

## MIRA INFORM REPORT

<b>Report No. :</b>	527293
<b>Report Date :</b>	30.08.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	JDM JINGDA MACHINE (NINGBO)CO.,LTD
<b>Registered Office :</b>	Jiangbei Investment Venture Park Ningbo Zhejiang Province, Pr
<b>Country :</b>	China
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	15.08.2002
<b>Credibility Code :</b>	91330200742151748P
<b>Legal Form :</b>	Shares Limited Co.
<b>Line of Business :</b>	The subject's registered business scope includes design, R & D, manufacturing, processing and marketing of heat exchanger equipment, precision forming press, automation equipment, machinery equipment, raw materials, mechanical fittings and moulds for machinery and equipment; industrial investment; importing and exporting goods and technologies, excluding goods and technologies prohibited by the state; private housing tenancy (with permit if needed)
<b>No. of Employees :</b>	578

### RATING & COMMENTS

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

**MIRA's Rating :** **A+**

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

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

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<b>Litigation :</b>	Clear
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**NOTES :**

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

**ECGC Country Risk Classification List**

<b>Country Name</b>	<b>Previous Rating (31.12.2017)</b>	<b>Current Rating (01.04.2018)</b>
China	A2	A1

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

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**CHINA - ECONOMIC OVERVIEW**

Since the late 1970s, China has moved from a closed, centrally planned system to a more market-oriented one that plays a major global role. China has implemented reforms in a gradualist fashion, resulting in efficiency gains that have contributed to a more than tenfold increase in GDP since 1978. Reforms began with the phaseout of collectivized agriculture, and expanded to include the gradual liberalization of prices, fiscal decentralization, increased autonomy for state enterprises, growth of the private sector, development of stock markets and a modern banking system, and opening to foreign trade and investment. China continues to pursue an industrial policy, state support of key sectors, and a restrictive investment regime. Measured on a purchasing power parity (PPP) basis that adjusts for price differences, China in 2016 stood as the largest economy in the world, surpassing the US in 2014 for the first time in modern history. China became the world's largest exporter in 2010, and the largest trading nation in 2013. Still, China's per capita income is below the world average.

After keeping its currency tightly linked to the US dollar for years, China in July 2005 moved to an exchange rate system that references a basket of currencies. From mid-2005 to late 2008, the renminbi appreciated more than 20% against the US dollar, but the exchange rate remained virtually pegged to the dollar from the onset of the global financial crisis until June 2010, when Beijing announced it would allow a resumption of gradual liberalization. From 2013 until early 2015, the renminbi (RMB) appreciated roughly 2% against the dollar, but the exchange rate fell 13% from mid-2015 until end-2016 amid strong capital outflows in part stemming from the August 2015 official devaluation; in 2017 the RMB resumed appreciating against the dollar – roughly 7% from end-of-2016 to end-of-2017. From 2013 to 2017, China had one of the fastest growing economies in the world, averaging slightly more than 7% real growth per year. In 2015, the People's Bank of China announced it would continue to carefully push for full convertibility of the renminbi, after the currency was accepted as part of the IMF's special drawing rights basket. However, since late 2015 the Chinese Government has strengthened capital controls and oversight of overseas investments to better manage the exchange rate and maintain financial stability.

The Chinese Government faces numerous economic challenges including: (a) reducing its high domestic savings rate and correspondingly low domestic household consumption; (b) managing its high corporate debt burden to maintain financial stability; (c) controlling off-balance sheet local government debt used to finance infrastructure stimulus; (d) facilitating higher-wage job opportunities for the aspiring middle class, including rural migrants and college graduates, while maintaining competitiveness; (e) dampening speculative investment in the real estate sector without sharply slowing the economy; (f) reducing industrial overcapacity; and (g) raising productivity growth rates through the more efficient allocation of capital and state-support for innovation. Economic development has progressed further in coastal provinces than in the interior, and by 2016 more than 169.3 million migrant workers and their dependents had relocated to urban areas to find work. One consequence of China's population control policy known as the "one-child policy" - which was relaxed in 2016 to permit all families to have two children - is that China is now one of the most rapidly aging countries in the world. Deterioration in the environment - notably air pollution, soil erosion, and the steady fall of the water table, especially in the North - is another long-term problem. China continues to lose arable land because of erosion and urbanization. The Chinese Government is seeking to add energy production capacity from sources other than coal and oil, focusing on natural gas, nuclear, and clean energy development. In 2016, China ratified the Paris Agreement, a multilateral agreement to combat climate change, and committed to peak its carbon dioxide emissions between 2025 and 2030.

The government's 13th Five-Year Plan, unveiled in March 2016, emphasizes the need to increase innovation and boost domestic consumption to make the economy less dependent on government investment, exports, and heavy industry. However, China has made more progress on subsidizing innovation than rebalancing the

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economy. Beijing has committed to giving the market a more decisive role in allocating resources, but the Chinese Government's policies continue to favor state-owned enterprises and emphasize stability. Chinese leaders in 2010 pledged to double China's GDP by 2020, and the 13th Five Year Plan includes annual economic growth targets of at least 6.5% through 2020 to achieve that goal. In recent years, China has renewed its support for state-owned enterprises in sectors considered important to "economic security," explicitly looking to foster globally competitive industries. Chinese leaders also have undermined some market-oriented reforms by reaffirming the "dominant" role of the state in the economy, a stance that threatens to discourage private initiative and make the economy less efficient over time. The slight acceleration in economic growth in 2017—the first such uptick since 2010—gives Beijing more latitude to pursue its economic reforms, focusing on financial sector deleveraging and its Supply-Side Structural Reform agenda, first announced in late 2015.

Source : CIA

## **COMPANY NAME & ADDRESS**

**Company Name** : JDM JINGDA MACHINE (NINGBO)CO.,LTD  
**Address** : NO. 191 CHANGYANG ROAD ZONE C JIANGBEI INVESTMENT PARK  
NINGBO ZHEJIANG PROVINCE, PR CHINA  
**Telephone** : 0086-574-87562556  
**Facsimile** : 0086-574-87562563  
**Website** : <http://www.nbjingda.com.cn>  
**Email** : [press@nbjingda.com](mailto:press@nbjingda.com)

## **REGISTRATION INFORMATION**

**Established Date** : 2002-08-15  
**Credibility Code** : 91330200742151748P  
**Legal Form** : Shares Limited Co.  
**Registration Authority**: Market Supervision Bureau - Ningbo  
**Status** : Active

**Registered Capital** : RMB 112,000,000  
**Paid Up Capital** : RMB 80,000,000 (as of Dec. 31, 2017)  
**Turnover** : RMB 307,961,000 (Consolidated as of Dec. 31, 2017)  
**Equities** : RMB 493,156,000 (Consolidated as of Dec. 31, 2017)

**Chief Executive** : Zheng Liangcai  
**Business Line** : Manufacturer  
**Manpower** : 578

**Tax Registration**  
**Certificate No.** : 91330200742151748P  
**Organization Code** : 74215174-8

**HS code** : 3302966095  
**Import & Export code**: 3302742151748

**Financial Condition** : Fairly good  
**Business Size** : Medium Enterprise  
**Payment** : Regular

### **REGISTERED ADDRESS**

JIANGBEI INVESTMENT VENTURE PARK NINGBO ZHEJIANG PROVINCE, PR CHINA

**COMPANY STATUS: SHARES LIMITED CO.**

This form of business in PR China is defined as a legal person. Its registered capital is divided into shares of equal par value and the co. raises capital by issuing share certificates by promotion or by public offer. Shareholders bear limited liability to the extent of shareholding, and the co. is liable for its debts only to the extent of its total assets. The co has independent property of legal person and enjoys property rights of legal person. The characteristics of the shares limited co. are as follows:

The establishment of the co. requires at least two promoters and no more than 200, half of whom shall be domiciled in China. Natural person are allowed to serve as promoters.

The minimum registered capital of a co. is RMB 5M. while that of the co. with foreign investment is RMB 5M. The total capital of a co. which propose to apply for publicly listed must be no less than RMB 30M.

The board of directors must consist of five to nineteen directors.

If the co. raises capital by public offer, the promoters must not subscribe less than 35% of the total shares. the promoters' shares are restricted to transfer- within one year of the offer.

A state-owned enterprise that is restructured into a shares limited co. must comply with the conditions & requirements specified under the law & administrative rule.

**PREMISE**

The subject operates from premises located at the heading address, and this address houses its operating office and factory in Ningbo. Our checks reveal that the subject rents the total premise, but the square meters are unknown.

***MANAGEMENT***

<b>Position</b>	<b>Name</b>	<b>Nationality</b>
Legal representative, Chairman	Zheng Liangcai	Chinese
General Manager	Li Yongjian	Chinese
Vice General Manager	Zheng Gong	Chinese
Directors	Zheng Gong Li Yongjian Zhao Yiqing Fu Peiwen Zhang Lantian Wu Jianming	Chinese
Supervisors	Li Weibin Yang Jianbin Ma Juanjuan	Chinese

## **MAJOR SHAREHOLDERS**

<b>Name (As of 2018-06-30)</b>	<b>% Shareholding</b>
Ningbo Chengxing Holdings Co Limited	33.08
Ningbo Guangda Investment Co., Ltd.	6.38
Xu Jianfen	5.75
Zheng Liangcai	5.75
Ningbo Jingwei Investment Co., Ltd.	5.63
Zheng Gong	3.94
Xu Guorong	1.61
Xie Wenjie	0.92
Zheng Huizhen	0.77
Zhang Xiaoming	0.7
Other Shareholders	35.47

Ningbo Chengxing Holdings Co Limited

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Credibility Code: 9133020661014858X5  
Legal representative: Zheng Liangcai  
Registered Capital: RMB 5,000,000  
Established Date: 1995-01-23

## **KEY EVENTS**

### **Changes of its registered information are as follows:**

<b>Date of change</b>	<b>Item</b>	<b>Before the change</b>	<b>After the change</b>
2018-07-12	Registered capital	RMB 80,000,000	Present one
2015-02-06	Registered capital	RMB 60,000,000	RMB 80,000,000
2011-01-05	Registered capital	RMB 55,000,000	RMB 60,000,000
2010-12-27	Registered capital	RMB 46,000,000	RMB 55,000,000

## **BUSINESS OPERATIONS**

The subject's registered business scope includes design, R & D, manufacturing, processing and marketing of heat exchanger equipment, precision forming press, automation equipment, machinery equipment, raw materials, mechanical fittings and moulds for machinery and equipment; industrial investment; importing and exporting goods and technologies, excluding goods and technologies prohibited by the state; private housing tenancy (with permit if needed)

The subject is mainly engaged in manufacturing and selling machinery for both the mechanically expanded and brazed micro channel heat exchanger.

Products:

Heat Exchanger Equipment  
Press Equipment  
Micro Channel Equipment  
Powder Metallurgy Equipment

Etc.

The subject sources its materials 70% from domestic market, and 30% from overseas market. the subject sells 30% of its products in domestic market, and 70% to overseas market, mainly Russia, etc.

The buying terms of the subject include Check, T/T, L/C and Credit of 30-60 days. The payment terms of the subject include Check, T/T, L/C and Credit of 30-60 days.

## **SUPPLIER & CUSTOMER**

No record.

## **RELATED COMPANIES**

### **Subsidiaries**

Yangzhou Jingshanda Servo Forming Equipment Co., Ltd.

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Credibility Code: 91321003MA1X04K823

Legal representative: Gao Zhijie

Registered Capital: RMB 16,375,000

Established Date: 2018-08-02

Zhongshan Jingda Teke Machinery Co.,Ltd

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Credibility Code: 91442000MA4UK21Y0F  
Legal representative: Xiao Shixiang  
Registered Capital: RMB 2,041,000  
Established Date: 2015-11-24

**Branches**

JDM Jingda Machine (Ningbo)Co.,Ltd Yangzhou Servo Machinery Branch  
=====  
Credibility Code: 91321003MA1TN5RP08  
Principal: Gao Zhijie  
Established Date: 2017-12-13

JDM Jingda Machine (Ningbo)Co.,Ltd Yangzhou Design Branch  
=====  
Credibility Code: 91321003MA1UWXUR2A  
Principal: Gao Zhijie  
Established Date: 2018-01-15

***NEGATIVE INFORMATION***

**Lawsuit Record:**

Date	Case No.	Petitioner	Defendant	Executive court	Status
2017-10-13	2017- 0110	Nanfang Zhongjin Environmental Co Ltd	The subject company.	People's Court of Yuhang District, Hangzhou	Concluded
2016-11-10	2016-0205	The subject company.	Jiangxi Wopusi Electric Co Ltd	The people's Court of Jiangbei District, Ningbo	Concluded

Etc.

**Trade payment experience:** The subject did not provide any name of trade/service suppliers and we have no other sources to conduct the enquiry at present.

**Delinquent payment record:** None in our database.

**Debt collection record:** No overdue amount owed by the subject was placed to us for collection within the last 6 years.

**Customs administrative penalty:** No record.

**Equity freeze information:** No record.



**Administrative Penalty:** No record.

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## **MORTGAGE**

There is no record of mortgage information at present.

## **TRADEMARK**

Registration No.	Registration Date	Trademark Design
5557751	2009-6-28	
5162923	2009-4-7	
Etc.		

## **PATENT**

Patent name	Published Application Number	Application number	Date of publication
A pipe fitting machine for pipe bending	CN207508660U	CN201720942874.8	2018-06-19
Rotating platform for multi station pipe expander	CN108031755A	CN201711318153.0	2018-05-15
Etc.			

## **BANKING**

Bank of China Haishu Sub-Branch

Account No.: 372758330503

## **ABBREVIATED FINANCIAL STATEMENT**

### **Consolidated Balance Sheet**

Unit: RMB'000

	<b>as of Dec. 31, 2016</b>	<b>as of Dec. 31, 2017</b>
Cash & bank	77,109	107,244
Notes receivable	14,829	22,353
Inventory	184,285	222,548
Accounts receivable	58,694	67,534
Advances to suppliers	3,690	2,072
Other receivables	4,711	3,336
Other current assets	29,685	8,980
	-----	-----
Current assets	373,003	434,067
Investment real estate	2,639	21,510
Fixed assets net value	130,611	185,381
Projects under construction	59,139	4,810
Intangible assets	84,304	74,894
Deferred tax assets	5,838	6,949
Other assets	675	899
	-----	-----
Total assets	656,209	728,510
	=====	=====
Short loans	2,000	0
Notes payable	27,740	37,680
Accounts payable	60,914	61,822
Advances from customers	63,525	98,329
Accrued payroll	12,376	15,476
Taxes payable	1,462	6,845
Other accounts payable	4,956	4,162
Other current liabilities	2	3
	-----	-----
Current liabilities	172,975	224,317
Non- current liabilities	12,032	11,037
	-----	-----
Total liabilities	185,007	235,354
Shareholders equities	471,202	493,156
	-----	-----
Total liabilities & equities	656,209	728,510
	=====	=====

### **Consolidated Income Statement**

Unit: RMB'000

	<b>as of Dec. 31, 2016</b>	<b>as of Dec. 31, 2017</b>
Turnover	234,257	307,961
Cost of goods sold	148,206	194,255
Taxes and additional of main operation	3,940	5,945
Sales expense	22,990	26,178

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Management expense	36,937	39,262
Finance expense	-2,170	3,022
Impairment of assets	8,002	10,958
Profit before tax	22,713	34,627
Less: profit tax	3,733	3,577
Net profit	18,980	31,050

**Important Ratios**

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	as of Dec. 31, 2016	as of Dec. 31, 2017
*Current ratio	2.16	1.94
*Quick ratio	1.09	0.94
*Liabilities to assets	0.28	0.32
*Net profit margin (%)	8.10	10.08
*Return on total assets (%)	2.89	4.26
*Inventory /Turnover x365	288 days	264 days
*Accounts receivable/Turnover x365	92 days	81 days
*Turnover/Total assets	0.36	0.42
* Cost of goods sold/Turnover	0.63	0.63

**PROFITABILITY: FAIRLY GOOD**

- The turnover of the subject is fairly good.
- The subject's net profit margin is fairly good.
- The subject's return on total assets is average.
- The subject's cost of goods sold is average, comparing with its turnover.

**LIQUIDITY: AVERAGE**

- The current ratio of the subject is maintained in a fairly good level.
- The subject's quick ratio is maintained in a normal level.
- The inventory of the subject is fairly large.
- The accounts receivable of the subject is average.
- The short-term loan of the subject is average in 2016.
- The subject's turnover is in a fair level, comparing with the size of its total assets.

**LEVERAGE: FAIRLY GOOD**

- The debt ratio of the subject is low.
- The risk for the subject to go bankrupt is average.

**TREND ANALYSIS**

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	2015	2016	2017
Sales Trend	--	--	↑
Profit margin	--	--	↑
Debt to assets ratio	--	--	↑
Overall Financial Condition	<input type="checkbox"/> Good <input type="checkbox"/> Fairly Stable	<input checked="" type="checkbox"/> Fairly Good <input type="checkbox"/> Fair	<input type="checkbox"/> Stable <input type="checkbox"/> Poor

## **COMMENT**

The subject was registered as a Shares limited co. at local Administration for Industry & Commerce (AIC - The official body of issuing and renewing business license). The subject is considered medium-sized in its line with fairly good financial conditions.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.50
UK Pound	1	INR 90.63
Euro	1	INR 82.34
CNY	1	INR 10.36

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

**INFORMATION DETAILS**

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

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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)