

MIRA INFORM REPORT

Report No. :	519295
Report Date :	12.07.2018

IDENTIFICATION DETAILS

Name :	NANJING COMPTECH COMPOSITES CORP.
Registered Office :	No. 18 Tangtong Road, Binjiang Development District, Jianning District, Nanjing City, Jiangsu Province 211162 Pr
Country :	China
Financials (as on) :	31.03.2017
Date of Incorporation :	15.06.2001
Unified Social Credit Code :	9132011572609726X9
Legal Form :	Shares Limited Company
Line of Business :	Research, development, production and sales of sealing material, glass steel products; providing technology transfer, technical consulting and technical services; selling engineering plastics, rubber products; research and development of nonmetallic materials; mechanical processing; processing metal valves, fixers, pipe seals, metal connectors, and dies; operating and acting as an agent of importing and exporting various kinds of commodities and technology, excluding the goods forbidden by the government.
No. of Employees :	352

RATING & COMMENTS

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

MIRA's Rating :	A
------------------------	---

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Good
Payment Behaviour :	Slow but Correct
Litigation :	Clear

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.

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)
China	A2	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

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

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.

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 AND ADDRESS

COMPANY NAME Nanjing Comptech Composites Corp.
CURRENT ADDRESS/ No. 18 Tangtong Road, Binjiang Development District,
REGISTERED ADDRESS Jiangning District, Nanjing City, Jiangsu Province 211162 PR
China
TEL. NO. 86 (0) 25-86125888
FAX NO. 86 (0) 25-86125888

EXECUTIVE SUMMARY

Date of Registration : june 15, 2001
Unified social credit code : 9132011572609726X9
LEGAL FORM : Shares limited Company
CHIEF EXECUTIVE : yang wenguang (LEGAL REPRESENTATIVE)
REGISTERED CAPITAL : CNY 60,000,000
staff : 352
BUSINESS CATEGORY : MANUFACTURING
REVENUE : CNY 36,019,000 (FROM JAN. 1, 2017 TO MAR. 31, 2017)
EQUITIES : CNY 191,131,000 (AS OF MAR. 31, 2017)
WEBSITE : www.njcomptech.com
E-MAIL : sale7@njcomptech.com
PAYMENT : SLOW BUT CORRECT
MARKET CONDITION : COMPETITIVE
FINANCIAL CONDITION : fairly stable
OPERATIONAL TREND : FAIRLY STEADY
GENERAL REPUTATION : AVERAGE

Adopted abbreviations (as follows)

SC - Subject Company (the company inquired by you)

N/A – Not available

CNY – China Yuan Ren Min Bi

OPERATIONAL TREND & GENERAL REPUTATION

This section aims at indicating the relative positions of SC in respect of its operational trend & general reputation

Operational Trend:-

Upward

Steady

Fairly Steady

Ordinary

Fair

General Reputation:-

Excellent

Good

Fairly Good

Average

Fair

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.

Stagnant	Detrimental
Downward	Not known
Not known	Not yet be determined
Not yet be determined	

LEGAL STATUS & HISTORY

SC was established as shares limited company of PRC with State Administration of Industry & Commerce (SAIC) under unified social credit code: 9132011572609726X9.

SC's Import and Export Enterprise Code: 320172609726X

SC's registered capital: CNY 60,000,000

SC's paid-in capital: CNY 60,000,000

Registration Change Record:

Date	Change of Contents	Before the change	After the change
2014-7-17	Registered Capital	CNY 11,110,000	CNY 11,900,000
2015-3-19	Registered Capital	CNY 11,900,000	CNY 13,089,800
2016-12-26	Registered Capital Legal Form	CNY 13,089,800 Limited Liabilities Company	CNY 50,000,000 Shares Limited Company
2017-1-11	Registered Capital	CNY 50,000,000	CNY 55,700,000
2017-2-15	Registered Capital	CNY 55,700,000	CNY 60,000,000

Current Co search indicates SC's shareholders & chief executives are as follows:-

Name of Shareholder (s)	% of Shareholding
Yang Wenguang	33.03
Hu Yamin	14.81
Zhang Yingu	9.21
Pan Guoguang	7.99
Cao Jianguo	4.72
Nanjing Kehao Venture Capital Center (Limited Partnership)	3.79
Other Shareholders	26.45

SC's Chief Executives:-

Position	Name
Legal Representative, Chairman and General Manager	Yang Wenguang
Director	Pan Guoguang
	Hu Yamin
	Yang Ye
	Bao Xiaolei

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.

Supervisor

Wang Changzhen
Chen Shang
Sun Yong
Chen Lihua
Zhang Yingu
Liu Kai
Geng Limin

RECENT DEVELOPMENT

No recent development was found during our checks at present.

SHAREHOLDER CHART & BACKGROUND

Name	% of Shareholding
Yang Wenguang	33.03
Hu Yamin	14.81
Zhang Yingu	9.21
Pan Guoguang	7.99
Cao Jianguo	4.72
Nanjing Kehao Venture Capital Center (Limited Partnership)	3.79
Other Shareholders	26.45

MANAGEMENT

Yang Wenguang, Legal Representative, Chairman and General Manager

Gender: M
Nationality: China
Age: 64
Qualification: University
Working experience (s):

At present, working in SC as legal representative, chairman and general manager, also working in Nanjing Chilon Materials Co., Ltd. and Nanjing Comptech New Materials Co., Ltd. as legal representative

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.

Director

Pan Guoguang

Hu Yamin

Yang Ye

Bao Xiaolei

Wang Changzhen

Chen Shang

Sun Yong

Chen Lihua

Supervisor

Zhang Yingu

Liu Kai

Geng Limin

BUSINESS OPERATION

SC's registered business scope includes research, development, production and sales of sealing material, glass steel products; providing technology transfer, technical consulting and technical services; selling engineering plastics, rubber products; research and development of nonmetallic materials; mechanical processing; processing metal valves, fixers, pipe seals, metal connectors, and dies; operating and acting as an agent of importing and exporting various kinds of commodities and technology, excluding the goods forbidden by the government.

SC is mainly engaged in manufacturing and selling compound material.

SC's products mainly include: sealing part, valve seat, gasket, o-ring, compressor seal, insulator, seat ring, PTFE tube.

SC sources its materials 100% from domestic market, mainly Jiangsu. SC sells 70% of its products in domestic market, and 30% to overseas market, mainly USA, Europe, Mid East, Southeast Asia, etc.

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

Major Customers

=====

Beijing Zongheng Electro-Mechanical Technology Development Co., Ltd.

Bray (China) Controls Co., Ltd.

Shandong Cameron Petroleum Machinery Co., Ltd.

Staff & Office:

SC is known to have approx. 352 staff at present.

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.

SC rents an area as its operating office and factory, but the detailed information is unknown.

RELATED COMPANY

SC is known to have 2 subsidiaries at present,

Nanjing Chilon Materials Co., Ltd.

Nanjing Comptech New Materials Co., Ltd.

PAYMENT

Overall payment appraisal:

Excellent Good Average Fair Poor Not yet be determined

The appraisal serves as a reference to reveal SC's payments habits and ability to pay. It is based on the 3 weighed factors: Trade payment experience (through current enquiry with SC's suppliers), our delinquent payment records and our debt collection record concerning SC.

Trade payment experience: SC 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 SC was placed to us for collection within the last 6 years.

BANKING

The bank information of SC is not filed in SAIC.

FINANCIALS

Balance Sheet

Unit: CNY'000	As of Dec. 31, 2016	As of Mar. 31, 2017
Cash	65,376	70,473
Notes receivable	1,747	4,451
Accounts receivable	54,297	50,952
Advances to suppliers	3,010	1,348
Other receivable	175	299
Inventory	38,161	40,366
Non-current assets within one year	0	0

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.

NANJING COMPTECH COMPOSITES CORP. - 519295

PAGE NO. : 10

Other current assets	1,269	11,408
	-----	-----
Current assets	164,035	179,297
Fixed assets	42,991	41,920
Construction in progress	13,037	15,200
Intangible assets	6,888	7,001
Long-term prepaid expenses	0	0
Deferred income tax assets	866	1,139
Other non-current assets	7,835	7,732
	-----	-----
Total assets	235,652	252,289
	=====	=====
Short-term loans	0	0
Notes payable	5,425	3,085
Accounts payable	24,135	26,715
Wages payable	860	472
Taxes payable	1,133	1,129
Advances from clients	493	581
Other payable	797	879
Other current liabilities	20,000	20,000
	-----	-----
Current liabilities	52,843	52,861
Non-current liabilities	8,312	8,297
	-----	-----
Total liabilities	61,155	61,158
Equities	174,497	191,131
	-----	-----
Total liabilities & equities	235,652	252,289
	=====	=====

Income Statement

Unit: CNY'000	As of Dec. 31, 2016	From Jan. 1, 2017 to Mar. 31, 2017
Revenue	133,011	36,019
Cost of sales	72,638	22,267
Sales expense	6,761	1,886
Management expense	32,027	6,212
Finance expense	-1,274	348
Profit before tax	20,169	4,873
Less: profit tax	4,701	741
Profits	15,468	4,132

Important Ratios

	As of Dec. 31, 2016	As of Mar. 31, 2017
*Current ratio	3.10	3.39
*Quick ratio	2.38	2.63
*Liabilities to assets	0.26	0.24

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 profit margin (%)	11.63	11.47
*Return on total assets (%)	6.56	1.64
*Inventory / Revenue x365/90	105 days	101 days
*Accounts receivable/ Revenue x365/90	149 days	128 days
*Revenue/Total assets	0.56	0.14
*Cost of sales / Revenue	0.55	0.62

FINANCIAL COMMENTS

PROFITABILITY: FAIRLY GOOD

The revenue of SC appears fairly good in its line.
SC's net profit margin is fairly good.
SC's return on total assets is average.
SC's cost of sales is average, comparing with its revenue.

LIQUIDITY: AVERAGE

The current ratio of SC is maintained in a fairly good level.
SC's quick ratio is maintained in a fairly good level.
The inventory of SC appears large.
The accounts receivable of SC appear large.
SC has no short-term loans.
SC's revenue is in a fair level, comparing with the size of its total assets.

LEVERAGE: AVERAGE

The debt ratio of SC is low.
The risk for SC to go bankrupt is average.

Overall financial condition of the SC: Fairly Stable.

CONCLUSIONS

SC is considered small-sized in its line with fairly stable financial conditions. The large amount of inventory and accounts receivable may be a threat to SC's financial condition.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.82
UK Pound	1	INR 91.34
Euro	1	INR 80.79
CNY	1	INR 10.25

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	DNS

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)