

## MIRA INFORM REPORT

<b>Report No. :</b>	519999
<b>Report Date :</b>	16.07.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	WEIFANG YAXING CHEMICAL CO., LTD.
<b>Registered Office :</b>	No. 529 Minzhu Street, Hanting District, Weifang, Shandong Province 261031
<b>Country :</b>	China
<b>Financials (as on) :</b>	31.03.2018
<b>Date of Incorporation :</b>	11.08.1994
<b>Unified Social Credit Code:</b>	913700006135617321
<b>Legal Form :</b>	Shares Limited Company
<b>Line of Business :</b>	Subject registered business scope includes manufacturing and selling caustic soda, liquid chlorine, hydrazine hydrate, ADC foaming agent, sodium hypochlorite solution, hydrogen gas, waste sulfuric acid and hydrochloric acid; technology development, services and transfer; manufacturing and selling chlorinated polyethylene, heat and ash products; importing and exporting commodities and technology.
<b>No. of Employees :</b>	1,823

**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	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	No Complaints
<b>Litigation :</b>	Clear

**NOTES :**

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

**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

**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.

**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 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

**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.



**MIRA INFORM PRIVATE LIMITED**  
605, Palmspring, Near D'Mart, Link Road,  
Malad (West), Mumbai - 400 064. INDIA  
Tel : 91-22-40448000 (44 lines)  
Fax : 91-22-40448045 / 40448046  
E-mail : mira@mirainform.com  
info@mirainform.com  
Website : <http://www.mirainform.com>  
<http://www.miraglobalcheck.com>  
<http://www.miraglobalcollections.com>

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

**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.

## **COMPANY NAME AND ADDRESS**

**COMPANY NAME** Weifang Yaxing Chemical Co., Ltd.  
**CURRENT ADDRESS/ REGISTERED ADDRESS** No. 529 Minzhu Street, Hanting District, Weifang, Shandong Province 261031 PR China  
**TEL. NO.** 86 (0) 535-8662251  
**FAX NO.** 86 (0) 535-8666877

## **EXECUTIVE SUMMARY**

**DATE OF REGISTRATION** : AUGUST 11, 1994  
**UNIFIED SOCIAL CREDIT CODE** : 913700006135617321  
**LEGAL FORM** : SHARES LIMITED COMPANY  
**CHIEF EXECUTIVE** : HAN HAIBIN (LEGAL REPRESENTATIVE)  
**REGISTERED CAPITAL** : CNY 315,594,000  
**STAFF** : 1,823  
**BUSINESS CATEGORY** : MANUFACTURING & TRADING  
**REVENUE** : CNY 505,538,000 (CONSOLIDATED, JAN. 1, 2018 TO MAR. 31, 2018)  
**EQUITIES** : CNY 43,710,000 (CONSOLIDATED, AS OF MAR. 31, 2018)  
**WEBSITE** : [www.chinayaxing.com](http://www.chinayaxing.com)  
**E-MAIL** : [info@chinayaxing.com](mailto:info@chinayaxing.com)  
**PAYMENT** : NO COMPLAINTS  
**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

General Reputation:-

Excellent

Good

Fairly Good

Average

**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.

Fair	Fair
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: 913700006135617321.

SC's Import and Export Enterprise Code: 3700613561732

SC's registered capital: CNY 315,594,000

SC's paid-in capital: CNY 315,594,000

### **Registration Change Record:-**

<b>Date</b>	<b>Change of Contents</b>	<b>Before the change</b>	<b>After the change</b>
2016-11-4	Legal Representative	Wang Ruilin	Su Congyue
2017-5-5	Registration No./ Unified Social Credit Code	370000400000224	913700006135617321
2018-1-15	Legal Representative	Su Congyue	Han Haibin

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

<b>Name of Shareholder (s) (As of Mar. 31, 2018)</b>	<b>% of Shareholding</b>
Shandong Chengtai Holdings Co., Ltd.	13.2
Beijing Guangyao Dongfang Commerce Management Co., Ltd.	12.67
Shenzhen Greatwall Huili Asset Management Co., Ltd.	10.31
Weifang Yaxing Group Co., Ltd.	5.02
Other Shareholders	58.8

### **SC's Chief Executives:-**

<b>Position</b>	<b>Name</b>
Legal Representative, Chairman and General Manager	Han Haibin
Vice Chairman	Cao Xibo
Deputy General Manager	Deng Xiuhua
	Sun Yan
	Cui Huanyi
	Yang Lei

**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.

Wang Jingchun

## **RECENT DEVELOPMENT**

SC was listed on the new three board stock market, and the stock code is 600319.

## **SHAREHOLDER CHART & BACKGROUND**

<i>Name (As of Mar. 31, 2018)</i>	<i>% of Shareholding</i>
Shandong Chengtai Holdings Co., Ltd.	13.2
Beijing Guangyao Dongfang Commerce Management Co., Ltd.	12.67
Shenzhen Greatwall Huili Asset Management Co., Ltd.	10.31
Weifang Yaxing Group Co., Ltd.	5.02
Other Shareholders	58.8

Shandong Chengtai Holdings Co., Ltd.

-----  
Date of Registration: June 25, 2013  
Unified Social Credit Code: 91370700071347669T  
Legal Representative: Wen Bin  
Registered Capital: CNY 100,000,000

Beijing Guangyao Dongfang Commerce Management Co., Ltd.

-----  
Unified Social Credit Code: 911101087587174433  
Legal Representative: Li Guijie  
Registered Capital: CNY 40,500,000

Shenzhen Greatwall Huili Asset Management Co., Ltd.

-----  
Date of Registration: 91440300069259774T  
Legal Representative: Song Xiaoming  
Registered Capital: CNY 20,000,000

Weifang Yaxing Group Co., Ltd.

-----  
Date of Registration: September 18, 1989  
Unified Social Credit Code: 91370700165420062M  
Legal Representative: Cao Xibo

**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.

Registered Capital: CNY 138,784,548

## **MANAGEMENT**

### **Han Haibin , Legal Representative, Chairman and General Manager**

-----

- Gender: M
- Nationality: China
- Age: 46
- Qualification: University
- Working experience (s):

At present, working in SC as legal representative, chairman and general manager

### **Cao Xibo , Vice Chairman**

-----

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

At present, working in SC as vice chairman  
Also working in Weifang Yaxing Group Co., Ltd. as legal representative

### **Deputy General Manager**

-----

Deng Xiuhua  
Sun Yan  
Cui Huanyi  
Yang Lei  
Wang Jingchun

## **BUSINESS OPERATION**

SC's registered business scope includes manufacturing and selling caustic soda, liquid chlorine, hydrazine hydrate, ADC foaming agent, sodium hypochlorite solution, hydrogen gas, waste sulfuric acid and hydrochloric acid; technology development, services and transfer; manufacturing and selling chlorinated polyethylene, heat and ash products; importing and exporting commodities and technology.

SC is mainly engaged in manufacturing and selling chemical products.

SC's products mainly include:  
Chlorinated Polyethylene (CPE)  
Azodicarbonamide

**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.

Industrial hydrazine hydrate

Trademark:



SC sources its materials 100% from domestic market. SC sells 70% of its products in domestic market, and 30% to overseas market.

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

\*Major Customers\*

=====

Bayer S.A.  
Mas Additives Pvt Ltd.

**Staff & Office:**

-----

SC is known to have approx. 1,823 staff at present.

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

## ***RELATED COMPANY***

**SC is known to have the following subsidiaries at present.**

Weifang Yaxing Trading Co., Ltd.

Weifang Sailin Trade Co., Ltd.

## ***PAYMENT***

**Overall payment appraisal:**

( ) Excellent ( ) Good (X) 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.

**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.

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

## **BANKING**

### **Basic Bank:**

China Construction Bank Weifang Branch

AC#: 37001676108050007023

## **FINANCIALS**

### **Consolidated Balance Sheet**

Unit: CNY'000

	<b>As of Dec. 31, 2017</b>	<b>As of Mar. 31, 2018</b>
Cash	210,026	132,573
Notes receivable	103,963	52,355
Accounts receivable	79,578	98,906
Advances to suppliers	12,345	18,462
Other receivable	411	747
Inventory	168,980	188,672
Prepaid expenses	0	0
Other current assets	40,469	44,394
	-----	-----
Current assets	615,772	536,109
Long-term investment	0	0
Investment real estate	4,874	4,757
Fixed assets	756,494	740,048
Construction in progress	6,157	5,199
Engineering materials	0	0
Liquidation of fixed assets	5	0
Intangible assets	129,167	128,429
Long-term prepaid expenses	8,358	7,631
Deferred income tax assets	0	0
Other non-current assets	0	0
	-----	-----
Total assets	1,520,827	1,422,173
	=====	=====
Short-term loans	870,470	730,831
Notes payable	68,972	34,710
Accounts payable	407,473	439,724
Wages payable	34,181	29,259
Taxes payable	9,807	2,562
Interest payable	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.

**WEIFANG YAXING CHEMICAL CO., LTD. - 519999**

**PAGE NO. : 11**

Dividends payable	0	0
Advances from clients	29,048	27,406
Other payable	17,569	62,853
Accrued expenses	0	0
Other current liabilities	2,145	2,620
	-----	-----
Current liabilities	1,439,665	1,329,965
Non-current liabilities	48,540	48,498
	-----	-----
Total liabilities	1,488,205	1,378,463
Equities	32,622	43,710
	-----	-----
Total liabilities & equities	1,520,827	1,422,173
	=====	=====

**Consolidated Income Statement**

Unit: CNY'000	<b>As of Dec. 31,</b>	<b>Jan. 1, 2018 to</b>
	<b>2017</b>	<b>Mar. 31, 2018</b>
Revenue	1,949,780	505,538
Cost of sales	1,729,974	450,734
Taxes and surcharges	14,733	5,692
Sales expense	68,020	15,160
Management expense	53,588	13,032
Finance expense	45,510	9,904
Asset impairment loss	11,166	0
Investment income	-25	0
Non-operating income	544	2
Non-operating expense	7,657	5
Profit before tax	26,615	11,332
Less: profit tax	0	0
Profits	26,615	11,332

**Important Ratios**

	<b>As of Dec. 31,</b>	<b>As of Mar. 31, 2018</b>
	<b>2017</b>	
*Current ratio	0.43	0.40
*Quick ratio	0.31	0.26
*Liabilities to assets	0.98	0.97
*Net profit margin (%)	1.37	2.24
*Return on total assets (%)	1.75	0.80
*Inventory / Revenue x365/90	32 days	34 days
*Accounts receivable / Revenue x365/90	15 days	18 days
*Revenue / Total assets	1.28	0.36
*Cost of sales / Revenue	0.89	0.89

**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 COMMENTS**

### **PROFITABILITY: AVERAGE**

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

### **LIQUIDITY: FAIR**

- The current ratio of SC is maintained in a fair level.
- SC's quick ratio is maintained in a fair level.
- The inventory of SC appears average.
- The accounts receivable of SC appears average.
- SC's short-term loans appear large.
- SC's revenue is in an average level, comparing with the size of its total assets.

### **LEVERAGE: AVERAGE**

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

**Overall financial condition of the SC: Fairly Stable.**

## **CONCLUSIONS**

SC is considered medium-sized in its line with fairly stable financial conditions.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.41
UK Pound	1	INR 90.07
Euro	1	INR 79.76
CNY	1	INR 10.27

**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>	KET

**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)