

## MIRA INFORM REPORT

Report No. :	526369
Report Date :	29.08.2018

### IDENTIFICATION DETAILS

Name :	HAMID FABRICS LIMITED
Registered Office :	Hamid Tower (5 <sup>th</sup> & 6 <sup>th</sup> Floor), 24, Gulshan Circle-2, Dhaka-1212
Country :	Bangladesh
Financials (as on) :	31.03.2018
Date of Incorporation :	27.4.1995
Com. Reg. No.:	C-28302(A)
Legal Form :	Public (But Not Listed)
Line of Business :	Manufacturer, Yarn, Dyeing, Distributor and Exporter of Cotton Twill/Blended Fabric, Bed Sheet.
No. of Employees :	1098

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	<b>A</b>
------------------------	----------

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate 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](mailto: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)
Bangladesh	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

**BANGLADESH - ECONOMIC OVERVIEW**

Bangladesh's economy has grown roughly 6% per year since 2005 despite prolonged periods of political instability, poor infrastructure, endemic corruption, insufficient power supplies, and slow implementation of economic reforms. Although more than half of GDP is generated through the services sector, almost half of Bangladeshis are employed in the agriculture sector, with rice as the single-most-important product.

Garments, the backbone of Bangladesh's industrial sector, accounted for more than 80% of total exports in FY 2016-17. The industrial sector continues to grow, despite the need for improvements in factory safety conditions. Steady export growth in the garment sector, combined with \$13 billion in remittances from overseas Bangladeshis, contributed to Bangladesh's rising foreign exchange reserves in FY 2016-17.

The recent influx of over 700,000 additional refugees from Burma will place pressure on the Bangladeshi government's budget and the country's rice supplies, which declined in 2017 in part because of record flooding. Recent improvements to energy infrastructure, including the start of liquefied natural gas imports in 2018, represent a major step forward in resolving a key growth bottleneck.

Source : CIA

## **IDENTIFICATION DETAILS**

**Correct company Name** : **HAMID FABRICS LIMITED**  
**Head Office** : Hamid Tower (5<sup>th</sup> & 6<sup>th</sup> Floor), 24, Gulshan Circle-2, Dhaka-1212, Bangladesh.  
**Tel No** : 88-02-8834564-5, 8834104, 9894589, 8814775, 8833549  
**Fax No** : 88-02-8813077  
**E-mail** : [info@mahingroup.com](mailto:info@mahingroup.com), [hfl@mahingroup.com](mailto:hfl@mahingroup.com)  
**Website** : [www.hfl.com.bd](http://www.hfl.com.bd), [www.mahingroup.com](http://www.mahingroup.com)  
**Date/ Year of** : 27.4.1995  
**Incorporation**  
**Incorporation No.** : C-28302(A)  
**Legal Form (General)** :  Public Listed Co  Public (but not listed)  Private Co  State-owned Co  
 Sole Proprietorships  Partnership  Not Registered  
 others (please specify) \_\_\_\_\_  
**Legal form (Specific)** :  LTD  CORP  INC  CO  
 others (please specify) \_\_\_\_\_  
**Issuing Authority** :  Registrar of Joint Stock Companies & Firms  City Corporation  
 Municipal Administration  Union Council  
 Cantonment Board  Chief Controller of Import & Export (CCIE)

## **OTHER REGISTRY & CERTIFICATION DETAILS**

**Value Added Tax(VAT) No** : 21011003552 **Date of Registration** : N/A  
**Issuing Authority** : National Board of Revenue  
**Organization Name** : Bangladesh Textile Mills Association  
**Membership No** : N/A

## **FINANCIALS- SUMMARY**

<b>Year</b>	<b>Turnover/ Sales</b>	<b>Assets</b>	<b>Income/ (Loss)</b>
30 <sup>th</sup> June'2017	BDT 969630900 (30 <sup>th</sup> March'2017)	BDT 4852252495	BDT 70445951 (30 <sup>th</sup> March'2017)
31 <sup>st</sup> March'2018	BDT 1842531749	BDT 5280828815	BDT 140367230

## **FULLCHECK REPORT DETAILS**

### **Information Parted By**

**Name** : Mr. ASM Mijanur Rahman  
**Designation** : Company Secretary  
**Contract No** : N/A

### **Locations Details**

**Operating Address** : Hamid Tower (5<sup>th</sup> & 6<sup>th</sup> Floor), 24, Gulshan Circle-2, Dhaka-1212, Bangladesh.  
**Tel No** : 88-02-8834564-5, 8834104, 9894589, 8814775, 8833549  
**Fax No** : 88-02-8813077  
**E-mail** : [info@mahingroup.com](mailto:info@mahingroup.com), [hfl@mahingroup.com](mailto:hfl@mahingroup.com)  
**Website** : [www.hfl.com.bd](http://www.hfl.com.bd)

**Location** : Owned  Rented  Leased  Area 3600 Sq. ft.

**Type of Office** : Commercial Office Bldg.  Semi-commercial office Bldg.  
: Retail shop Industrial Park  
Business Center Home Office  
Residential Bldg.

### **Factory Address:**

**Address** : Shilmandi, Panchdona, Narshingdi, Bangladesh.  
**Tel No** : 88-02-9347427, 06251685  
**Fax No** : Nil

**Location** : Owned  Rented  Lease  Area 3.5 Acres  
d

### **Branch:**

**Address** : Nil

### **Employee:**

**No. of Employees** In Office : 300 In Factory : 798  
In Branch: : Nil **Total** : 1098

## **OWNERSHIP/SHAREHOLDERS**

<b>Names of Shareholders</b>	<b>No. of Share</b>	<b>Country</b>
Directors/ Sponsors	47116161	Bangladesh.
Institute	17456562	Bangladesh.
General Public	26484589	Bangladesh.

## **DIRECTORS**

**Name** : Mr. A.H.M. Mozammel Hoque  
**Designation** : Chairman  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Abdullah Al Mahmud  
**Designation** : Managing Director  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

**Name** : Ms. Salina Mahmud  
**Designation** : Director  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

**Name** : Ms. Nusrat Mahmud  
**Designation** : Director  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

**Name** : Ms. Nabila Mahmud  
**Designation** : Director  
**Nationality** : Bangladeshi.  
**Email address** : N/A

**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.

**Other details** : N/A

**Name** : Ms. Farhana Danish  
**Designation** : Director  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Syed Anisul Huq  
**Designation** : Independent Director  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Riaz Ur Rahman  
**Designation** : Independent Director  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

## **MANAGEMENT**

**Name** : Mr. Abdullah Al Mahmud  
**Job Description** : Managing Director  
**Nationality** : Bangladeshi  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Md. Mushaddeque Ali  
**Job Description** : Chief Financial Officer  
**Nationality** : Bangladeshi  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Mir Azharul Islam  
**Job Description** : Chief Operating Officer  
**Nationality** : Bangladeshi  
**Email address** : azharhfl@mahingroup.com  
**Other details** : N/A

**Name** : Md. Maruf Shahria

**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.

**Job Description** : Head of Internal Audit  
**Nationality** : Bangladeshi  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Md. Jashim  
**Job Description** : Manager (Commercial)  
**Nationality** : Bangladeshi  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Mahmud Alam Jewel  
**Job Description** : Deputy General Manager  
**Nationality** : Bangladeshi  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Mokbul Hossain  
**Job Description** : Officer (Commercial)  
**Nationality** : Bangladeshi  
**Email address** : N/A  
**Other details** : N/A

## ***BUSINESS OPERATIONS***

**Nature of Activity** : Manufacturer ✓ Yarn ✓ Dyeing ✓ Distributor ✓  
Exporter ✓ Importer Services Others

### **Range of Products:**

**Products** : Cotton Twill/Blended Fabric, Bed Sheet.  
**Production Capacity** : 7.2 million Yards per year.  
**Last Year Production** : Do.

### **Trading Terms:**

**Purchasing Terms:** L/C ✓ Cash Others  
Credit : 30 days 60 days ✓ 90 days days

**Selling Terms** : L/C ✓ Cash Others  
Credit : 30 days 60 days ✓ 90 days days

## **DETAILED DATA**

Trade Reference & Related Parties	: Overseas Clients	: Bhs Zara Next Tesco Levi's Oliver H & M Uni Qlo S. Esprit Lc Waikiki Charles Vogele Marks & Spencer
	Local Clients	: N/A
	Overseas Suppliers	: N/A
	Local Suppliers	: N/A
Trade Markets	: Exports(Country)	: USA, Europe.
	Imports(Country)	: China, India, Japan, Germany
Brand Name	: N/A	
Certified	: N/A	
Name of Auditors	: M/S Hoda Vasi Chowdhury & Co, Chartered Accountants	
Operation Status	: Active	

## **CAPITAL STRUCTURE**

Authorized Capital	: BDT 2000 Million
Paid-up Capital	: BDT 910573120
No. of Shares	: 91057312
Share Value	: BDT 10.00 Each
Main Assets	: BDT 5280828815

## **FINANCIAL STATEMENT- DETAILED**

### **Balance Sheet :**

**Currency**

**BDT**

**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.

<b>Financial Highlights</b>	<b>Denomination Financial Year Ending 31<sup>st</sup> March'2018</b>	<b>: 1 : 31st March'2018 30<sup>th</sup> June'2017</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant & Equipment	3324686334	3422536810
intangible Assets	1587610	1867776
Investment	29805411	29805411
	<b>3356079355</b>	<b>3454209997</b>
<b>Current Assets:</b>		
Trade Debtors	1229354877	756967099
Advance, Deposit & Prepayments	212073941	119954713
Inventories	470094025	500088695
Cash and cash Equivalents	13226617	21032531
	<b>1924749460</b>	<b>1398042498</b>
	<b>5280828815</b>	<b>4852252495</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Share Holders' Equity:</b>		
Share Capital	910573120	910573120
Share Premium	973600000	973600000
Revaluation Reserves	691473480	691473480
Retained Earnings	964649846	890721394
	<b>3540296446</b>	<b>3466367994</b>
<b>Non- Current Liabilities:</b>		
Loans and Borrowings - Net off	205878653	431467147
Current Maturity		
Lease-Net of current Maturity	2778128	5319842
Deferred Tax Liabilities	50614124	48003564
Provision for Gratuity	41162659	37674248
	<b>300433564</b>	<b>522464801</b>
<b>Current Liabilities:</b>		
Loans and Borrowings - Current Maturity	294375942	168514685
Lease-Current Maturity	3662183	3386009
Short Term Loans and Borrowings	519925400	438411390
Trade Creditors	387700991	81880781
Others Payable	153542711	115566633
income Tax Provision	80891577	55660202
	<b>1440098804</b>	<b>863419700</b>
<b>Total Shareholders' Equity and Liabilities</b>	<b>5280828815</b>	<b>4852252495</b>
<b>Net Assets Value Per Share</b>	<b>38.88</b>	<b>38.07</b>

**Income Statement :**

<b>Financial Highlights</b>	<b>Currency Denomination Financial Year Ending 31<sup>st</sup> March'2018</b>	<b>BDT : 1 : 31st March'2018 30<sup>th</sup> March'2017</b>
<b>Revenue</b>	<b>1842531749</b>	<b>969630900</b>
<b>Cost of Goods Sold</b>	<b>(1395209892)</b>	<b>(678082505)</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.

**HAMID FABRICS LIMITED - 526369**

**PAGE NO. : 11**

<b>Gross Profit</b>	<b>447321857</b>	<b>291548395</b>
<b>Operating Expenses</b>		
Administrative Expenses	(150904906)	(125138318)
Selling & Distribution Expenses	(18304280)	(15474111)
	<b>(169209186)</b>	<b>(140612429)</b>
<b>Operating Profit</b>	<b>278112671</b>	<b>150935966</b>
Finance Costs	(101558506)	(66324970)
Contribution to WPPF	(8410458)	(4346605)
	<b>(109968964)</b>	<b>(70671575)</b>
	<b>168143707</b>	<b>80264391</b>
Non-Operating income	65457	6667701
<b>Net Profit Before Tax</b>	<b>168209164</b>	<b>68932092</b>
<b>income Tax Provision</b>		
Provision for Current Tax	(25231375)	(13039814)
Provision for Deferred Tax	(2610560)	(3446328)
	<b>(27841934)</b>	<b>(16486142)</b>
<b>Net Profit for the Year</b>	<b>140367230</b>	<b>70445951</b>
<b>Basic Earnings Per Share (Par value  Tk.10/=)</b>	<b>1.54</b>	<b>0.77</b>

**Statement Of Cash Flows :**

	<b>Currency  Denomination  Financial Year Ending  31<sup>st</sup> March'2018</b>	<b>BDT  : 1  : 31<sup>st</sup> March'2018  30<sup>th</sup> March'2017</b>
<b>Financial Highlights</b>		
<b>Cash Flows From Operating Activities</b>		
Cash Receipts From Customers	1370209429	1081050258
Cash Paid to Suppliers & Others	(938259944)	(663621694)
Cash Paid to Employees	(233246415)	(149042461)
<b>Cash Generated From Operations</b>	<b>198703070</b>	<b>268386103</b>
Interest Paid	(110172236)	(66324970)
<b>Net Cash Flows From Operating Activities</b>	<b>88703070</b>	<b>202061133</b>
<b>Cash Flows From Investing Activities</b>		
Acquisition Of Property, Plant and Equipment	(9519204)	(84016314)
Disposal of Machinery	100000	5450000
<b>Net Cash Flows From Investing Activities</b>	<b>(9419204)</b>	<b>(78566314)</b>
<b>Cash Flows From Financing Activities</b>		
Increase/(Decrease) in Long Term Borrowings	(101992777)	(72721426)
Increase in Short Term Borrowings	<b>519925400</b>	<b>300771097</b>
(Decrease) in Long Term Borrowings	(438411390)	(292246067)
Dividend Paid	(66438777)	(66438777)
<b>Net Cash Flows From Financing Activities</b>	<b>(86917544)</b>	<b>(130635173)</b>
<b>Net Cash Flows From Operating Investing  &amp; Financing Activities</b>	<b>(7805914)</b>	<b>(7140354)</b>
<b>Opening Cash And Cash Equivalents</b>	<b>21032531</b>	<b>26401619</b>
<b>Closing Cash And Cash Equivalents</b>	<b>13226617</b>	<b>19261265</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.

Net Operating Cash Flow Per Share                      0.97                      2.22

## **ASSOCIATES/SUBSIDIARIES/ RELATED PARTIES**

Name of The Group : Mahin Group  
Name of Mother : Nil  
Company  
Subsidiary : Nil  
Sister Concerns : Crystal Washing Plant  
Grsmeen Solutions Ltd  
Hamid Yarn Dyeing Ltd  
Mahin Apparels Limited  
Millennium Holdings Ltd.  
Hamid Weaving Mills Ltd.  
Hamid Spinning Mills Ltd  
Tazrian Weaving Mills Ltd.  
Crystal Insurance Company Ltd.

## **BANKING**

Bank Name : Brac Bank Ltd.  
Bank Asia Limited  
Janata Bank Limited  
United Commercial Bank Limited

## **ADVERSE DATA MONITORING**

Dishonored Checks : No Record Found  
Debt : No Record Found  
Litigation : Clear  
Performance Defaults : No Record Found  
Adverse Local Media : No Record Found  
Coverage/ Adverse Filling  
History

**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.

## ***SITE VISIT COMMENTARY***

Our representative visited the subject company Head Office which is situated at Hamid Tower (5th & 6th Floor), 24, Gulshan Circle-2, Dhaka-1212, Bangladesh. It is situated in a Residential area which is a well decorated modern office.

## ***GENERAL COMMENTS***

The subject company is engaged in Manufacturer, Importer, Exporter, Yarn & Dyeing. It is a reputed company in this line of business.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.17
UK Pound	1	INR 90.33
Euro	1	INR 81.93
BDT	1	INR 0.84

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	VIV
<b>Report Prepared by :</b>	TPT

**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)