

## MIRA INFORM REPORT

Report No. :	522022
Report Date :	27.07.2018

### IDENTIFICATION DETAILS

Name :	HANGZHOU COWIN PHARMA CO., LTD.
Registered Office :	Building No.21, 1218 Wenyixi Road, Cangqian Street, Yuhang District, Hangzhou, Zhejiang Province 311121 PR
Country :	China
Financials (as on) :	31.12.2017
Date of Incorporation :	28.10.2005
Unified Social Credit Code :	91330110779291824C
Legal Form :	One-Person Limited Liabilities Company
Line of Business :	<ul style="list-style-type: none"> <li>Subject includes importing and exporting commodities and technology; researching and developing pharmaceutical intermediates; wholesaling and retailing chemical materials &amp; products, grocery, and medical apparatus and instruments (I &amp; II items).</li> <li>Subject is mainly engaged in selling of APIs and intermediates.</li> </ul>
No. of Employees :	12

**RATING & COMMENTS**

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

**MIRA's Rating :**

C

Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

<b>Status :</b>	Moderate
<b>Payment Behaviour :</b>	Slow
<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.

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**

<b>COMPANY NAME</b>	Hangzhou Cowin Pharma Co., Ltd.
<b>CURRENT ADDRESS/ REGISTERED ADDRESS</b>	Building No. 21, 1218 Wenyixi Road, Cangqian Street, Yuhang District, Hangzhou, Zhejiang Province 311121 PR China
<b>TEL. NO.</b>	86 (0) 571-88212056
<b>FAX NO.</b>	86 (0) 571-88212052

## **EXECUTIVE SUMMARY**

DATE OF REGISTRATION	: OCTOBER 28, 2005
UNIFIED SOCIAL CREDIT CODE	: 91330110779291824C
LEGAL FORM	: ONE-PERSON LIMITED LIABILITIES COMPANY
CHIEF EXECUTIVE	: BAO JIANHUA (LEGAL REPRESENTATIVE)
REGISTERED CAPITAL	: CNY 1,000,000
STAFF	: 12
BUSINESS CATEGORY	: TRADING
REVENUE	: CNY 97,560,000 (AS OF DEC. 31, 2017)
EQUITIES	: CNY-2,967,000 (AS OF DEC. 31, 2017)
WEBSITE	: <a href="http://www.cowinpharma.com">www.cowinpharma.com</a>
E-MAIL	: <a href="mailto:infor@cowinpharma.com">infor@cowinpharma.com</a>
PAYMENT	: SLOW
MARKET CONDITION	: FAIR
FINANCIAL CONDITION	: POOR
OPERATIONAL TREND	: FAIR
GENERAL REPUTATION	: FAIR

### **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  
Stagnant  
Downward  
Not known  
Not yet be determined

**General Reputation:-**

Excellent  
Good  
Fairly Good  
Average  
Fair  
Detrimental  
Not known  
Not yet be determined

## **LEGAL STATUS & HISTORY**

SC was established as one-person limited liability company of PRC with State Administration of Industry & Commerce (SAIC) under Unified Social Credit Code: 91330110779291824C.

SC's Import and Export Enterprise Code: 3300779291824

SC's registered capital: CNY 1,000,000

SC's paid-in capital: CNY 1,000,000

**Registration Change Record:-**

Date	Change Contents	of	Before the change	After the change
2010-12-29	Legal Form		Limited Liabilities Company	One-person Limited Liabilities Company
2014-6-24	Address		Rm. 1206, 12/F East Tower Of International Garden, No. 158 Tianmushan Road, Xihu District, Hangzhou, Zhejiang Province	Building No. 21, 1218 Wenyixi Road, Cangqian Street, Yuhang District, Hangzhou, Zhejiang Province
2016-4-15	Registration No./ Unified Social Credit Code		330106000159784	91350504574721026D
--	Unified Social Credit Code		91350504574721026D	91330110779291824C

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

**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.

Name of Shareholder (s)	% of Shareholding
Jiangxi Fuxiang Pharmaceutical Co., Ltd.	100

**SC's Chief Executives:-**

Position	Name
Legal Representative and Chairman	Bao Jianhua
General Manager	Chen Jian
Supervisor	Ge Xiunan

## **RECENT DEVELOPMENT**

No recent development was found during our checks at present.

## **SHAREHOLDER CHART & BACKGROUND**

Name	% of Shareholding
------	-------------------

✚ Jiangxi Fuxiang Pharmaceutical Co., Ltd.	100
--	-----

-----  
Unified Social Credit Code: 913602007363605788

Date of Registration: March 20, 2002

Legal Form: Shares Limited Company

Registered Capital: CNY 112,037,250

Legal Representative: Bao Jianhua

In Dec. 2004, the company was approved by ISO quality management system; In 2004-2005, the company was honored as "Grade A Tax Payer" by related municipal authorities; in 2005, it was honored as "Outstanding Privately Run Enterprise" by the city government; in 2006, it was appraised as "Example Enterprise in Cultural Construction" and "AAA Grade Credit Rating Enterprise", to name just a few.

Add.: No.2 Yuli Industry Park, Changjiang District, Jingdezhen City, Jiangxi Province, China

P.C.: 333000

Tel: +86-798-2193328/2193329 (Sales Dept.)

+86-798-2193307/2193308 (Purchase Dept.)

Fax: +86-798-2193330 (Sales Dept.)

+86-798-2193307 (Purchase Dept.)

E-mail: [infor@fuxiangpharm.com](mailto:infor@fuxiangpharm.com)

Website: [www.fuxiangpharm.com](http://www.fuxiangpharm.com)

## **MANAGEMENT**

### **Bao Jianhua, Legal Representative and Chairman**

**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.

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

At present, working in SC as legal representative and chairman, also working in Jiangxi Fuxiang Pharmaceutical Co., Ltd. as legal representative

**Chen Jian, General Manager**

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

At present, working in SC as general manager

**Ge Xiunan, Supervisor**

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

At present, as supervisor of SC

## ***BUSINESS OPERATION***

SC's registered business scope includes importing and exporting commodities and technology; researching and developing pharmaceutical intermediates; wholesaling and retailing chemical materials & products, grocery, and medical apparatus and instruments (I & II items).

SC is mainly engaged in selling APIs and intermediates.

SC's products mainly include:

Sulbactam sodium  
Sulbactam Pivoxil  
Tazobactam  
Tazobactam Sodium  
Tazobactam Sodium/Piperacillin Sodium (1:8)  
Sultamicillin Base  
Sultamicillin Tosilate  
Ofloxacin

**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.

Levofloxacin  
Gatifloxacin  
Pazufloxacin  
Balofloxacin  
Etc.

SC sources its products 100% from domestic market. SC sells 30% in domestic market and 70% to overseas market, mainly India, Egypt, etc.

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 Customer\*

=====  
Sun Pharmaceutical Industries Limited

**Staff & Office:**

-----  
SC is known to have approx. 12 staff at present.  
SC rents an area as its operating office, but the detailed information is unknown.

## ***RELATED COMPANY***

SC is not known to have the subsidiary at present.

## ***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***

**Basic Bank:**

**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.

Bank of China Hangzhou Hi-tech Development Zone Sub-branch  
AC#: 370158327213

## **FINANCIALS**

### **Financial Summary**

Unit: CNY'000	As of Dec. 31, 2015	As of Dec. 31, 2016	As of Dec. 31, 2017
Total assets	38,767	59,809	75,458
Total liabilities	43,191	63,022	78,425
Equities	-4,424	-3,213	-2,967
Revenue	18,263	50,652	97,560
Profit before tax	-1,689	--	--
Less: profit tax	0	--	--
Profits	-1,689	1,211	247

### **Important Ratios**

	As of Dec. 31, 2015	As of Dec. 31, 2016	As of Dec. 31, 2017
*Liabilities to assets	1.11	1.05	1.04
*Net profit margin (%)	-9.25	2.39	0.25
*Return on total assets (%)	-4.36	2.02	0.33
*Revenue / Total assets	0.47	0.85	1.29

## **FINANCIAL COMMENTS**

### **PROFITABILITY: AVERAGE**

- The revenue of SC appears average in its line.
- SC's net profit margin is average.
- SC's return on total assets is average.

### **LIQUIDITY: AVERAGE**

- SC's revenue is in an average level, comparing with the size of its total assets.

### **LEVERAGE: POOR**

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

**Overall financial condition of the SC: Poor.**

## **CONCLUSIONS**

SC is considered small-sized in its line with poor financial conditions.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.80
UK Pound	1	INR 90.58
Euro	1	INR 80.45
CNY	1	INR 10.08

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	VIVR
<b>Report Prepared by :</b>	NIT

**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)