

MIRA INFORM REPORT

Report No. :	544703
Report Date :	17.12.2018

IDENTIFICATION DETAILS

Name :	KAWASAKI-MK INDUSTRIES INDIA PRIVATE LIMITED
Registered Office :	No.20, 2 nd Floor, Uniworth Plaza, Sankey Road, Bangalore – 560020, Karnataka
Mobile No.:	91-9900038398 (Mr. Balasubramani)
Country :	India
Financials (as on) :	31.03.2018
Date of Incorporation :	07.05.2012
CIN No.: [Company Identification No.]	U34202KA2012PTC063877
Capital Investment / Paid-up Capital :	INR 491.596 Million
IEC No.: [Import-Export Code No.]	0712027785
PAN No.: [Permanent Account No.]	AAECK7511R
GSTN : [Goods & Service Tax Registration No.]	29AAECK7511R1ZV
Legal Form :	Private Limited Liability Company
Line of Business :	Trader of Automobile parts. [Registered Activity]
No. of Employees :	Information denied by the management

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Maximum Credit Limit :	USD 930000
Status :	Satisfactory
Payment Behaviour :	Slow but correct
Litigation :	Clear
Comments :	<p>Subject operates as a subsidiary of "Kawasaki Industrial Company Limited, Japan. The company was incorporated in year 2012 and has its base in Bangalore, Karnataka. It is an established company having satisfactory track.</p> <p>For the financial year ended 2018, the company has achieved a growth in its revenue but reported loss from its operational activities</p> <p>However, the company possesses sound financial profile marked by healthy net worth position along with debt free balance sheet of the company.</p> <p>The company also derives strength from its holding entity and its experienced management team</p> <p>Trade relations are fair. Business is active. Payment terms are seems to be slow but correct</p> <p>In view of the aforesaid, the company can be considered for business dealings at usual trade terms and conditions.</p>

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
India	A1	A1

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

EXTERNAL AGENCY RATING

NOT AVAILABLE

RBI DEFAULTERS' LIST STATUS

Subject's name is not enlisted as a defaulter in the publicly available RBI Defaulters' list.

EPF (Employee Provident Fund) DEFAULTERS' LIST STATUS

Subject's name is not enlisted as a defaulter in the publicly available EPF (Employee Provident Fund) Defaulters' list as of 31-03-2018.

BIFR (Board for Industrial & Financial Reconstruction) LISTING STATUS

Subject's name is not listed as a Sick Unit in the publicly available BIFR (Board for Industrial & Financial Reconstruction) list as of 17.12.2018

IBBI (Insolvency and Bankruptcy Board of India) LISTING STATUS

Subject's name is not listed in the publicly available IBBI (Insolvency and Bankruptcy Board of India) list as of report date.

INFORMATION DENIED BY

Name :	Mr. Balasubramani
Designation :	Purchase Manager
Contact No.:	91-9900038398
Date :	12.12.2018

LOCATIONS

Registered Office :	No.20, 2 nd Floor, Uniworth Plaza, Sankey Road, Bangalore – 560020, Karnataka, India
Tel. No.:	91-80-23347000
Mobile No.:	91-9900038398 (Mr. Balasubramani)
Fax No.:	91-80-23316852
E-Mail :	shirish@kawasakimk.com raghuvendra@kawasakimk.com sreenivas@kawasakimk.com balasubramani@kawasakimk.com

DIRECTORS

AS ON 31.03.2018

Name :	Takeo Kawasaki		
Designation :	Managing Director		
Address :	Block-D, Flat No.4022, Prestige Notting Hill, Kalena Agrahara Bannerghatta Road, Near Meenakshi Temple, Bangalore- 560076, Karnataka, India		
Date of Birth/Age :	12.08.1971		
Qualification:	Graduation		
Date of Appointment :	30.09.2016		
DIN No.:	07491604		
Other Directorship:			
CIN/FCRN	Company Name	Begin Date	End Date
U50200KA2011PTC075728	ARMA ENGINEERING PRIVATE LIMITED	30/09/2016	-
Name :	Hiroyuki Tozuka		
Designation :	Director		
Address :	1263-7 Nishikata Kikugawa Shizuoka 4390037 Japan		
Date of Birth/Age :	31.08.1954		
Qualification:	Graduation		
Date of Appointment :	18.07.2013		
DIN No.:	05277025		
Name :	Kazumasa Kuboki		
Designation :	Director		
Address :	Flat No 002, 1st Floor, No 304, 9th Cross, 6 A Main, HMT Layout, Vishweshwaraiaia Nagar, RT Nagar Bangalore -560032, Karnataka, India		
Date of Birth/Age :	23.07.1947		
Qualification:	Graduation		
Date of Appointment :	30.09.2015		
DIN No.:	06587035		
Other Directorship:			
List of Companies			
CIN/FCRN	Company Name	Begin Date	End Date
U99999PN1997PLC110139	TATA TOYO RADIATOR LIMITED	15/06/2018	-
U91100KA2012NPL067410	JAPANESE CHAMBER OF COMMERCE AND INDUSTRY BANGALORE	30/09/2014	-
List of LLP			
LLPIN/FLLPIN	LLP Name	Begin Date	End Date
AAE-4212	TOMONAGA PRODUCTION SUPPORT CONSULTING LLP	22/07/2015	-

KEY EXECUTIVES

Name :	Mr. Balasubramani
Designation :	Purchase Manager

MAJOR SHAREHOLDERS

AS ON 31.03.2018

Names of Shareholders	No. of Shares	% of Holding
Kawasaki Industrial Company Limited, India	4072600	82.84
MK ME(S) Pte Limited, India	843365	17.16
Total	4915965	100.00

Share holding pattern

■ Kawasaki Industrial Company Limited, India ■ MK ME(S) Pte Limited, India



Equity Share Break up (Percentage of Total Equity)

AS ON 19.09.2018

Category	Percentage
Promoters- Body corporate	100.00
Total	100.00

BUSINESS DETAILS

Line of Business :	Trader of Automobile parts. [Registered Activity]
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Products / Services :	Name and Description of main products / services	NIC Code of the Product/service
	Wholesale of casting parts to be utilised in the automobile industry	4530
Brand Names :	Not Available	
Agencies Held :	Not Available	
Exports :	Not Divulged	
Imports :	Not Divulged	
Terms :	Not Divulged	

PRODUCTION STATUS – (NOT AVAILABLE)**GENERAL INFORMATION**

Suppliers :	Reference :	Not Divulged
	Name of the Person :	--
	Contact No.:	--
	Since How Long Known :	--
	Maximum Limit Dealt :	--
	Experience :	--
	Remark:	--
Customers :	Reference :	Not Divulged
	Name of the Person :	--
	Contact No.:	--
	Since How Long Known :	--
	Maximum Limit Dealt :	--
	Experience :	--
	Remark:	--
No. of Employees :	Information denied by the management	
Bankers :	Banker Name :	Not Divulged
	Branch :	Not Divulged
	Person Name (With Designation) :	--
	Contact Number :	--
	Name of Account Holder :	--
	Account Number :	--
	Account Since (Date/Year of Account Opening) :	--

	Average Balance Maintained :	--
	Credit Facilities Enjoyed (CC/OD/Term Loan) :	--
	Account Operation :	--
	Remark :	--

Auditors :	
Name :	J C S S and Company Chartered Accountants
Address :	No. 20, 2 nd Floor, Uniworth Plaza, Sankey Road, Bangalore-560020, Karnataka, India
PAN N Income-tax PAN of auditor or auditor's firm :	AADFJ0586H
Memberships :	Not Available
Collaborators :	Not Available
Holding Company:	<ul style="list-style-type: none"> Kawasaki Industrial Co., Limited, Japan
Associated Company / Fellow subsidiary Company:	<ul style="list-style-type: none"> Arma Engineering Private Limited, India [U50200KA2011PTC075728]

CAPITAL STRUCTURE

AS ON 31.03.2018

Authorised Capital :

No. of Shares	Type	Value	Amount
5600000	Equity Shares	INR 100/- each	INR 560.000 Million

Issued, Subscribed & Paid-up Capital :

No. of Shares	Type	Value	Amount
4915965	Equity Shares	INR 100/- each	INR 491.596 Million

FINANCIAL DATA
[all figures are INR Million]

ABRIDGED BALANCE SHEET (STANDALONE)

SOURCES OF FUNDS	31.03.2018	31.03.2017	31.03.2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	491.596	491.596	491.596
(b) Reserves and Surplus	(164.411)	(125.945)	(89.838)
(c) Money received against share warrants	0.000	0.000	0.000
(2) Share Application money pending allotment	0.000	0.000	0.000
Total Shareholders' Funds (1) + (2)	327.185	365.651	401.758
(3) Non-Current Liabilities			
(a) long-term borrowings	0.000	0.000	0.000
(b) Deferred tax liabilities (Net)	0.000	0.000	0.000
(c) Other long-term liabilities	0.000	0.000	0.000
(d) long-term provisions	1.202	0.836	0.600
Total Non-current Liabilities (3)	1.202	0.836	0.600
(4) Current Liabilities			
(a) Short-term borrowings	0.000	0.000	0.000
(b) Trade payables	2.820	17.132	28.401
(c) Other current liabilities	58.143	67.703	389.123
(d) Short-term provisions	1.680	3.826	2.002
Total Current Liabilities (4)	62.643	88.661	419.526
TOTAL	391.030	455.148	821.884
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	0.705	1.477	2.315
(ii) Intangible Assets	0.067	0.076	0.311
(iii) Tangible assets capital work-in-progress	0.000	0.000	0.000
(iv) Intangible assets under development	0.000	0.000	0.000
(b) Non-current Investments	15.190	15.190	15.190
(c) Deferred tax assets (net)	0.000	0.000	0.000
(d) Long-term loans and advances	0.817	0.817	0.817
(e) Other Non-current assets	0.450	0.450	1.540

Total Non-Current Assets	17.229	18.010	20.173
(2) Current assets			
(a) Current investments	0.000	0.000	0.000
(b) Inventories	0.000	0.000	0.000
(c) Trade receivables	43.630	30.065	24.367
(d) Cash and bank balances	42.617	22.087	22.160
(e) Short-term loans and advances	188.887	289.036	673.135
(f) Other current assets	98.667	95.950	82.049
Total Current Assets	373.801	437.138	801.711
TOTAL	391.030	455.148	821.884

PROFIT & LOSS ACCOUNT (STANDALONE)

	PARTICULARS	31.03.2018	31.03.2017	31.03.2016
	SALES			
	Income	239.891	197.686	85.357
	Other Income	7.415	21.983	45.868
	TOTAL	247.306	219.669	131.225
Less	EXPENSES			
	Purchases of Stock-in-Trade	221.975	197.685	82.678
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	0.000	0.000	6.466
	Employee benefit expense	32.823	33.270	25.457
	Other expenses	30.003	23.307	53.136
	TOTAL	284.801	254.262	167.737
	PROFIT/ (LOSS) BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION	(37.495)	(34.593)	(36.512)
Less	FINANCIAL EXPENSES	0.059	0.316	0.093
	PROFIT / (LOSS) BEFORE TAX, DEPRECIATION AND AMORTISATION	(37.554)	(34.909)	(36.605)
Less/ Add	DEPRECIATION/ AMORTISATION	0.912	1.198	1.211
	PROFIT/ (LOSS) BEFORE TAX	(38.466)	(36.107)	(37.816)
Less	TAX	0.000	0.000	0.000
	PROFIT/ (LOSS) AFTER TAX	(38.466)	(36.107)	(37.816)

Earnings / (Loss) Per Share (INR)	(7.83)	(7.34)	(7.69)
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CURRENT MATURITIES OF LONG TERM DEBT DETAILS

Particulars	31.03.2018	31.03.2017	31.03.2016
Current Maturities of Long term debt	NA	NA	NA
Cash generated from operations	NA	NA	NA
Net cash flows from (used in) operations	37.467	18.716	(62.259)
Net cash flows from (used in) operating activities	37.162	12.382	(65.492)

KEY RATIOS

EFFICIENCY RATIOS

PARTICULARS	31.03.2018	31.03.2017	31.03.2016
Average Collection Days (Sundry Debtors / Income * 365 Days)	66.38	55.51	104.20
Account Receivables Turnover (Income / Sundry Debtors)	5.50	6.58	3.50
Average Payment Days (Sundry Creditors / Purchases * 365 Days)	4.64	31.63	125.38
Inventory Turnover (Operating Income / Inventories)	0.00	0.00	0.00
Asset Turnover (Operating Income / Net Fixed Assets)	(48.57)	(22.27)	(13.90)

LEVERAGE RATIOS

PARTICULARS	31.03.2018	31.03.2017	31.03.2016
Debt Ratio (Borrowing + Current Liabilities) / Total Assets)	0.16	0.19	0.51
Debt Equity Ratio (Total Liability / Networth)	0.00	0.00	0.00
Current Liabilities to Networth	0.19	0.24	1.04

(Current Liabilities / Net Worth)			
Fixed Assets to Networth (Net Fixed Assets / Networth)	0.00	0.00	0.01
Interest Coverage Ratio (PBIT / Financial Charges)	(635.51)	(109.47)	(392.60)

PROFITABILITY RATIOS

PARTICULARS		31.03.2018	31.03.2017	31.03.2016
Net Profit Margin (PAT / Sales) * 100	%	(16.03)	(18.26)	(44.30)
Return on Total Assets (PAT / Total Assets) * 100	%	(9.84)	(7.93)	(4.60)
Return on Investment (ROI) (PAT / Networth) * 100	%	(11.76)	(9.87)	(9.41)

SOLVENCY RATIOS

PARTICULARS	31.03.2018	31.03.2017	31.03.2016
Current Ratio (Current Assets / Current Liabilities)	5.97	4.93	1.91
Quick Ratio (Current Assets – Inventories) / Current Liabilities)	5.97	4.93	1.91
G-Score Ratio Financial (Networth / Total Assets)	0.84	0.80	0.49
G-Score Ratio Debt (Debts / Equity Capital)	0.00	0.00	0.00
G-Score Ratio Liquidity (Total Current Assets / Total Current Liabilities)	5.97	4.93	1.91

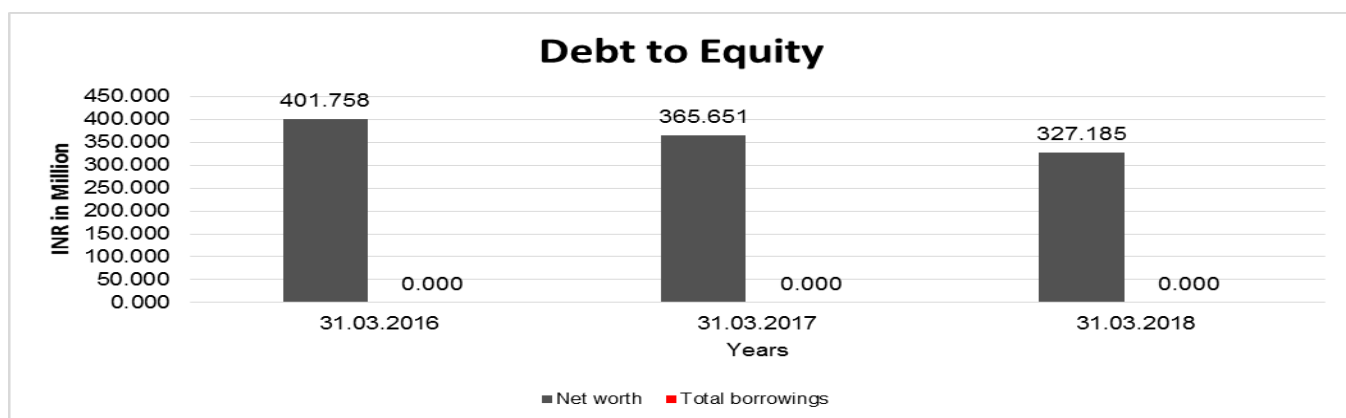
Total Liability = Short-term Debt + Long-term Debt + Current Maturities of Long-term debts

FINANCIAL ANALYSIS
[all figures are INR Million]

DEBT EQUITY RATIO

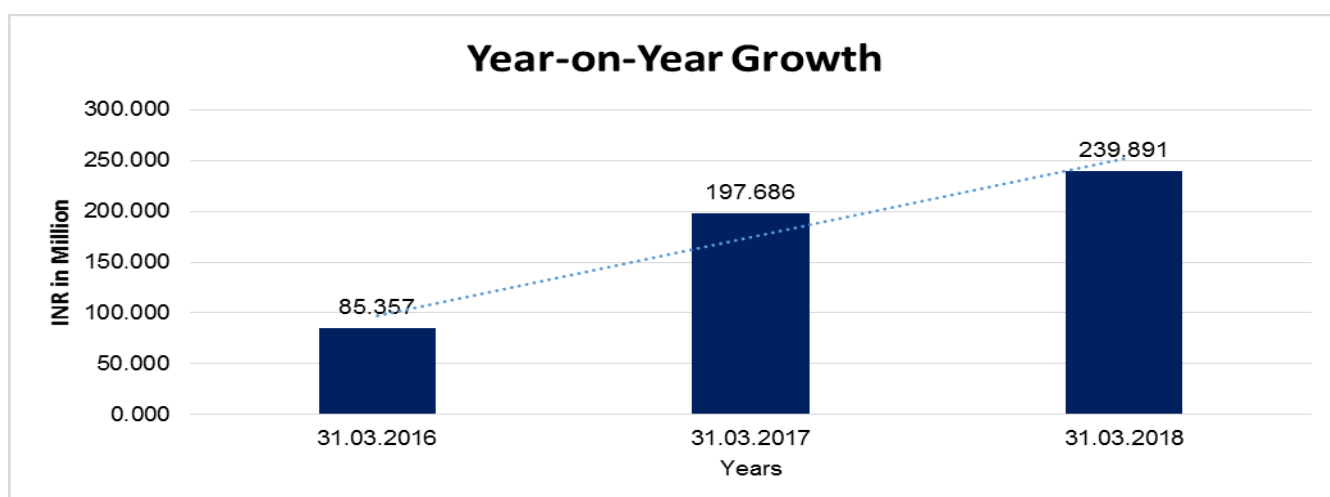
Particular	31.03.2016 (INR In Million)	31.03.2017 (INR In Million)	31.03.2018 (INR In Million)
Share Capital	491.596	491.596	491.596

Reserves & Surplus	(89.838)	(125.945)	(164.411)
Money received against share warrants	0.000	0.000	0.000
Share Application money pending allotment	0.000	0.000	0.000
Net worth	401.758	365.651	327.185
Long-term borrowings	0.000	0.000	0.000
Short term borrowings	0.000	0.000	0.000
Total borrowings	0.000	0.000	0.000
Debt/Equity ratio	0.000	0.000	0.000



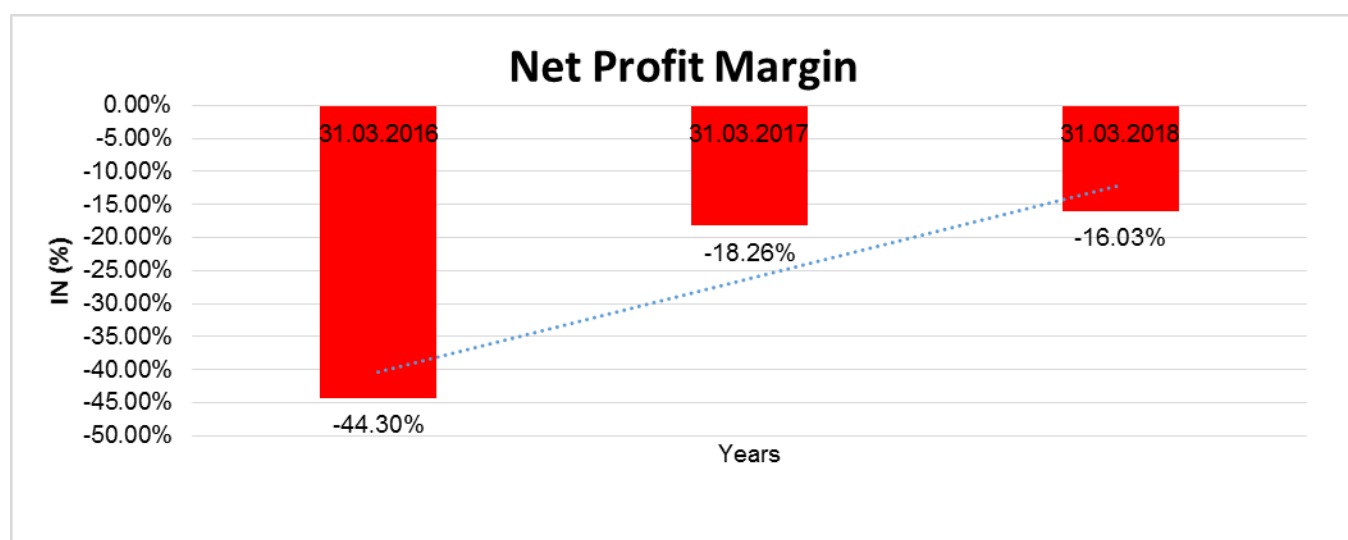
YEAR-ON-YEAR GROWTH

Year on Year Growth	31.03.2016	31.03.2017	31.03.2018
	(INR In Million)	(INR In Million)	(INR In Million)
Sales	85.357	197.686	239.891
		131.599	21.350



NET PROFIT MARGIN

Net Profit Margin	31.03.2016 (INR In Million)	31.03.2017 (INR In Million)	31.03.2018 (INR In Million)
Sales	85.357	197.686	239.891
Profit/ (Loss)	(37.816)	(36.107)	(38.466)
	(44.30 %)	(18.26 %)	(16.03 %)



ABRIDGED BALANCE SHEET (CONSOLIDATED)

SOURCES OF FUNDS		31.03.2018	31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital		491.596	491.596
(b) Reserves and Surplus		(179.601)	(141.135)
(c) Money received against share warrants		0.000	0.000
(2) Share Application money pending allotment		0.000	0.000
Total Shareholders' Funds (1) + (2)		311.995	350.461
(3) Non-Current Liabilities			
(a) long-term borrowings		0.000	0.000
(b) Deferred tax liabilities (Net)		0.000	0.000
(c) Other long-term liabilities		0.000	0.000
(d) long-term provisions		1.202	0.836
Total Non-current Liabilities (3)		1.202	0.836

(4) Current Liabilities			
(a) Short-term borrowings		0.000	0.000
(b) Trade payables		2.820	17.132
(c) Other current liabilities		58.143	67.703
(d) Short-term provisions		1.680	3.826
Total Current Liabilities (4)		62.643	88.661
TOTAL		375.840	439.958
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets		0.705	1.477
(ii) Intangible Assets		0.067	0.076
(iii) Tangible assets capital work-in-progress		0.000	0.000
(iv) Intangible assets under development		0.000	0.000
(b) Non-current Investments		0.000	0.000
(c) Deferred tax assets (net)		0.000	0.000
(d) Long-term loans and advances		0.817	0.817
(e) Other Non-current assets		0.450	0.450
Total Non-Current Assets		2.039	2.820
(2) Current assets			
(a) Current investments		0.000	0.000
(b) Inventories		0.000	0.000
(c) Trade receivables		43.630	30.065
(d) Cash and bank balances		42.617	22.087
(e) Short-term loans and advances		188.887	289.036
(f) Other current assets		98.667	95.950
Total Current Assets		373.801	437.138
TOTAL		375.840	439.958

PROFIT & LOSS ACCOUNT (CONSOLIDATED)

	PARTICULARS	31.03.2018	31.03.2017
	SALES		
	Income	239.891	197.686
	Other Income	7.415	21.983
	TOTAL	247.306	219.669
Less	EXPENSES		
	Purchases of Stock-in-Trade	221.975	197.685
	Employee benefit expense	32.823	33.270
	Other expenses	30.003	23.307
	TOTAL	284.801	254.262

	PROFIT/ (LOSS) BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION		(37.495)	(34.593)
Less	FINANCIAL EXPENSES		0.059	0.316
	PROFIT / (LOSS) BEFORE TAX, DEPRECIATION AND AMORTISATION		(37.554)	(34.909)
Less/ Add	DEPRECIATION/ AMORTISATION		0.912	1.198
	PROFIT/ (LOSS) BEFORE TAX		(38.466)	(36.107)
Less	TAX		0.000	0.000
	PROFIT/ (LOSS) AFTER TAX		(38.466)	(36.107)
	Earnings / (Loss) Per Share (INR)		(7.83)	(7.35)

LOCAL AGENCY FURTHER INFORMATION

Sr. No.	Check list by info agents	Available in Report (Yes/No)
1	Year of establishment	Yes
2	Constitution of the entity -Incorporation details	Yes
3	Locality of the entity	Yes
4	Premises details	No
5	Buyer visit details	--
6	Contact numbers	Yes
7	Name of the person contacted	Yes
8	Designation of contact person	Yes
9	Promoter's background	Yes
10	Date of Birth of Proprietor / Partners / Directors	Yes
11	Pan Card No. of Proprietor / Partners	No
12	Voter Id Card No. of Proprietor / Partners	No
13	Type of business	Yes
14	Line of Business	Yes
15	Export/import details (if applicable)	No
16	No. of employees	No
17	Details of sister concerns	Yes
18	Major suppliers	No
19	Major customers	No

20	Banking Details	No
21	Banking facility details	No
22	Conduct of the banking account	--
23	Financials, if provided	Yes
24	Capital in the business	Yes
25	Last accounts filed at ROC, if applicable	Yes
26	Turnover of firm for last three years	Yes
27	Reasons for variation <> 20%	--
28	Estimation for coming financial year	No
29	Profitability for last three years	Yes
30	Major shareholders, if available	Yes
31	External Agency Rating, if available	No
32	Litigations that the firm/promoter involved in	--
33	Market information	--
34	Payments terms	No
35	Negative Reporting by Auditors in the Annual Report	No

INDEX OF CHARGE: No Charges Exists for Company

REVIEW OF OPERATIONS

The Company has earned a total income of INR 247.306 Million during the financial year ended March 31, 2018 as against total income of INR 219.669 Million in the previous financial year. The Company has incurred net loss of INR 38.466 Million during the financial year ended March 31, 2018 as against a net loss of INR 36.107 Million in the previous financial year. The Company is expecting better results in the forthcoming years.

FIXED ASSETS:

Tangible assets

- Furniture and fixtures
- Vehicles
- Office equipment
- Computer equipments

Intangible assets

- Computer software

CMT REPORT (Corruption, Money Laundering & Terrorism]

The Public Notice information has been collected from various sources including but not limited to: *The Courts, India Prisons Service, Interpol, etc.*

1] INFORMATION ON DESIGNATED PARTY

No records exist designating subject or any of its beneficial owners, controlling shareholders or senior officers as terrorist or terrorist organization or whom notice had been received that all financial transactions involving their assets have been blocked or convicted, found guilty or against whom a judgement or order had been entered in a proceedings for violating money-laundering, anti-corruption or bribery or international economic or anti-terrorism sanction laws or whose assets were seized, blocked, frozen or ordered forfeited for violation of money laundering or international anti-terrorism laws.

2] Court Declaration :

No records exist to suggest that subject is or was the subject of any formal or informal allegations, prosecutions or other official proceeding for making any prohibited payments or other improper payments to government officials for engaging in prohibited transactions or with designated parties.

3] Asset Declaration :

No records exist to suggest that the property or assets of the subject are derived from criminal conduct or a prohibited transaction.

4] Record on Financial Crime :

Charges or conviction registered against subject: **None**

5] Records on Violation of Anti-Corruption Laws :

Charges or investigation registered against subject: **None**

6] Records on Int'l Anti-Money Laundering Laws/Standards :

Charges or investigation registered against subject: **None**

7] Criminal Records

No available information exist that suggest that subject or any of its principals have been formally charged or convicted by a competent governmental authority for any financial crime or under any formal investigation by a competent government authority for any violation of anti-corruption laws or international anti-money laundering laws or standard.

8] Affiliation with Government :

No record exists to suggest that any director or indirect owners, controlling shareholders, director, officer or employee of the company is a government official or a family member or close business associate of a Government official.

9] Compensation Package :

Our market survey revealed that the amount of compensation sought by the subject is fair and reasonable and comparable to compensation paid to others for similar services.

10] Press Report :

No press reports / filings exists on the subject.

CORPORATE GOVERNANCE

MIRA INFORM as part of its Due Diligence do provide comments on Corporate Governance to identify management and governance. These factors often have been predictive and in some cases have created vulnerabilities to credit deterioration.

Our Governance Assessment focuses principally on the interactions between a company's management, its Board of Directors, Shareholders and other financial stakeholders.

CONTRAVENTION

Subject is not known to have contravened any existing local laws, regulations or policies that prohibit, restrict or otherwise affect the terms and conditions that could be included in the agreement with the subject.

FOREIGN EXCHANGE RATES

Currency	Unit	INR
US Dollar	1	INR 71.92
UK Pound	1	INR 90.53
Euro	1	INR 81.34

INFORMATION DETAILS

Information Gathered by :	KLW
Analysis Done by :	DIV
Report Prepared by :	KVT

SCORE FACTORS

SCORE FACTORS		
DEMERIT POINTS		
--BANK CHARGES	YES/NO	NO
--LITIGATION	YES/NO	NO
--OTHER ADVERSE INFORMATION	YES/NO	NO
MERIT POINTS		
--SOLE DISTRIBUTORSHIP	YES/NO	NO
--EXPORT ACTIVITIES	YES/NO	NO
--AFFILIATION	YES/NO	YES
--LISTED	YES/NO	NO
--OTHER MERIT FACTORS	YES/NO	YES

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)