malays under the New Economic Policy of 1970, but retreated in 2013 after he encountered significant opposition from Malay nationalists and other vested interests. In September 2013 NAJIB launched the new Bumiputra Economic Empowerment Program, policies that favor and advance the economic condition of ethnic Malays.

Malaysia signed the 12-nation Trans-Pacific Partnership (TPP) free trade agreement in February 2016, although the future of the TPP remains unclear following the US withdrawal from the agreement. Along with nine other ASEAN members, Malaysia established the ASEAN Economic Community in 2015, which aims to advance regional economic integration.

Source : CIA

EXECUTIVE SUMMARY

REGISTRATION NO. : 134208-U
GST NO. : 001460666368
COMPANY NAME : **RUBBERFLEX SDN.BHD.**
FORMER NAME : HEVEAFLEX SDN. BHD. (18/10/1986)
HEVEA INDUSTRIES SDN BHD (12/08/1985)
INCORPORATION DATE : 26/01/1985
COMPANY STATUS : EXIST
LEGAL FORM : PRIVATE LIMITED (LIMITED BY SHARE)
LISTED STATUS : NO
REGISTERED ADDRESS : 21ST FLOOR UBN TOWER, P.O.BOX 48, 10 JALAN P.RAMLEE,K.LUMPUR,
50470 KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA.
BUSINESS ADDRESS : 21ST FLOOR, UBN TOWER, P.O. BOX 48, 10, JALAN P.RAMLEE, 50250
KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA.
TEL.NO. : 03-20720011
FAX.NO. : 03-20785103
EMAIL : INFO@RUBBERFLEX.COM.MY
WEB SITE : WWW.RUBBERFLEX.COM.MY
CONTACT PERSON : KRISTOPA ANAK WATT (DIRECTOR)
INDUSTRY CODE : 221
PRINCIPAL ACTIVITY : MANUFACTURING OF RUBBER THREAD
AUTHORISED CAPITAL : MYR 30,000,000.00 DIVIDED INTO
ORDINARY SHARE 30,000,000.00 OF MYR 1.00 EACH.
ISSUED AND PAID UP : MYR 22,100,000.00 DIVIDED INTO
CAPITAL : ORDINARY SHARES 22,100,000 CASH OF MYR 1.00 EACH.
SALES : MYR 582,678,708 [2016]
NET WORTH : MYR 263,796,696 [2016]
M1000 OVERALL : 528[2011]
RANKING
M1000 INDUSTRY : 12[2011]
RANKING
STAFF STRENGTH : 800 [2018]
BANKER (S) : BAN HIN LEE BANK BERHAD
LITIGATION : CLEAR
DEFAULTER CHECK : CLEAR
FINANCIAL CONDITION : STRONG
PAYMENT : REGULAR
MANAGEMENT : AVERAGE
CAPABILITY
COMMERCIAL RISK : LOW
CURRENCY EXPOSURE : MODERATE
GENERAL REPUTATION : GOOD

INDUSTRY OUTLOOK : MARGINAL GROWTH

HISTORY / BACKGROUND

The Subject is a private limited company and is allowed to have a minimum of one and a maximum of forty-nine shareholders. As a private limited company, the Subject shall have a minimum one director. A private limited company is a separate legal entity from its shareholders. As a separate legal entity, the Subject is capable of owning assets, entering into contracts, sue or be sued by other companies. The liabilities of the shareholders are to the extent of the equity they have taken up and the creditors cannot claim on shareholders' personal assets even if the Subject is insolvent. The Subject is governed by the Companies Act, 1965 and the company must file its annual returns, together with its financial statements with the Registrar of Companies.

The Subject is principally engaged in the (as a / as an) manufacturing of rubber thread.

The Subject is not listed on Bursa Malaysia (Malaysia Stock Exchange).

According to the Malaysia 1000 publication, the Subject's ranking are as follows:

YEAR	2011	2005	2004
OVERALL RANKING	528	822	907
INDUSTRY RANKING	12	17	14

The ultimate holding company of the Subject is RUBBER INTERNATIONAL A.G., a company incorporated in LIECHTENSTEIN.

Former Address(es)

Address	As Date	At Date
22 (MEZZANINE), JALAN TUN SAMBANTHAN 3, 50470, WILAYAH PERSEKUTUAN, MALAYSIA	09/12/1987	
20-1, JALAN TUN SAMBANTHAN 3, 50470, WILAYAH PERSEKUTUAN, MALAYSIA		29/12/1987

Share Capital History

Date	Authorised Shared Capital	Issue & Paid Up Capital
30/06/2016	MYR 30,000,000.00	MYR 22,100,000.00
31/07/1989	MYR 30,000,000.00	MYR 17,000,000.00
15/02/1989	MYR 30,000,000.00	MYR 15,000,000.00
15/11/1988	MYR 30,000,000.00	MYR 11,000,000.00

The major shareholder(s) of the Subject are shown as follows :

Current Shareholder(s) :

Name	Address	IC/PP/Loc No	Shareholding	(%)
RUBBER INTERNATIONAL A.G.	ALTENBACH 8, SL 9490 VADUZ, FURSTENTUM LIECHTENSTIEN LIECHTENSTEIN	XLZ000002394	11,050,000.00	50.00
ALDO CERINA +	12 JALAN U-THANT, 55000 KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA.	YA5466941	10,166,000.00	46.00

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MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD	13TH FLOOR, MENARA OCBC, 18 JALAN TUN PERAK, 50050 KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA.	6193K	884,000.00	4.00
			----- 22,100,000.00	----- 100.00
			=====	=====

+ Also Director

Former Shareholder(s) :

Name	Country	IC/PP/Loc No	Shareholding	Last Updated
ALLIANCE MERCHANT NOMINEES (TEMPATAN) SDN. BHD.	MALAYSIA	34127D	N/A	24/01/2017
TOPONE ESTABLISHMENT	N/A	XLZ00210884	N/A	16/08/2013

The Subject's interest in other companies (Subsidiaries/Associates) are shown as follow :

Local No	Country	Company	Status	(%)	As At
909715T	MALAYSIA	RUBBERFLEX REENERGY SDN. BHD.	-	100.00	28/05/2018

DIRECTORS

DIRECTOR 1

Name Of Subject : EDGAR B VENTURA
Address : 390 LORONG BENTONG MAKMUR 14, 28700 BENTONG, PAHANG, MALAYSIA.
IC / PP No : EC6909506
Date of : 08/04/2003
Appointment

INTEREST CHECK

Interest in : see below
companies
Interest in business : none in our databank
Former interest : none in our databank

INTEREST IN COMPANY

No	Local No	Company	Designation	App Date	Shareholding No. %	Profit/(loss) After Tax	Financial Year	Status	As At
1	909715T	RUBBERFL EX REENERG Y SDN.	Director	16/08/2010	0.0 - 0	MYR583,953.00	2016	-	28/05/2018

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2	13420 8U	BHD. RUBBERFL EX SDN.BHD.	Director	08/04/20 03	0.0 0	-	MYR49,594,96 0.00	2016	-	28/05/20 18
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DIRECTOR 2

Name Of Subject : MR. KRISTOPA ANAK WATT
Address : 82, KAMPUNG SELAMPIT, 94500 LUNDU, SARAWAK, MALAYSIA.
New IC No : 680115-13-5557
Date of Birth : 15/01/1968
Nationality : MALAYSIAN
Date of : 09/06/2006
Appointment

INTEREST CHECK

Interest in : see below
companies
Interest in business : none in our databank
Former interest : none in our databank

INTEREST IN COMPANY

N	Local	Company	Designati	App	Shareholdi	Profit/(loss)	Financ	Stat	As At	
o	No		on	Date	ng	After Tax	ial	us		
					No. %		Year			
1	90971 5T	RUBBERFL EX REENERG Y SDN. BHD.	Director	02/09/20 10	0.0 0	-	MYR583,953.0 0	2016	-	28/05/20 18
2	13420 8U	RUBBERFL EX SDN.BHD.	Director	09/06/20 06	0.0 0	-	MYR49,594,96 0.00	2016	-	28/05/20 18

DIRECTOR 3

Name Of Subject : ALDO CERINA
Address : 12 JALAN U-THANT, 55000 KUALA LUMPUR, WILAYAH PERSEKUTUAN,
MALAYSIA.
IC / PP No : YA5466941
Date of Birth : 08/09/1946
Date of : 03/04/1989
Appointment

INTEREST CHECK

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Interest in : see below
companies
Interest in business : none in our databank
Former interest : none in our databank

INTEREST IN COMPANY

N o	Local No	Company	Designat ion	App Date	Shareholding No.	%	Profit/(loss) After Tax	Financ ial Year	Stat us	As At
1	90971 5T	RUBBERFLEX REENERGY SDN. BHD.	Director	16/08/2010	0.00	-	MYR583,953.00	2016	-	28/05/2018
2	13420 8U	RUBBERFLEX SDN.BHD.	Director	03/04/1989	10,166,000.00	46.00	MYR49,594,960.00	2016	-	28/05/2018

FORMER DIRECTOR(S)

Name	Address	IC/PP No	Appointed Date	Withdrawn Date
YEOH ENG HUA	91, GOPENG ROAD, IPOH,PERAK	450105-08-5863	22/11/1994	29/08/1997
TAY AN TIAN	19, LORONG SETIABISTARI EMPAT, BUKIT DAMANSARA, KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA	461017-10-5469	21/07/1995	17/06/1996
SIVALOGANATHAN A/L YOGANATHAN PIETRO CERINA SIVADAS P.E.S.KUMAR	A/L 78 JALAN BURUNG GARUDA, TAMAN BUKIT MALURI, KEPONG, KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA	3909538 024182D 620713-10-6233	21/07/1995 22/11/1994 14/08/2003	03/03/1998 23/10/1998 16/02/2004
MOKHZANI MAHATHIR	BIN NO. 5, LORONG 1/80C, DAMAISARI, OFF JALAN MEDANG KAPAS, BUKIT BANDARAYA, KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA	610117-02-5155	06/11/1991	29/08/1997
PANG HEE KIN	2, JALAN SS 20/9, DAMANSARA UTAMA, PETALING JAYA, SELANGOR, MALAYSIA	520215-04-5193	29/05/2001	09/06/2006
MOHD ZIN BIN BAKRI	60 JALAN DAMAI, KUALA LUMPUR, KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA	570628-01-5131	29/08/1997	24/05/2001

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LAU SER SENG	NO 6, JALAN BUNGA ANGGEREK 2,DATARAN UAKY, AMPANG., AMPANG, WILAYAH PERSEKUTUAN, MALAYSIA	8164101	01/06/1992	22/11/1994
KARL ERICH REICHARDT	A4-15,CITY GDN.CONDO, TMN.NIRWANA, AMPANG,SEL, AMPANG, WILAYAH PERSEKUTUAN, MALAYSIA	L0759795	17/06/1996	08/11/1996
GUIDO CERINA	TRECATE VIA REGALDI, NO.18 (NOVARA) ITALY., MALAYSIA	826647H	23/10/1998	09/07/2001
EXCELSO B.VENTURA JR. GIORGIO VANALLI	SRI WANGSARIA CONDOMINIUM JLN ARA, 59100 K.L, MALAYSIA 32,LORONG SYED PUTRA KIRI, OFF JALAN SYED PUTRA, K.L., KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA	65604 Y136186	02/11/1985 03/03/1998	08/04/2003 14/08/2003
CHEONG ENG TICK	NO.50,JALAN BATAI, DAMANSARA HEIGHTS, KUALA LUMPUR, KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA	470901-08- 5803	01/06/1992	22/11/1994
CHEUNG CHI LUNG	ROOM 2004,LOK TUNG HOUSE, LOK FU ESTATE KOWLOON, HONGKONG.	H90129585	14/08/2003	14/07/2004
ABDUL RAHIM BIN AWANG	80,JALAN SS7/28, TAMAN KELANA INDAH, PETALING JAYA, SELANGOR, MALAYSIA	650228-11- 5037	29/08/1997	09/06/2006
MALCOLM NICHOLAS POTTS	231,JALAN ARA, BANGSAR, KUALA LUMPUR, KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA	455171415	09/07/2001	09/10/2008
EUGENE KANG HONG NGEE	B5-3,LOJING HEIGHTS, SECTION 5, WANGSA MAJU, KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA	720323-01- 5465	10/06/2008	12/03/2018

Note : The above information was generated from our database.

MANAGEMENT

1) Name of : KRISTOPA ANAK WATT
Subject
Position : DIRECTOR

AUDITOR

Auditor : BAKER TILLY AC

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Auditor' : LEVEL 10,TOWER 1,AVENUE 5, BANGSAR SOUTH CITY, 59200 KUALA LUMPUR,
Address WILAYAH PERSEKUTUAN, MALAYSIA.

COMPANY SECRETARIES

- 1) Company Secretary : MS. WONG YOUN KIM
IC / PP No : A1617285
New IC No : 700823-10-5530
Address : 1041, JALAN KUANG GUNUNG 4, TAMAN KEPONG, 52100 KUALA LUMPUR,
WILAYAH PERSEKUTUAN, MALAYSIA.
Date of Appointment : 05/04/2013
- 2) Company Secretary : MR. WONG MAW CHUAN
New IC No : 640419-10-6345
Address : 6 JALAN BK 3/8F, BANDAR KINRARA, PUCHONG, SELANGOR, 47100
PUCHONG, SELANGOR, MALAYSIA.
Date of Appointment : 29/02/2012
- 3) Company Secretary : MS. LEE CHIN WEN
New IC No : 840913-08-5128
Address : B-25-2, BLOCK B, JAYA ONE,, NO. 72A, JALAN UNIVERSITI,, 46200 PETALING
JAYA, SELANGOR, MALAYSIA.
Date of Appointment : 12/03/2018

BANKING

Banking relations are maintained principally with :

- 1) Name : BAN HIN LEE BANK BERHAD

ENCUMBRANCE (S)

Charge No	Creation Date	Charge Description	Chargee Name	Total Charge	Status
1	23/06/1986	LOAN AGREEMENT	OVERSEACHINESE BANKING CORPORATION LTD	MYR 9,500,000.00	Satisfied
2	21/06/1988	DEBENTURE	BAN HIN LEE BANK BERHAD	MYR 4,750,000.00	Satisfied
3	21/06/1988	DEBENTURE	BAN HIN LEE BANK	MYR 4,000,000.00	Satisfied

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5	21/06/1988	SUPPLEMENTAL ASSIGNMENT		BERHAD BAN HIN LEE BANK	MYR 8,750,000.00	Satisfied
4	12/07/1988	SUPPLEMENTAL DEBENTURE		BERHAD OVERSEA CHINESE BANKING CORP LTD	MYR 600,000.00	Satisfied
6	28/11/1988	ASSIGNMENT		OVERSEACHINESE BANKING CORP LTD	MYR 20,000,000.00	Satisfied
7	28/12/1988	DEED OF ASSIGNMENT		BAN HIN LEE BANK BERHAD	MYR 350,000.00	Satisfied
8	07/11/1991	DEBENTURE		BANK BUMIPUTRA MALAYSIA BERHAD	MYR 20,300,000.00	Satisfied
9	07/06/1995	FIRST LEGAL CHARGE		BANK BUMIPUTRA MALAYSIA BERHAD	MYR 20,300,000.00	Satisfied
10	12/12/1996	FIRST LEGAL CHARGE		BANK BUMIPUTRA MALAYSIA BERHAD	MYR 20,300,000.00	Satisfied

CIVIL LITIGATION CHECK - SUBJECT COMPANY AS A DEFENDANT

* A check has been conducted in our databank against the Subject whether the Subject has been involved in any litigation. Our databank consists of 99% of the wound up companies in Malaysia.

No legal action was found in our databank.

No winding up petition was found in our databank.

CRIMINAL RECORDS CHECK - SUBJECT COMPANY AS A DEFENDANT

* A check has been conducted in our databank against the Subject whether the Subject has been involved in any litigation. Our databank consists of 99% of the wound up companies in Malaysia.

No criminal record was found in our databank.

CIVIL LITIGATION CHECK - SUBJECT COMPANY AS A PLAINTIFF

* A check has been conducted in our databank against the Subject whether the Subject has been involved in any litigation. Our databank consists of 99% of the wound up companies in Malaysia.

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No plaintiff record was found in our databank.

CRIMINAL RECORDS CHECK - SUBJECT COMPANY AS A PLAINTIFF

** A check has been conducted in our databank against the Subject whether the Subject has been involved in any litigation. Our databank consists of 99% of the wound up companies in Malaysia.*

No plaintiff record was found in our databank.

DEFAULTER CHECK AGAINST SUBJECT

** We have checked through the Subject in our defaulters' database which comprised of debtors that have been listed by our customers and debtors that have been placed or assigned to us for collection.*

No defaulter record & debt collection case was found in our defaulters' databank.

RED ALERT FROM CENTRAL BANK OF MALAYSIA

** A check has been conducted with the Central Bank of Malaysia whether the Subject has carried out any illegal or suspicious financial activities.*

The Subject has not been carried out any illegal money services business without licence under the Money Services Business Act 2011.

The Subject has not been placed under the Financial Consumer Alert list by the Central Bank of Malaysia.

INVESTOR ALERT BY SECURITIES COMMISSION MALAYSIA & BURSA MALAYSIA

** A check has been conducted with the Securities Commission Malaysia whether the Subject has involved in any unlicensed capital market activities under the Securities Laws and Bursa Malaysia should the Subject is listed as Practice Note (PN) 17 or Guidance Note (GN) 3.*

The Subject has not been carried out any unlicensed capital market activities.

PAYMENT RECORD

SOURCES OF RAW MATERIALS:

Local : YES
Overseas : YES
Import : ASIA,EUROPE
Countries

The Subject refused to provide any name of trade/service supplier and we are unable to conduct any trade enquiry. However, from financial historical data we conclude that :

OVERALL PAYMENT HABIT

Prompt 0-30 Days []	Good 31-60 Days [X]	Average Days 61-90 []
Fair 91-120 Days []	Poor >120 Days []	

CLIENTELE

Local : YES
Domestic Markets : MALAYSIA
Overseas : YES
Export Market : AUSTRALIA

CANADA

FINLAND

GERMANY

UNITED STATES

UNITED KINGDOM

ASIA

Credit Term : 60 DAYS
Payment Mode : CHEQUES
TELEGRAPHIC TRANSFER (TT)
Type of Customer : DEALERS,END USERS

OPERATIONS

Products manufactured : RUBBER THREAD

Member(s) / Affiliate(s) : FEDERATION OF MALAYSIAN MANUFACTURERS (FMM)

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SMI ASSOCIATION OF MALAYSIA
MALAYSIA EXTERNAL TRADE DEVELOPMENT CORPORATION (MATRADE)
SMALL & MEDIUM ENTERPRISE

Ownership of premises : OWNED
Factory / Premises : LOT 2, BENTONG INDUSTRIAL AREA, 28700 BENTONG, PAHANG,
MALAYSIA.
Tel No: 09-2224611
Fax No: 09-2225300

Total Number of Employees:	2018	2017	2016	2015	2014
YEAR					
GROUP COMPANY	N/A 800	N/A 800	N/A 800	N/A 850	N/A 800

Branch : NO

Other Information:

The Subject is principally engaged in the (as a / as an) manufacturing of rubber thread.

The Subject offers a full range of elastic yarns based on extruded natural latex.

The Subject produces quality rubber threads for various applications in various industries such as sportswear and undergarments.

The Subject also provides various types of rubber threads such as Talcum coated thread, Powderless Silicon coated thread, Silicone high modulus thread (HM-EX), Cream colour meat packing thread (MP), Baby diaper thread (BD) and Furniture webbing thread (FW).

The Subject is world largest manufacturer of top quality rubber thread.

RECENT DEVELOPMENT

12 June 2017

DeSales Trading Company Enter Partnership In Distribution Rubber Thread – USA

BURLINGTON, N.C. — June 12, 2017— Rubberflex Sdn. Bhd. of Kuala Lumpur, Malaysia and DeSales Trading Co. of Burlington, N.S., have begun a partnership for the distribution of 100-percent latex rubber thread in the United States.

“DeSales offers excellent channel for our products to reach the elastic narrow fabric, braided rope and related market segments in the Eastern half of the United States,” said Amy Wong, international sales coordinator at Rubberflex. “Even some of our container load customers use DeSales as a back-up to maintain a consistent inventory.” DeSales carries a wide range of gauges & end counts.

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Specialty gauges & end counts will be stocked on request. Customers can source from DeSales in pallet load quantities therefore offering the convenience of prompt deliveries in less than container load orders. Rubberflex first organized in 1986 is currently the world's largest producer of 100-percent natural latex rubber thread. DeSales Trading, since 1969, has been a distributor of stock-lot yarns and over time has added first quality yarns to their product mix. Michael Murray, vice president at DeSales, said: "The addition of 100-percent Latex Rubber Thread from Rubberflex is a natural progression in our line of products we offer to market segments we already service. The product mix Rubberflex offers: 20 gauge to 110 gauge rubber, silicone & talcum finishes in black & white presents an opportunity for our customers to source their yarns and rubber thread needs from one central location in the heart of the textile business in the United States — Burlington, N.C."

CURRENT INVESTIGATION

Latest fresh investigations carried out on the Subject indicated that :

Telephone Number Provided By : 03-20720011 / 09-2224611, +603-2072 0011 (7 LINES)

Client

Current Telephone Number : 03-20720011

Match : YES

Address Provided by Client : UBN TOWER 21ST FLOOR 10 JALAN P RAMLEE 50250 KUALA LUMPUR WILAYAH PERSEKUTUAN MALAYSIA

Current Address : 21ST FLOOR, UBN TOWER, P.O. BOX 48, 10, JALAN P.RAMLEE, 50250 KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA.

Match : NO

Latest Financial Accounts : YES

Other Investigations

We have contacted one of the staff from the Subject and she provided some information.

The address provided is incomplete. The other contact number provided at 09-2224611 belongs to the Subject's factory.

FINANCIAL ANALYSIS

Profitability

Turnover	:	Increased	[2012 - 2016]
Profit/(Loss) Before Tax	:	Decreased	[2012 - 2016]
Return on Shareholder Funds	:	Acceptable	[18.80%]
Return on Net Assets	:	Acceptable	[23.97%]

The Subject's turnover increased steadily as the demand for its products / services increased due to the goodwill built up over the years. The dip in profit could be due to the stiff market competition which reduced the Subject's profit margin. The Subject's management had generated acceptable return for its shareholders using its assets.

Working Capital Control

Stock Ratio	:	Acceptable	[64 Days]
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Debtor Ratio	:	Unfavourable	[77 Days]
Creditors Ratio	:	Favourable	[21 Days]

The Subject kept adequate stocks to meet its normal business transactions without incurring excessive storage costs. The high debtors' ratio could indicate that the Subject was weak in its credit control. However, the Subject could also giving longer credit periods to its customers in order to boost its sales or to capture / retain its market share. The Subject had a favourable creditors' ratio where the Subject could be taking advantage of the cash discounts and also wanting to maintain goodwill with its creditors.

Liquidity

Liquid Ratio	:	Favourable	[1.48 Times]
Current Ratio	:	Favourable	[2.45 Times]

A minimum liquid ratio of 1 should be maintained by the Subject in order to assure its creditors of its ability to meet short term obligations and the Subject was in a good liquidity position. Thus, we believe the Subject is able to meet all its short term obligations as and when they fall due.

Solvency

Interest Cover	:	Favourable	[182.61 Times]
Gearing Ratio	:	Favourable	[0.17 Times]

The interest cover showed that the Subject was able to service the interest. The favourable interest cover could indicate that the Subject was making enough profit to pay for the interest accrued. The Subject was lowly geared thus it had a low financial risk. The Subject was mainly financed by its shareholders' funds and internally generated funds. In times of economic slowdown / downturn, the Subject being a lowly geared company, will be able to compete better than those companies which are highly geared in the same industry.

Overall Assessment :

Although the Subject's turnover had increased, its profits had declined over the same corresponding period. This could be due to the stiffer market competition and / or higher operating costs which lowered the Subject's profit margin. The Subject was in good liquidity position with its total current liabilities well covered by its total current assets. With its current net assets, the Subject should be able to repay its short term obligations. With the favourable interest cover, the Subject could be able to service all the accrued interest without facing any difficulties. The Subject as a lowly geared company, will be more secured compared to those highly geared companies. It has the ability to meet all its long term obligations.

Overall financial condition of the Subject : STRONG

MALAYSIA ECONOMIC / INDUSTRY OUTLOOK

Major Economic Indicators:	2014	2015	2016	2017*	2018**
Population (Million)	30.0	31.0	31.6	32.1	32.9
Gross Domestic Products (%)	6.0	4.6	4.2	5.3	5.4
Domestic Demand (%)	6.4	6.2	4.3	6.3	6.4
Private Expenditure (%)	7.9	6.9	7.8	7.4	7.3
Consumption (%)	6.5	6.1	5.1	6.9	6.8
Investment (%)	12.0	8.1	10.0	9.3	8.9
Public Expenditure (%)	2.3	4.2	3.3	5.3	5.5
Consumption (%)	2.1	4.3	2.0	2.7	1.3
Investment (%)	2.6	(1.0)	1.1	3.4	3.8
Balance of Trade (MYR Million)	82,480	91,577	88,145	94,593	96,993
Government Finance (MYR Million)	(37,414)	(37,194)	(38,401)	(39,887)	(39,790)

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Government Finance to GDP / Fiscal Deficit (%)	(3.4)	(3.2)	(3.1)	(3.0)	(2.8)
Inflation (% Change in Composite CPI)	3.2	4.0	2.1	3.5	3.0
Unemployment Rate	2.9	3.1	3.4	3.4	3.3
Net International Reserves (MYR Billion)	428	441	451	450	423
Average Risk-Weighted Capital Adequacy Ratio (%)	4.00	3.50	-	-	-
Average 3 Months of Non-performing Loans (%)	2.10	2.00	1.90	-	-
Average Base Lending Rate (%)	6.85	6.79	6.81	6.73	-
Business Loans Disbursed(%)	18.6	2.2	-	-	-
Foreign Investment (MYR Million)	43,486.6	43,435.0	-	-	-
Consumer Loans (%)	-	-	-	-	-
Registration of New Companies (No.)	49,203	45,658	43,255	47,871	-
Registration of New Companies (%)	6.1	(7.2)	(5.3)	10.7	-
Liquidation of Companies (No.)	33,226	34,667	36,778	38,632	-
Liquidation of Companies (%)	0.5	4.3	6.1	5.0	-
Registration of New Business (No.)	332,723	364,230	376,720	484,029	-
Registration of New Business (%)	1.0	9.0	3.0	29.0	-
Business Dissolved (No.)	26,966	-	-	-	-
Business Dissolved (%)	48.5	-	-	-	-
Sales of New Passenger Cars (' 000 Unit)	588.3	591.3	514.6	527.8	-
Cellular Phone Subscribers (Million)	44.0	44.2	44.0	-	-
Tourist Arrival (Million Persons)	27.4	25.7	30.2	30.1	-
Hotel Occupancy Rate (%)	63.6	58.8	61.2	-	-
Credit Cards Spending (%)	5.8	6.8	6.3	-	-
Bad Cheque Offenders (No.)	-	-	-	-	-
Individual Bankruptcy (No.)	22,351	18,457	19,588	18,227	-
Individual Bankruptcy (%)	1.7	(17.4)	6.1	(7.0)	-
INDUSTRIES (% of Growth):	2014	2015	2016	2017*	2018**
Agriculture	2.0	1.3	(5.1)	5.6	2.4
Palm Oil	6.7	7.0	(12.7)	11.8	-
Rubber	(10.4)	(11.0)	(6.3)	10.8	-
Forestry & Logging	(4.2)	(7.2)	(3.0)	(15.0)	-
Fishing	2.7	2.1	2.2	0.2	-
Other Agriculture	6.2	6.0	5.1	2.4	-
Industry Non-Performing Loans (MYR Million)	303.8	343.7	420.3	-	-
% of Industry Non-Performing Loans	1.4	1.5	1.8	-	-
Mining	3.3	5.3	2.2	0.5	0.9
Oil & Gas	3.0	3.5	4.5	-	-
Other Mining	46.6	47.1	42.6	-	-
Industry Non-performing Loans (MYR Million)	63.5	180.1	190.0	-	-
% of Industry Non-performing Loans	0.3	0.8	0.8	-	-
Manufacturing #	6.1	4.9	4.4	5.5	5.3

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Exported-oriented Industries	7.1	6.5	4.3	6.5	-
Electrical & Electronics	11.8	9.2	6.8	9.3	-
Rubber Products	(1.3)	5.1	5.0	6.9	-
Wood Products	7.8	7.0	7.8	7.3	-
Textiles & Apparel	10.8	7.5	7.5	7.4	-
Domestic-oriented Industries	7.7	4.7	3.4	6.2	-
Food, Beverages & Tobacco	6.1	8.9	7.5	11.0	-
Chemical & Chemical Products	1.4	3.5	4.5	3.5	-
Plastic Products	2.7	3.9	5.1	-	-
Iron & Steel	2.8	1.6	2.2	-	-
Fabricated Metal Products	2.8	4.6	5.6	4.6	-
Non-metallic Mineral	6.9	6.8	6.3	5.4	-
Transport Equipment	14.4	5.2	(3.1)	4.7	-
Paper & Paper Products	4.7	3.2	5.4	5.8	-
Crude Oil Refineries	13.0	14.3	13.7	-	-
Industry Non-Performing Loans (MYR Million)	5,730.8	4,243.7	4,214.1	-	-
% of Industry Non-Performing Loans	25.6	19.0	18.5	-	-
Construction	11.7	8.2	7.4	7.6	7.5
Industry Non-Performing Loans (MYR Million)	1,666.4	1,638.0	1,793.9	-	-
% of Industry Non-Performing Loans	7.5	7.3	7.9	-	-
Services	6.6	5.1	5.6	5.9	5.8
Electric, Gas & Water	3.8	3.6	5.4	2.5	2.6
Transport, Storage & Communication	7.70	7.55	6.85	7.35	7.30
Wholesale, Retail, Hotel & Restaurant	7.70	6.65	6.65	7.05	6.65
Finance, Insurance & Real Estate	5.15	2.90	4.70	5.70	5.90
Government Services	6.3	4.0	4.9	4.4	4.5
Other Services	4.8	4.7	4.8	5.3	5.3
Industry Non-Performing Loans (MYR Million)	5,373.5	6,806.6	7,190.6	-	-
% of Industry Non-Performing Loans	24.1	30.5	31.5	-	-

* Estimate / Preliminary

** Forecast

Based On Manufacturing Production Index

INDUSTRY ANALYSIS

MSIC CODE

221 : Manufacture of rubber products

INDUSTRY MANUFACTURING

:

The manufacturing sector is forecast to increase 5.3% in year 2018 (2017: 5.5%). Output of export-oriented industries is projected to expand on account of sustained demand for E&E, refined petroleum and woods products. Growth in the domestic-oriented industries is anticipated to remain resilient supported by ongoing

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construction of infrastructure projects as well as strong demand for consumer products, especially food and transport equipment.

Value added of the manufacturing sector expanded further by 5.8% during the first half of 2017 (January – June 2016: 4.4%) with expansion across a wide range of outputs in both the export- and domestic-oriented industries. During the first eight months, production increased 6.4%, while sales rebounded significantly by 15.6% to RM500.2 billion (January – August 2016: 4%; -0.7%; RM432.8 billion). Output of export-oriented industries rose 6.5% (January – August 2016: 4.3%) led by an upturn in global electronics cycle and further enhanced by strong demand for resource-based products. Meanwhile, domestic-oriented industries expanded 6.2% (January – August 2016: 3.4%) benefiting from vibrant consumption and construction activities.

Within the export-oriented industries, E&E output expanded 9.3% while sales surged 16.3% to RM169.5 billion (January – August 2016: 6.8%; 9%; RM145.8 billion). Growth emanated mainly from the expansion in output of printed circuit boards, semiconductor devices and electronic integrated circuits which strengthened further by 24.4%, 11.9% and 16.9% (January – August 2016: 11.9%; 5.9%; 15%), respectively. This is in line with the trend in global semiconductor sales which is expected to expand 11.5% in 2017, the highest level since 2010. On the contrary, the output of computers and peripheral equipment contracted 7.7% (January – August 2016: 3.1%) as a result of lower demand for notebooks and personal computers following rising preferences for smartphones and tablets. Meanwhile, consumer electronics grew at a moderate pace of 2.6% (January – August 2016: 5.3%) partly due to lower demand for in-car entertainment, portable media players and digital cameras.

Output of wood and wood products grew 7.3% (January – August 2016: 7.8%). The growth was primarily supported by output of sawmilling and planning of wood which expanded 14.7% (January – August 2016: 16.8%) in response to strong demand from Australia, Japan and the US. Meanwhile, production of wooden and cane furniture remained steady at 10.9% (January – August 2016: 10.9%), benefiting from greater adoption of technology and diversification of export markets.

Manufacture of food products rose 11.2%, largely attributed to a significant increase in refined palm oil at 26.1% (January – August 2016: 6.3%; -3.3%), following higher production of CPO. Meanwhile, output of other food products grew 7% supported by production of bread, cakes and other bakery (15.6%) as well as biscuits and cookies (12%) to meet the rising demand from households (January – August 2016: 11.1%; 19.2%; 19.1%).

For the year, the manufacturing sector is projected to expand further by 5.5% (2016: 4.4%) mainly attributed to an upturn in global semiconductor sales as well as higher demand for consumer products and construction materials.

OVERALL INDUSTRY OUTLOOK : Marginal Growth

CREDIT RISK EVALUATION & RECOMMENDATION

Incorporated in 1985, the Subject is a Private Limited company, focusing on manufacturing of rubber thread. The Subject has been in business for over two decades. It has built up a strong clientele base and good reputation will enable the Subject to further enhance its business in the near term. The Subject is expected to enjoy a stable market shares. With a large issued and paid up capital of MYR 22,100,000 and strong backing from its holding company, the Subject enjoys timely financial assistance should the needs arise. These favourable conditions has minimised its risk in the industry compared to other players.

Over the years, the Subject has penetrated into both the local and overseas market. The Subject has positioned itself in the global market and is competing in the industry. Its stable clientele base will enable the Subject to further enhance its business in the near term. The Subject has a steady workforce of 800 personnel to support its business operations. Its future prospects seem to be fairly good as its business operations are running relatively stable. Overall, we regard that the Subject's management capability is average. This indicates that the Subject

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has greater potential to improve its business performance and raising income for the Subject.

Financially, the Subject registered a higher turnover compared to previous year. However, its profits showed a reverse trend. The lower profit achieved was a result of higher operating cost and increased competition. Return on shareholders' funds of the Subject was at an acceptable range which indicated that the management was efficient in utilising its funds to generate income. The Subject is in good liquidity position with its current liabilities well covered by its current assets. Hence, it has sufficient working capital to meet its short term financial obligations. Being a lowly geared company, the Subject is exposed to low financial risk as it is mainly dependent on its internal funds to finance its business needs. Given a positive net worth standing at MYR 263,796,696, the Subject should be able to maintain its business in the near terms.

The Subject's suppliers are from both the local and overseas countries. This will eliminate the risk of dependency on deliveries from a number of key suppliers and insufficient quantities of its raw materials. Overall the Subject has a good control over its resources.

Overall, the Subject's payment habit is good as the Subject has a good credit control and it could be taking advantage of the cash discounts while maintaining a good reputation with its creditors.

The industry has reached its maturity stage and is only enjoying a marginal growth. The steady growth of the country's economy will further enhance the industry activities. Thus, the Subject's future performance is very much dependent on its marketing strategies in order to retain its position in the market.

Based on the above condition, we recommend credit be granted to the Subject promptly.

PROFIT AND LOSS ACCOUNT

THE FINANCIAL STATEMENTS WERE PREPARED IN ACCORDANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS(FRS)

RUBBERFLEX SDN.BHD.

Financial Year	2016-12-31	2015-12-31	2014-12-31	2013-12-31	2012-12-31
End					
Months	12	12	12	12	12
Consolidated Account	GROUP	GROUP	GROUP	GROUP	GROUP
Audited Account	YES	YES	YES	YES	YES
Unqualified Auditor's Report (Clean Opinion)	YES	YES	YES	YES	YES
Financial Type	FULL	FULL	FULL	FULL	FULL
Currency	MYR	MYR	MYR	MYR	MYR
TURNOVER	582,678,708	565,769,971	481,667,367	573,413,579	658,767,029
Other Income	4,632,238	7,259,316	2,325,168	4,164,897	5,876,753
Total Turnover	587,310,946	573,029,287	483,992,535	577,578,476	664,643,782
PROFIT/(LOSS) FROM	62,898,127	80,503,378	1,553,888	17,009,193	10,574,168

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OPERATIONS

PROFIT/(LOSS) BEFORE TAXATION	62,898,127	80,503,378	1,553,888	17,009,193	10,574,168
Taxation	(13,303,167)	(18,028,229)	(175,631)	874,100	(848,812)
PROFIT/(LOSS) AFTER TAXATION	49,594,960	62,475,149	1,378,257	17,883,293	9,725,356
RETAINED PROFIT/(LOSS) BROUGHT FORWARD					
As previously reported	231,463,923	224,238,774	235,015,517	224,204,224	220,003,868
As restated	231,463,923	224,238,774	235,015,517	224,204,224	220,003,868
PROFIT AVAILABLE FOR APPROPRIATIONS	281,058,883	286,713,923	236,393,774	242,087,517	229,729,224
DIVIDENDS - Ordinary (paid & proposed)	(40,885,000)	(55,250,000)	(12,155,000)	(7,072,000)	(5,525,000)
RETAINED PROFIT/(LOSS) CARRIED FORWARD	240,173,883	231,463,923	224,238,774	235,015,517	224,204,224
INTEREST EXPENSE (as per notes to P&L)					
Bank overdraft	-	1,176	2,128	5,529	5,010
Bankers' acceptance	41,968	140,996	-	-	-
Term loan / Borrowing	-	-	-	-	2,592,046
Others	304,369	743,190	949,948	1,270,039	-
	346,337	885,362	952,076	1,275,568	2,597,056
DEPRECIATION (as per notes to	17,717,045	16,860,084	18,697,111	18,054,266	17,530,889

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P&L)

Total Amortization And Depreciation	17,717,045	16,860,084	18,697,111	18,054,266	17,530,889
	=	=	=	=	=

BALANCE SHEET

RUBBERFLEX SDN.BHD.

ASSETS

EMPLOYED:

FIXED ASSETS	115,161,993	116,967,243	123,036,170	130,252,239	141,683,725
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LONG TERM

INVESTMENTS/OTH

ER ASSETS

Deferred assets	110,505	149,549	-	-	-
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Others	9,221,090	8,693,821	6,493,346	2,306,897	5,088
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TOTAL LONG TERM INVESTMENTS/OTH ER ASSETS	9,331,595	8,843,370	6,493,346	2,306,897	5,088
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TOTAL LONG TERM ASSETS	124,493,588	125,810,613	129,529,516	132,559,136	141,688,813
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CURRENT ASSETS

Stocks	102,496,116	113,490,696	102,224,469	130,654,691	120,568,667
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Trade debtors	123,034,194	96,834,681	122,957,426	127,710,496	134,195,109
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Other debtors, deposits & prepayments	5,025,043	4,540,912	2,133,727	3,166,556	1,392,363
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Short term deposits	-	-	-	-	79,942
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Cash & bank balances	29,110,800	25,621,224	26,934,154	25,979,766	21,010,941
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Others	570	1,249,895	561,399	3,558,436	4,526,369
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TOTAL CURRENT ASSETS	259,666,723	241,737,408	254,811,175	291,069,945	281,773,391
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TOTAL ASSET	384,160,311	367,548,021	384,340,691	423,629,081	423,462,204
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CURRENT LIABILITIES

Trade creditors	34,164,823	18,608,759	15,749,507	21,646,524	17,571,759
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Other creditors & accruals	13,147,718	12,318,937	9,772,906	11,953,179	9,172,358
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Short term	-	-	-	112,082,889	125,526,627
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borrowings/Term loans					
Other borrowings	-	21,724,020	91,375,948	-	-
Deposits from customers	-	4,603	417,345	168,556	1,119,164
Bill & acceptances payable	45,813,932	12,891,000	-	-	-
Amounts owing to director	-	-	49,768	-	233,019
Provision for taxation	1,341,492	7,092,245	23,912	35,100	345,181
Dividends payable/proposed	9,746,100	23,205,000	1,105,000	1,105,000	1,105,000
Other liabilities	1,647,278	194,438	901,260	149,337	-
TOTAL CURRENT LIABILITIES	105,861,343	96,039,002	119,395,646	147,140,585	155,073,108
NET CURRENT ASSETS/(LIABILITIES)	153,805,380	145,698,406	135,415,529	143,929,360	126,700,283
LONG TERM LIABILITIES					
Deferred taxation	14,502,272	17,109,556	18,110,800	19,051,400	21,604,900
TOTAL LONG TERM LIABILITIES	14,502,272	17,109,556	18,110,800	19,051,400	21,604,900
TOTAL NET ASSETS	263,796,696	254,399,463	246,834,245	257,437,096	246,784,196
FINANCED BY:					
SHARE CAPITAL					
Ordinary share capital	22,100,000	22,100,000	22,100,000	22,100,000	22,100,000
TOTAL SHARE CAPITAL	22,100,000	22,100,000	22,100,000	22,100,000	22,100,000
RESERVES					
Exchange equalisation/fluctuation reserve	1,522,813	835,540	495,471	321,579	479,972
Retained profit/(loss) carried forward	240,173,883	231,463,923	224,238,774	235,015,517	224,204,224
TOTAL RESERVES	241,696,696	232,299,463	224,734,245	235,337,096	224,684,196
SHAREHOLDERS' FUNDS/EQUITY	263,796,696	254,399,463	246,834,245	257,437,096	246,784,196

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FINANCIAL RATIO

RUBBERFLEX SDN.BHD.

TYPES OF FUNDS

Cash	29,110,800	25,621,224	26,934,154	25,979,766	21,090,883
Net Liquid Funds	(16,703,132)	12,730,224	26,934,154	25,979,766	21,090,883
Net Liquid Assets	51,309,264	32,207,710	33,191,060	13,274,669	6,131,616
Net Current	153,805,380	145,698,406	135,415,529	143,929,360	126,700,283
Assets/(Liabilities)					
Net Tangible Assets	263,796,696	254,399,463	246,834,245	257,437,096	246,784,196
Net Monetary Assets	36,806,992	15,098,154	15,080,260	(5,776,731)	(15,473,284)

PROFIT & LOSS ITEMS

Earnings Before Interest & Tax (EBIT)	63,244,464	81,388,740	2,505,964	18,284,761	13,171,224
Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA)	80,961,509	98,248,824	21,203,075	36,339,027	30,702,113

BALANCE SHEET ITEMS

Total Borrowings	45,813,932	34,615,020	91,375,948	112,082,889	125,526,627
Total Liabilities	120,363,615	113,148,558	137,506,446	166,191,985	176,678,008
Total Assets	384,160,311	367,548,021	384,340,691	423,629,081	423,462,204
Net Assets	263,796,696	254,399,463	246,834,245	257,437,096	246,784,196
Net Assets Backing	263,796,696	254,399,463	246,834,245	257,437,096	246,784,196
Shareholders' Funds	263,796,696	254,399,463	246,834,245	257,437,096	246,784,196
Total Share Capital	22,100,000	22,100,000	22,100,000	22,100,000	22,100,000
Total Reserves	241,696,696	232,299,463	224,734,245	235,337,096	224,684,196

GROWTH RATIOS (Year on Year) (%)

Revenue	2.99	17.46	(16.00)	(12.96)	(22.73)
Profit/(Loss) Before Tax	(21.87)	5,080.77	(90.86)	60.86	(50.59)
Profit/(Loss) After Tax	(20.62)	4,432.91	(92.29)	83.88	(47.65)
Total Assets	4.52	(4.37)	(9.27)	0.04	(10.07)
Total Liabilities	6.38	(17.71)	(17.26)	(5.94)	(22.44)

LIQUIDITY (Times)

Cash Ratio	0.27	0.27	0.23	0.18	0.14
Liquid Ratio	1.48	1.34	1.28	1.09	1.04
Current Ratio	2.45	2.52	2.13	1.98	1.82

WORKING CAPITAL CONTROL (Days)

Stock Ratio	64	73	77	83	67
Debtors Ratio	77	62	93	81	74
Creditors Ratio	21	12	12	14	10

SOLVENCY RATIOS (Times)

Gearing Ratio	0.17	0.14	0.37	0.44	0.51
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Liabilities Ratio	0.46	0.44	0.56	0.65	0.72
Times Interest Earned Ratio	182.61	91.93	2.63	14.33	5.07
Assets Backing Ratio	11.94	11.51	11.17	11.65	11.17
PERFORMANCE RATIO (%)					
Operating Profit Margin	10.79	14.23	0.32	2.97	1.61
Net Profit Margin	8.51	11.04	0.29	3.12	1.48
Return On Net Assets	23.97	31.99	1.02	7.10	5.34
Return On Capital Employed	22.73	29.98	0.95	6.61	4.91
Return On Shareholders' Funds/Equity	18.80	24.56	0.56	6.95	3.94
Dividend Pay Out Ratio (Times)	0.82	0.88	8.82	0.40	0.57
NOTES TO ACCOUNTS					
Contingent Liabilities	0	0	0	0	0

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.67
UK Pound	1	INR 89.40
Euro	1	INR 80.25
MYR	1	INR 17.03

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	KET

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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)