

MIRA INFORM REPORT

Report No. :	518476
Report Date :	10.07.2018

IDENTIFICATION DETAILS

Name :	KONGKIAT TEXTILE CO., LTD.
Registered Office :	19/9 Moo 3, T. Bualoy, A. Nongkae, Saraburi 18230
Country :	Thailand
Financials (as on) :	31.12.2017
Date of Incorporation :	22.09.1993
Com. Reg. No.:	0105536108874
Legal Form :	Private Limited Company
Line of Business :	The subject is engaged in manufacturing and dyeing service various kinds of fabric yarns, including top dyed, fancy & mélange yarn, PFD yarn [prepare for dyed yarn], raw white effect yarn [RWRW], NEP yarn, novelty mélange effect yarn, space dyed yarn, stripy effect yarn, fancy effect yarn, luminous effect yarn, elegance & luxury yarn, eco & natural yarn, cotton dyed yarn, linens yarn, triblend yarn and etc., as well as knitted fabrics under customer's requirement.
No. of Employees :	400

RATING & COMMENTS

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

MIRA's Rating :

B

Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Status :

Moderate

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.

Payment Behaviour :	Slow but correct
Litigation :	Clear

NOTES :

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

ECGC Country Risk Classification List

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

THAILAND - ECONOMIC OVERVIEW

With a relatively well-developed infrastructure, a free-enterprise economy, and generally pro-investment policies, Thailand is highly dependent on international trade, with exports accounting for about two-thirds of GDP. Thailand's exports include electronics, agricultural commodities, automobiles and parts, and processed foods. The industry and service sectors produce about 90% of GDP. The agricultural sector, comprised mostly of small-scale farms, contributes only 10% of GDP but employs about one-third of the labor force. Thailand has attracted an estimated 3.0-4.5 million migrant workers, mostly from neighboring countries.

Over the last few decades, Thailand has reduced poverty substantially. In 2013, the Thai Government implemented a nationwide 300 baht (roughly \$10) per day minimum wage policy and deployed new tax reforms designed to lower rates on middle-income earners.

Thailand's economy is recovering from slow growth during the years since the 2014 coup. Thailand's economic fundamentals are sound, with low inflation, low unemployment, and reasonable public and external debt levels. Tourism and government spending - mostly on infrastructure and short-term stimulus measures – have helped to boost the economy, and The Bank of Thailand has been supportive, with several interest rate reductions.

Over the longer-term, household debt levels, political uncertainty, and an aging population pose risks to growth.

Source : CIA

COMPANY NAME

KONGKIAT TEXTILE CO., LTD.

SUMMARY

BUSINESS ADDRESS : 19/9 MOO 3, T. BUALOY, A. NONGKAE, SARABURI
18230, THAILAND
TELEPHONE : [66] 36 726-048
FAX : [66] 36 726-045
E-MAIL ADDRESS : sales@kongkiat.com
REGISTRATION ADDRESS : SAME AS BUSINESS ADDRESS
ESTABLISHED : 1993
REGISTRATION / TAX ID NO. : 0105536108874
CAPITAL REGISTERED : BHT. 362,000,000
CAPITAL PAID-UP : BHT. 316,700,000
SHAREHOLDER'S PROPORTION : THAI : 100 %
FISCAL YEAR CLOSING DATE : DECEMBER 31
LEGAL STATUS : PRIVATE LIMITED COMPANY
EXECUTIVE : MR. DUMRONG KONGKIATKRAI, THAI
MANAGING DIRECTOR
NO. OF STAFF : 400
LINES OF BUSINESS : YARNS AND KNITTED FABRICS
MANUFACTURER, DISTRIBUTOR AND EXPORTER

CORPORATE PROFILE

OPERATING TREND : STABLE
PRESENT SITUATION : OPERATING NORMALLY
REPUTATION : FAIR WITH NORMAL BUSINESS ENGAGEMENT
MANAGEMENT STANDARD : MANAGEMENT WITH FAIR PERFORMANCE

HISTORY

The subject was established on September 22, 1993 as a private limited company under the registered name KONGKIAT TEXTILE CO., LTD., by Thai group, Kongkiatkrai family, in order to manufacture top dyed mélange yarn and knitted fabrics. It is one of the largest spinning factories in Thailand. It currently employs approximately 400 staff.

The subject has been awarded the ISO 9002 certification by SGS (Thailand), Certificate Number : Q 18142.

The subject's registered address is 19/9 Moo 3, T. Bualoy, A. Nongkae, Saraburi 18230, and this is the subject's current operation address.

THE BOARD OF DIRECTOR

<u>Name</u>	<u>Nationality</u>	<u>Age</u>
Mr. Dumrong Kongkiatkrai	Thai	63
Mr. Adul Kongkiatkrai	Thai	66

AUTHORIZED PERSON

One of the above directors can sign on behalf of the subject with company's affixed.

MANAGEMENT

Mr. Dumrong Kongkiatkrai is the Managing Director.
He is Thai nationality with the age of 63 years old.

Mr. Adul Kongkiatkrai is the Sales Director.
He is Thai nationality with the age of 66 years old.

Mr. Samrej Khawpuerk is the Factory Manager.
He is Thai nationality.

Mr. Roongroj Ratwongviroon is the International Sales Director.
He is Thai nationality.

Mr. Warakorn Bunkanokwong is the Development Manager.
He is Thai nationality.

Mrs. Ladda Kongkiatkrai is the G.M., Administration and Personnel Manager.
She is Thai nationality.

BUSINESS OPERATIONS

The subject is engaged in manufacturing and dyeing service various kinds of fabric yarns, including top dyed, fancy & mélange yarn, PFD yarn [prepare for dyed yarn], raw white effect yarn [RWRW], NEP yarn, novelty mélange effect yarn, space dyed yarn, stripy effect yarn, fancy effect yarn, luminous effect yarn, elegance & luxury yarn, eco & natural yarn, cotton dyed yarn, linens yarn, triblend yarn and etc., as well as knitted fabrics under customer's requirement.

MAJOR BRAND

"KONGKIAT"

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.

PRODUCTION CAPACITY

4,800,000 tons/year

PURCHASE

80% of raw materials is purchased from local suppliers, and the remaining 20% such as cotton and chemicals are imported from Germany, Republic of China, Australia, India, France, Japan, Malaysia, Indonesia and Switzerland.

MAJOR SUPPLIERS

BASF (Thai) Ltd.	: Thailand
Louis T. Leonowens (Thailand) Ltd.	: Thailand
Indorama Ventures Public Company Limited	: Thailand
Jong Stit Co., Ltd.	: Thailand

SALES [LOCAL]

The products are supplied and serviced to a variety of knitting and weaving products as follows:

Knitting : sportswear, t-shirts, dresses, gloves, underwear, under garments
and socks.

Weaving : suit, shirts, blouses, denim, curtain and flat knitting for sweater

DISTRIBUTION

60% of the products is sold locally, and 40% is exported directly to Vietnam, Republic of China, India, Malaysia, Taiwan, Sri Lanka, Hong Kong, Bangladesh, Pakistan, U.S.A., Egypt, Japan, Korea, Indonesia and the countries in Europe.

MAJOR CUSTOMERS

Sisic Imp Corp	: Egypt
Sun Kook Trading Co., Ltd.	: Korea
Yagi & Co (H.K.) Ltd.	: Hong Kong
Bolan Trading Company LLC	: U.S.A.
World Knitting Textile Co., Ltd.	: Thailand
Thai Interknit Factory Co., Ltd.	: Thailand
Lee Viwat Textile Industry Co., Ltd.	: Thailand
Freetex Elastic Fabric Factory Co., Ltd.	: Thailand
Raja Uchino Co., Ltd.	: Thailand

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.

SUBSIDIARY AND AFFILIATED COMPANY

The subject is not found to have any subsidiary or affiliated company here in Thailand.

LITIGATION

Bankruptcy and Receivership

There are no litigation on bankruptcy and receivership cases filed against the subject found at Legal Execution Department for the past five years.

Others

There are no legal suits filed against the subject according to the past two years.

CREDIT

Sales are by cash or on the credits term of 30-60 days.
Local bills are paid by cash or on the credits term of 30-60 days.
Imports are by T/T.
Exports are against T/T.

BANKING

Kasikornbank Public Company Limited

[Head Office : 1 Kasikorn Lane, Rajburana Rd., Rajburana, Bangkok 10140]

Bank of Ayudhya Public Company Limited

[Head Office : 1222 Rama 3 Rd., Bangpongpan, Yannawa, Bangkok 10120]

[Hinkong Branch : Hinkong, Nongkae, Saraburi 18230]

EMPLOYMENT

The subject employs approximately 400 staff [office staff and factory workers].

LOCATION DETAILS

The premise is owned for administrative office, factory and warehouse at the heading address. Premise is in provincial.

Bangkok Office:

21 Soi Ratburana 44, Ratburana Rd., Ratburana, Bangkok 10140.

Tel : [66] 2463-0020-1, Fax : [66] 2816-6960

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.

COMMENT

The subject was formed in 1993 engaged in manufacturing, distributing and exporting of dyed yarn and knitted fabrics. Subject's sales were steadily grown and had a strong sales in the past years. Despite an increase in sales or service income in 2017 comparing to the previous year, it obtained a net loss which was mainly caused by higher cost of goods sold and higher administrative expenses subsequently which eroded the profit margin. If the subject could manage cost control efficiency, it would have an opportunity to make profit soon.

FINANCIAL INFORMATION

The capital was initially registered at Bht. 2,000,000 divided into 20,000 shares of Bht. 100 each.

The capital was increased later as follows:

Bht. 210,000,000 on October 20, 1997
Bht. 299,000,000 on September 9, 1999
Bht. 450,000,000 on February 21, 2002

On December 26, 2016, the registered capital was decreased 362,000,000 divided into 3,620,000 shares of Bht. 100 each, with a current capital paid-up at Bht. 316,700,000 or 1,510,000 shares of Bht. 70 each and 2,110,000 shares of Bht. 100 each.

THE SHAREHOLDERS LISTED WERE : [as at April 30, 2018] at Bht. 316,700,000 of capitalization.

<u>NAME</u>	<u>HOLDING</u>	<u>%</u>
Mr. Dumrong Kongkiatkrai Nationality: Thai Address : 30 Soi Ratburana 44, Ratburana, Bangkok	963,141	26.61
Mr. Boonchuay Kongkiatkrai Nationality: Thai Address : 34 Soi Ratburana 44, Ratburana, Bangkok	963,141	26.61
Mr. Adul Kongkiatkrai Nationality: Thai Address : 38 Soi Ratburana 44, Ratburana, Bangkok	962,317	26.58
Mrs. Ladda Kongkiatkrai Nationality: Thai Address : 30 Soi Ratburana 44, Ratburana, Bangkok	730,577	20.18
Mrs. Manee Kongkiatkrai Nationality: Thai	824	0.02

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.

Address : 394 Soi Ratburana, Ratburana,
Bangkok

Total Shareholders : 5

Share Structure [as at April 30, 2018]

Nationality	Shareholders	No. of Share	% Shares
Thai	5	3,620,000	100.00
Foreign	-	-	-
Total	5	3,620,000	100.00

NAME OF AUDITOR & CERTIFIED PUBLIC ACCOUNTANT NO. :

Mr. Sitthichai Chantornsiripas No. 5953

BALANCE SHEET [BAHT]

The latest financial figures published for December 31, 2017, 2016 and 2015 were:

ASSETS

Current Assets	2017	2016	2015
Cash and Cash Equivalents	3,046,640.46	3,315,650.81	8,613,288.29
Short-term Investment	44,795.47	24,797,696.14	23,660,209.24
Trade Accounts and Other Receivable	104,291,730.50	94,043,004.67	86,652,080.81
Inventories	145,925,554.04	160,452,685.58	118,083,477.13
Total Current Assets	253,308,720.47	282,609,037.20	237,009,055.47
Property, Plant and Equipment	185,103,210.37	114,700,417.87	104,764,644.04
Other Non-current Assets	2,511,721.35	2,210,543.33	2,116,141.31
Total Assets	440,923,652.19	399,519,998.40	343,889,840.82

LIABILITIES & SHAREHOLDERS' EQUITY [BAHT]

Current Liabilities	2017	2016	2015
Bank Overdraft and Short-term Loan			
From Financial Institutions	90,857,673.85	51,001,845.04	7,162,617.95
Trade Accounts and Other Payable	22,310,612.07	21,684,599.33	14,545,821.14
Current Portion of Long-term Liabilities	8,301,093.61	434,235.87	-

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.

KONGKIAT TEXTILE CO., LTD. - 518476

PAGE NO. : 10

Other Current Liabilities	-	-	331,564.44
Total Current Liabilities	121,469,379.53	73,120,680.24	22,040,003.53
Long-term Loan	23,243,159.37	646,358.37	-
Provision for Employee Benefits	4,797,501.98	6,710,971.33	5,189,457.00
Other Non-current Liabilities	238,985.00	238,985.00	443,384.57
Total Liabilities	149,749,025.88	80,716,994.94	27,672,845.10
Shareholders' Equity			
Share capital : Baht 100 par value authorized, and issued share capital 3,620,000 shares in 2017 & 2016 4,500,000 shares in 2015	362,000,000.00	362,000,000.00	450,000,000.00
Capital Paid	316,700,000.00	316,700,000.00	404,700,000.00
Retained Earnings -Unappropriated [Deficit]	[25,525,373.69]	2,103,003.46	[88,483,004.28]
Total Shareholders' Equity	291,174,626.31	318,803,003.46	316,216,995.72
Total Liabilities and Shareholders' Equity	440,923,652.19	399,519,998.40	343,889,840.82

PROFIT & LOSS ACCOUNT

Revenue	2017	2016	2015
Sales or Services Income	452,148,574.34	437,735,235.61	389,659,829.09
Other Income	3,347,136.66	2,319,085.37	4,520,359.45
Total Revenues	455,495,711.00	440,054,320.98	394,180,188.54
Expenses			
Cost of Goods Sold or Services	411,966,896.76	381,308,862.07	342,845,745.43
Selling Expenses	16,359,333.57	16,284,382.18	11,812,452.61
Administrative Expenses	51,449,189.27	38,905,341.65	35,113,639.37
Total Expenses	479,775,419.60	436,498,585.90	389,771,837.41
Profit /[Loss] before Financial Cost	[24,279,708.60]	3,555,735.08	4,408,351.13
Financial Cost	[3,348,668.55]	[969,727.34]	[786,425.37]
Net Profit / [Loss]	[27,628,377.15]	2,586,007.74	3,621,925.76

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.

FINANCIAL ANALYSIS

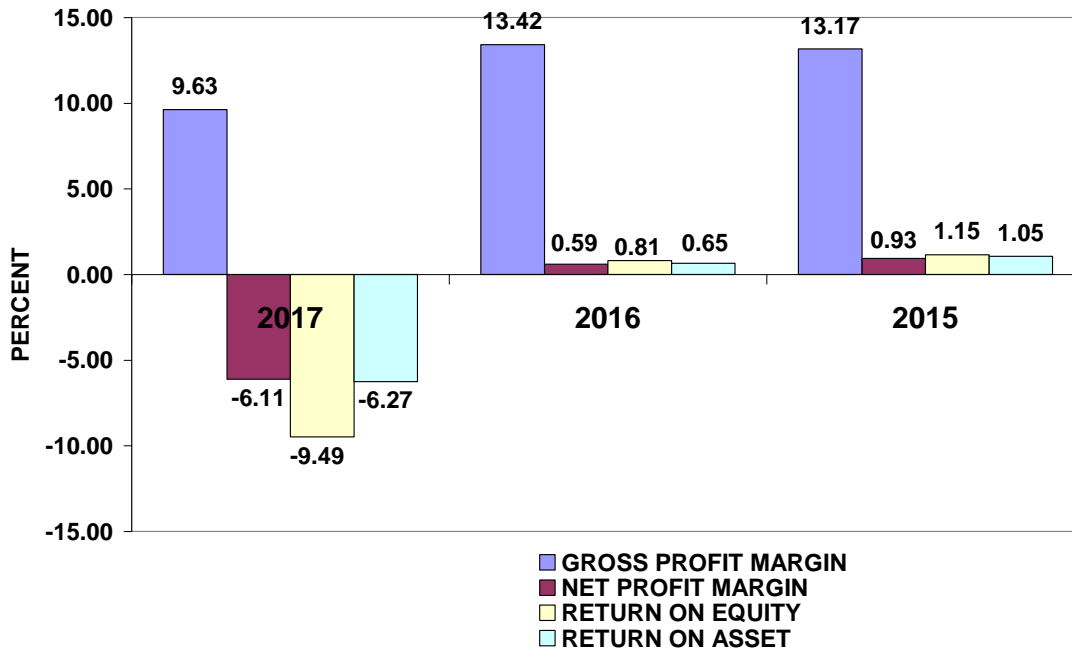
ITEM	UNIT	2017	2016	2015
LIQUIDITY RATIO				
CURRENT RATIO	TIMES	2.09	3.86	10.75
QUICK RATIO	TIMES	0.88	1.67	5.40
ACTIVITY RATIO				
FIXED ASSETS TURNOVER	TIMES	2.44	3.82	3.72
TOTAL ASSETS TURNOVER	TIMES	1.03	1.10	1.13
INVENTORY CONVERSION PERIOD	DAYS	129.29	153.59	125.71
INVENTORY TURNOVER	TIMES	2.82	2.38	2.90
RECEIVABLES CONVERSION PERIOD	DAYS	84.19	78.42	81.17
RECEIVABLES TURNOVER	TIMES	4.34	4.65	4.50
PAYABLES CONVERSION PERIOD	DAYS	19.77	20.76	15.49
CASH CONVERSION CYCLE	DAYS	193.71	211.25	191.40
PROFITABILITY RATIO				
COST OF GOODS SOLD	%	91.11	87.11	87.99
SELLING & ADMINISTRATION INTEREST	%	15.00	12.61	12.04
GROSS PROFIT MARGIN	%	0.74	0.22	0.20
NET PROFIT MARGIN BEFORE EX. ITEM	%	9.63	13.42	13.17
NET PROFIT MARGIN	%	(5.37)	0.81	1.13
RETURN ON EQUITY	%	(6.11)	0.59	0.93
RETURN ON ASSET	%	(9.49)	0.81	1.15
EARNING PER SHARE	%	(6.27)	0.65	1.05
	BAHT	(8.72)	0.82	0.89
LEVERAGE RATIO				
DEBT RATIO	TIMES	0.34	0.20	0.08
DEBT TO EQUITY RATIO	TIMES	0.51	0.25	0.09
TIME INTEREST EARNED	TIMES	(7.25)	3.67	5.61
ANNUAL GROWTH				
SALES GROWTH	%	3.29	12.34	
OPERATING PROFIT	%	(782.83)	(19.34)	
NET PROFIT	%	(1,168.38)	(28.60)	
FIXED ASSETS	%	61.38	9.48	
TOTAL ASSETS	%	10.36	16.18	

ANNUAL GROWTH : SATISFACTORY

An annual sales growth is 3.29%. Sales Income has increased from THB 437,735,235.61 in 2016 to THB 452,148,574.34 in 2017. While net profit has decreased from THB 2,586,007.74 in 2016 to THB -27,628,377.15 in 2017. And total assets has increased from THB 399,519,998.40 in 2016 to THB 440,923,652.19 in 2017.

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.

PROFITABILITY : ACCEPTABLE



PROFITABILITY RATIO

Gross Profit Margin	9.63	Impressive	Industrial Average	8.75
Net Profit Margin	(6.11)	Deteriorated	Industrial Average	(1.65)
Return on Assets	(6.27)	Deteriorated	Industrial Average	(1.38)
Return on Equity	(9.49)	Deteriorated	Industrial Average	(3.12)

Gross Profit Margin used to assess a firm's financial health by revealing the proportion of money left over from revenues after accounting for the cost of goods sold. Gross profit margin serves as the source for paying additional expenses and future savings. Gross Profit Margin is 9.63%. When compared with the industry average, the ratio of the company was higher, indicated that company was more profitable than the same industry.

Net Profit Margin is the indicator of the company's efficiency in that net profit takes into consideration all expenses of the company. A low profit margin indicates a low margin of safety, higher risk that a decline in sales will erase profits and result in a net loss. The company's figure is -6.11%. When compared with the industry average, the ratio of the company was lower.

Return on Assets measures how efficiently profits are being generated from the assets employed in the business when compared with the ratios of firms in a similar business. A low ratio in comparison with industry averages indicates an inefficient use of business assets. When compared with the industry average, it was lower, the company's figure is -6.27%.

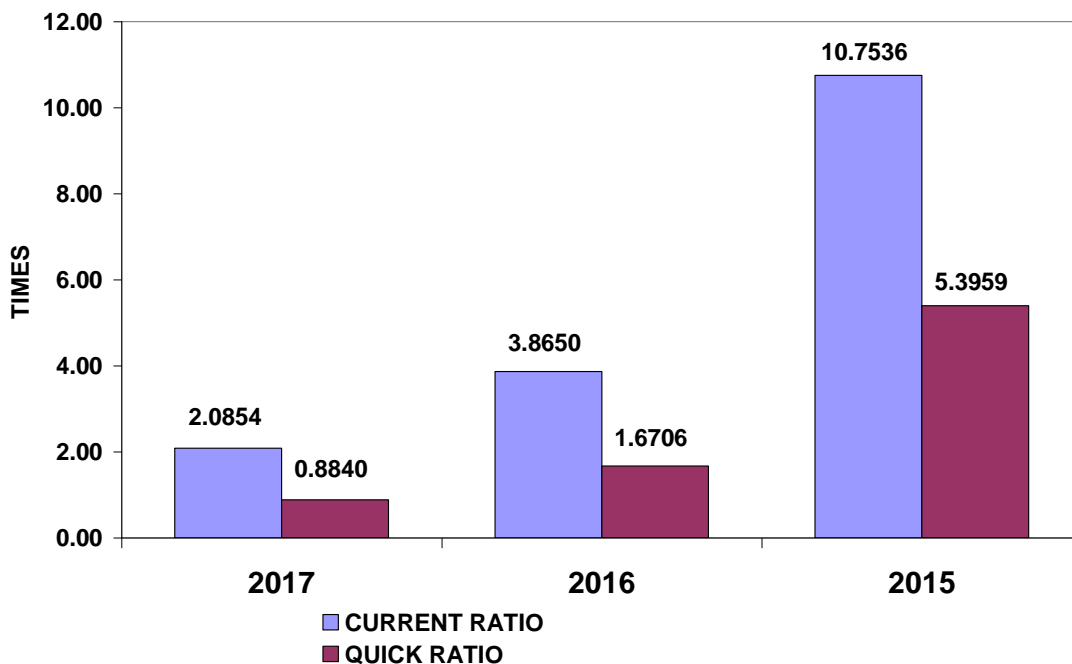
DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which 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.

Return on Equity indicates how profitable a company is by comparing its net income to its average shareholders' equity, ROE measures how much the shareholders earned for their investment in the company. When compared with the industry average, it was lower, the company's figure is -9.49%.

Trend of the average competitors in the same industry for last 5 years

Return on Assets Downtrend
Return on Equity Downtrend

LIQUIDITY : ACCEPTABLE



LIQUIDITY RATIO

Current Ratio	2.09	Impressive	Industrial Average	1.16
Quick Ratio	0.88			
Cash Conversion Cycle	193.71			

The Current Ratio is to ascertain whether a company's short-term assets are readily available to pay off its short-term liabilities. The company's figure is 2.09 times in 2017, decrease from 3.86 times, then it is generally considered to have good short-term financial strength. When compared with the industry average, the ratio of the company was higher, indicated that company was an efficient operator in a dominant position within its industry.

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.

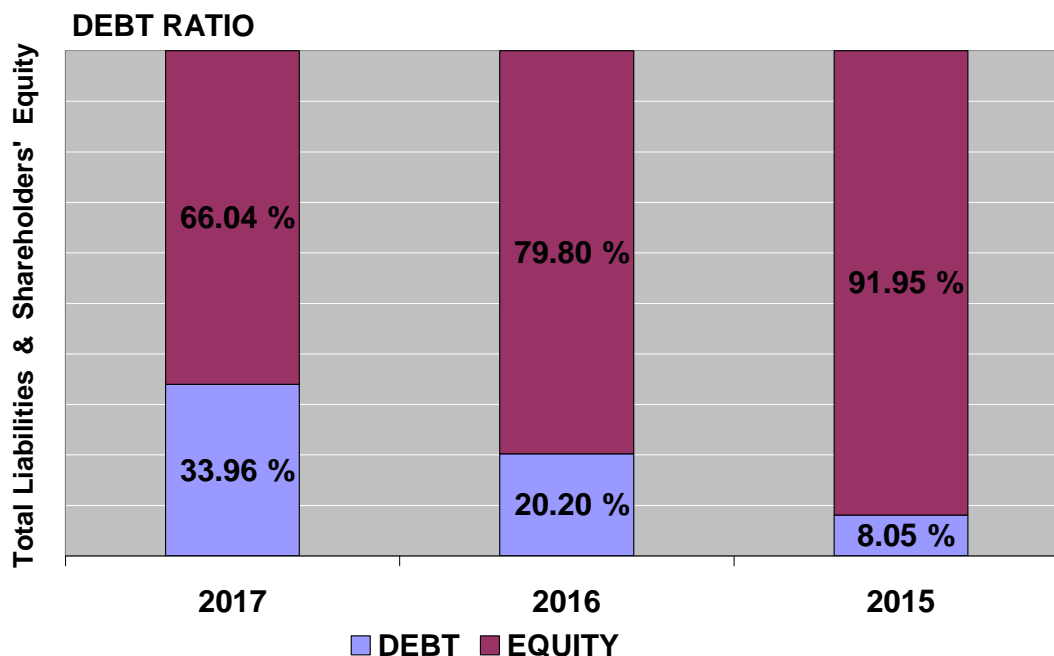
The Quick Ratio is a liquidity indicator that further refines the current ratio by measuring the amount of the most liquid current assets there are to cover current liabilities. The company's figure is 0.88 times in 2017, decrease from 1.67 times, by excluding inventory, the company may have problems meeting current liabilities.

The Cash Conversion Cycle measures the number of days a company's cash is tied up in the production and sales process of its operations and the benefit from payment terms from its creditors. It meant the company could survive when no cash inflow was received from sale for 194 days.

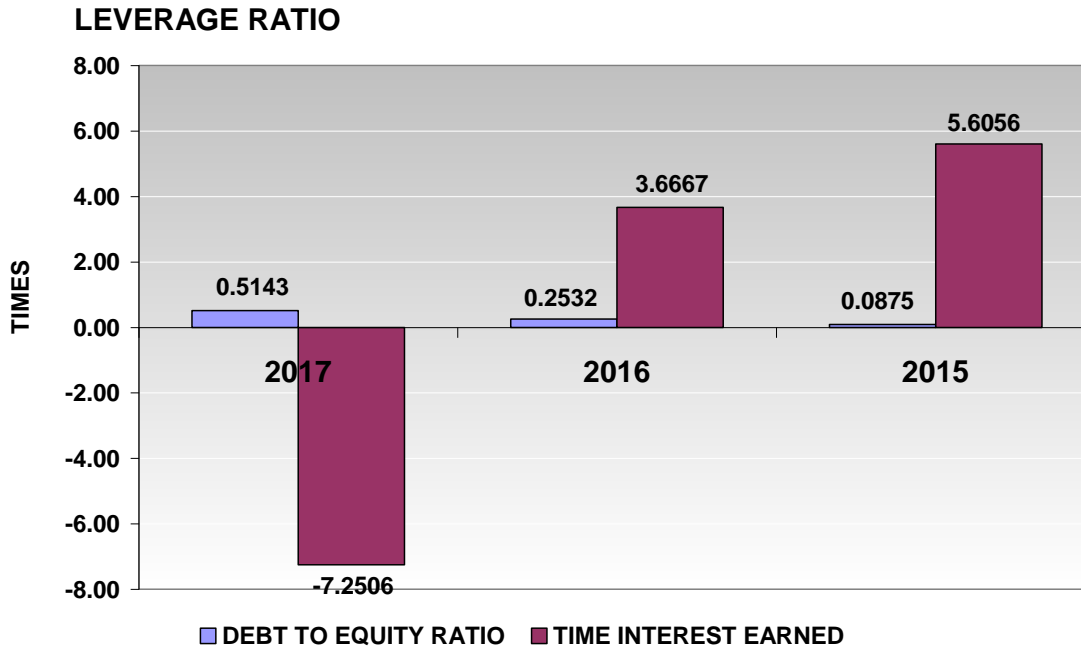
Trend of the average competitors in the same industry for last 5 years

Current Ratio Downtrend

LEVERAGE : SATISFACTORY



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.



LEVERAGE RATIO

Debt Ratio	0.34	Impressive	Industrial Average	0.61
Debt to Equity Ratio	0.51	Impressive	Industrial Average	1.57
Times Interest Earned	(7.25)	Risky	Industrial Average	-

Debt to Equity Ratio a measurement of how much suppliers, lenders, creditors and obligors have committed to the company versus what the shareholders have committed. A lower the percentage means that the company is using less leverage and has a stronger equity position.

Times Interest Earned measuring a company's ability to meet its debt obligations. Ratio is -7.26 lower than 1, so the company is not generating enough cash from EBIT to meet its interest obligations.

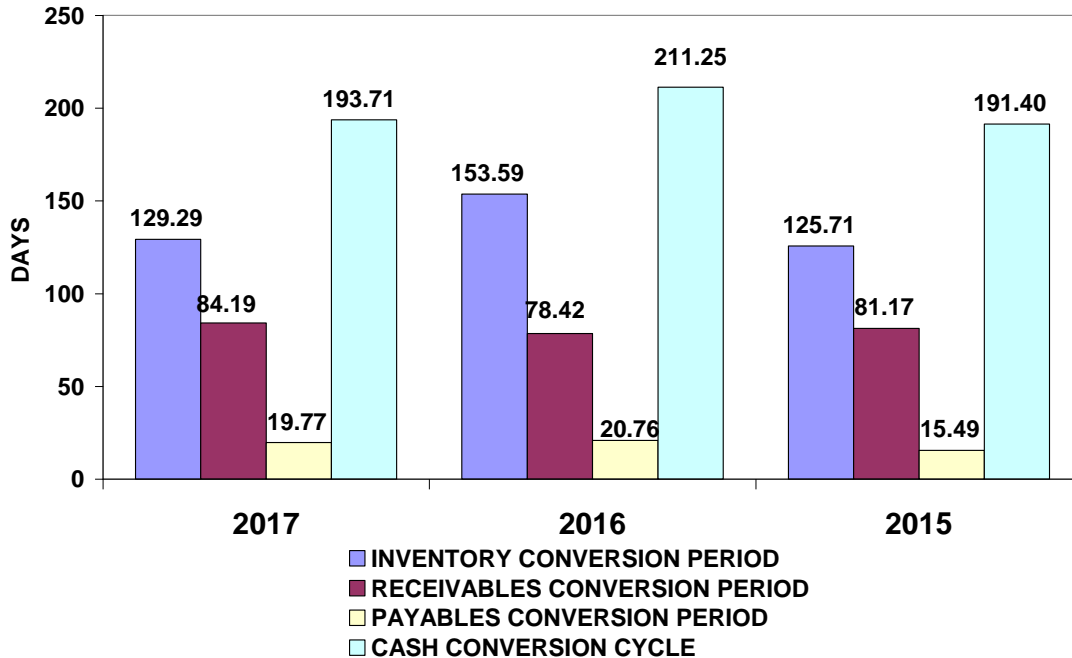
Debt Ratio shows the proportion of a company's assets which are financed through debt. The company's figure is 0.34 less than 0.5, most of the company's assets are financed through equity.

Trend of the average competitors in the same industry for last 5 years

Debt Ratio	Uptrend
Times Interest Earned	Stable

ACTIVITY : IMPRESSIVE

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.



ACTIVITY RATIO

Fixed Assets Turnover	2.44	Impressive	Industrial Average	-
Total Assets Turnover	1.03	Impressive	Industrial Average	0.84
Inventory Conversion Period	129.29			
Inventory Turnover	2.82	Satisfactory	Industrial Average	2.96
Receivables Conversion Period	84.19			
Receivables Turnover	4.34	Satisfactory	Industrial Average	4.37
Payables Conversion Period	19.77			

The company's Account Receivable Ratio is calculated as 4.34 and 4.65 in 2017 and 2016 respectively. This ratio measures the efficiency of the company in managing its trade debtors to generate revenue. A lower ratio may indicate over extension and collection problems. Conversely, a higher ratio may indicate an overly stringent policy. In this case, the company's A/R ratio in 2017 decreased from 2016. This would suggest the company had deteriorated in the management of its debt collections.

Inventory Turnover in Days Ratio indicates the liquidity of inventory. It estimates the number of days that it will take to sell the current inventory. Inventory is particularly sensitive to change in business activities. The inventory turnover in days has decreased from 154 days at the end of 2016 to 129 days at the end of 2017. This represents a positive trend. And Inventory turnover has increased from 2.38 times in year 2016 to 2.82 times in year 2017.

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.

The company's Total Asset Turnover is calculated as 1.03 times and 1.1 times in 2017 and 2016 respectively. This ratio is determined by dividing total assets into total sales turnover. The ratio measures the activity of the assets and the ability of the firm to generate sales through the use of the assets.

Trend of the average competitors in the same industry for last 5 years

Fixed Assets Turnover	Stable
Total Assets Turnover	Uptrend
Inventory Turnover	Uptrend
Receivables Turnover	Uptrend

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.65
UK Pound	1	INR 91.47
Euro	1	INR 80.78
Thai Baht	1	INR 2.07

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

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	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)