

MIRA INFORM REPORT

Report No. :	522542
Report Date :	27.07.2018

IDENTIFICATION DETAILS

Name :	PAMICA ELECTRIC MATERIAL (HUBEI) CO., LTD.
Registered Office :	No. 226, Yuli Avenue, Tongcheng County, Hubei Province 437400 Pr
Country :	China
Date of Incorporation :	16.10.2000
Credibility Code :	91421222753436079M
Legal Form :	Limited Liabilities Company
Line of Business :	Subject registered business scope includes manufacturing and selling electrical insulation materials; exporting self-made products and technology; importing raw and auxiliary materials, instruments, machinery and equipment, spare parts and technology used for self-production (excluding the goods and technology prohibited or limited by the country); processing with imported materials, processing with imported samples, assembling with imported parts, and compensation trade in agreement.
No. of Employees :	518

RATING & COMMENTS

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

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

Status :	Satisfactory
Payment Behaviour :	Slow but correct
Litigation :	Clear

NOTES :

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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	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

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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

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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 & ADDRESS

PAMICA ELECTRIC MATERIAL (HUBEI) CO., LTD.
NO. 226, YULI AVENUE, TONGCHENG COUNTY
HUBEI PROVINCE 437400 PR CHINA
TEL: 86 (0) 715-4352570-825/4337383 FAX: 86 (0) 715-4354338

EXECUTIVE SUMMARY

INCORPORATION DATE	: OCT. 16, 2000
CREDIBILITY CODE	: 91421222753436079M
REGISTERED LEGAL FORM	: LIMITED LIABILITIES COMPANY
CHIEF EXECUTIVE	: PAN XIEBAO (LEGAL REPRESENTATIVE)
STAFF STRENGTH	: 518
REGISTERED CAPITAL	: CNY 30,486,000
BUSINESS LINE	: MANUFACTURING, SELLING
TURNOVER	: N/A
EQUITIES	: N/A
PAYMENT	: SLOW BUT CORRECT
MARKET CONDITION	: COMPETITIVE
FINANCIAL CONDITION	: N/A
OPERATIONAL TREND	: STEADY
GENERAL REPUTATION	: AVERAGE

Adopted abbreviations:

ANS - amount not stated
NA - not available

NS - not stated SC - subject company (the company inquired by you)
CNY - China Yuan Ren Min Bi

HISTORY

SC was registered as a limited liabilities company at local Administration for Industry & Commerce (AIC-The official body of issuing and renewing business license) on Oct. 16, 2000.

Company Status: Limited liabilities co.

This form of business in PR China is defined as a legal person. No more than fifty shareholders contribute its registered capital jointly. Shareholders bear limited liability to the extent of shareholding, and the co. is liable for its debts only to extent of its total assets. The characteristics of this form of co. are as follows:

Upon the establishment of the co., an investment certificate is issued to the each of shareholders.

The board of directors is comprised of three to thirteen members.

The minimum registered capital for a co. is CNY 30,000.

Shareholders may take their capital contributions in cash or by means of tangible assets or intangible assets such as industrial property and non-patented technology.

Cash contributed by all shareholders must account for at least 30% of the registered capital.

Existing shareholders have pre-exemption right to purchase shares of the co. offered for sale

SC's registered business scope includes manufacturing and selling electrical insulation materials; exporting self-made products and technology; importing raw and auxiliary materials, instruments, machinery and equipment, spare parts and technology used for self-production (excluding the goods and technology prohibited or limited by the country); processing with imported materials, processing with imported samples, assembling with imported parts, and compensation trade in agreement.

SC is mainly engaged in manufacturing and selling electrical insulation materials.

Pan Xiebao has been the legal representative and chairman of SC since 2016.

SC is known to have approx. 518 employees at present.

SC is currently operating at the above stated address, and this address houses its operating office and factory in the industrial zone of Tongcheng County. Our checks reveal that SC owns the total premise about 150,000 square meters.

Note: According to SC's employee, the heading address (No. 226, Yuli Avenue) was renamed as No. 16, Yuli Avenue after the new regional planning.

WEB SITE

<http://www.pamica.com.cn> The design is professional and the content is well organized. At present the web is both in Chinese and English versions.

Email: sales@pamica.com.cn

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KEY EVENTS/RECENT DEVELOPMENT

SC has obtained ISO14001:2004, ISO9001:2000 certificates, etc.
 "PAMICA" is a famous trademark in Hubei, China's brand-name products, its products are certified by UL CE TUV and conformed with IEC, BS, RoHS, REACH EU directives and regulations.



ISO14001:2004 (120601004)



ISO9001:2000 (0312103)



RoHS



UL
 FileNumber:302583



TUV



CE

Changes of its registered information are as follows:

Date of change	Item	Before the change	After the change
2007-12	Registration No.	4223001010135	422324000001000
Unknown	Registered capital	CNY 28,386,000	Present amount
2014-6-13	Legal representative	Pan Dujiang	Chen Shanshan
Unknown	Registration No.	422324000001000	(Credibility code) 91421222753436079M
2016-11-17	Legal representative	Chen Shanshan	Pan Xiebao

Import/ Export License: 4200753436079

LITIGATION

For the past two years there is no record of litigation.

OWNERSHIP/MANAGEMENT

MAIN SHAREHOLDERS:

Name	Amount (CNY'0000)	% of Shareholding
Chen Shanshan	993.26	32.58
Pan Xiebao	447.54	14.68
Wei Jinping	354.72	11.64
Pan Yanfang	354.72	11.64

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Deng Bingnan	354.72	11.64
Xu Jun	279.98	9.18
Xu Shuangyan	131.83	4.32
Fang Jiutao	131.83	4.32

MANAGEMENT

Legal representative and Chairman:

Pan Xiebao is currently responsible for the overall management of SC.

Working Experience(s):

From 2016 to present Working in SC as legal representative and chairman
Also working in Tongcheng Pamica Real Estate Co., Ltd. (literal translation) as legal representative

General Manager:

Li Jingbo is currently responsible for the daily management of SC.

Working Experience(s):

At present Working in SC as general manager
Also working in Hubei Pamica Electrical Co., Ltd. (literal translation) as director.

Director:

Deng Bingnan

BUSINESS OPERATIONS

SC is mainly engaged in manufacturing and selling electrical insulation materials.

SC's products mainly include:

Mica Tape for Cable
Mica Slip-Plan
Mica Sheet for Heater
Mica Plate for Furnace
Mica Sheet for Commutator
Mica Paper
Mica Parts

SC sources its materials 60% from domestic market, and 40% from overseas market; SC sells its products 85% to overseas market, mainly Europe, America, and Southeast Asia, and 15% in domestic market.

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

Note: SC's management declined to release its major suppliers and clients.

TRADEMARKS & PATENTS

Registration No.	11074953	11075008	11075017
Registration Date	2013-10-28	2013-10-28	2013-10-28
Trademark Design	平安电工	平安电器	平安绝缘

RELATED COMPANIES

SC is known to invest in the following companies:

Hubei Pamica Electrical Co., Ltd. (literal translation)

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Credibility Code: 91421200331822340K
Legal representative: Pan Dujiang
Incorporation date: 2015-3-19

Shenzhen Pu An Hua Electric Co., Ltd. (in Chinese pinyin)

=====

Credibility Code: 91440300559874251L
Legal representative: Fang Dingfu
Incorporation date: 2010-8-12

Tongli Fiberglass (Tongcheng) Co., Ltd.

=====

Credibility Code: 914212225737050750
Legal representative: Pan Dujiang
Incorporation date: 2011-4-29
<http://tctlbx.com/>

Tongcheng Pamica Real Estate Co., Ltd. (literal translation)

=====

Registration no.: 422324000009140
Credibility Code: 91421222055411683F
Legal representative: Pan Xiebao
Incorporation date: 2012-10-18

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PAYMENT

Overall payment appraisal:

Excellent Good Average Fair Poor Not yet 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

Agricultural Bank of China Tongcheng County Juanshui Branch

AC# 700201040002112

Relationship: Normal.

FINANCIAL HIGHLIGHTS

SC's management declined to release its financial details.

REMARKS

SC is considered medium-sized in its line with a development history of 18 years. Due to lack of financial statements.

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 10.07

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	TPT

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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)