

## MIRA INFORM REPORT

<b>Report No. :</b>	538091
<b>Report Date :</b>	05.11.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	QUANTEL PTE LTD
<b>Registered Office :</b>	46, Lorong 17 Geylang, 05-02, Enterprise Industrial Building, 388568
<b>Country :</b>	Singapore
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	15.02.1989
<b>Com. Reg. No.:</b>	198900571D
<b>Legal Form :</b>	Private Limited (Limited By Share)
<b>Line of Business :</b>	The Subject is engaged in the trading of electrical, electronic and engineering equipment's, test solution, magnetic field power supply controller, and electrical safety testers, measuring instruments.
<b>No. of Employees :</b>	51

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A
------------------------	---

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

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular

**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.

<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**

<b>Country Name</b>	<b>Previous Rating (30.06.2018)</b>	<b>Current Rating (30.09.2018)</b>
Singapore	A1	A1

<b>Risk Category</b>	<b>ECGC Classification</b>
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.

### **SINGAPORE - ECONOMIC OVERVIEW**

Singapore has a highly developed and successful free-market economy. It enjoys an open and corruption-free environment, stable prices, and a per capita GDP higher than that of most developed countries. Unemployment is very low. The economy depends heavily on exports, particularly of electronics, petroleum products, chemicals, medical and optical devices, pharmaceuticals, and on Singapore's vibrant transportation, business, and financial services sectors.

The economy contracted 0.6% in 2009 as a result of the global financial crisis, but has continued to grow since 2010. Growth from 2012-2017 was slower than during the previous decade, a result of slowing structural growth - as Singapore reached high-income levels - and soft global demand for exports. Growth recovered to 3.6% in 2017 with a strengthening global economy.

The government is attempting to restructure Singapore's economy to reduce its dependence on foreign labor, raise productivity growth, and increase wages amid slowing labor force growth and an aging population. Singapore has attracted major investments in advanced manufacturing, pharmaceuticals, and medical technology production and will continue efforts to strengthen its position as Southeast Asia's leading financial and technology hub. Singapore is a signatory of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and a party to the Regional Comprehensive Economic Partnership (RCEP) negotiations with nine other ASEAN members plus Australia, China, India, Japan, South Korea, and New Zealand. In 2015, Singapore formed, with the other ASEAN members, the ASEAN Economic Community.

Source : CIA

## **EXECUTIVE SUMMARY**

REGISTRATION NO.	: 198900571D
COMPANY NAME	: <b>QUANTEL PTE LTD</b>
FORMER NAME	: N/A
INCORPORATION DATE	: 15/02/1989
COMPANY STATUS	: EXIST
LEGAL FORM	: PRIVATE LIMITED (LIMITED BY SHARE)
LISTED STATUS	: NO
REGISTERED ADDRESS	: 46, LORONG 17 GEYLANG, 05-02, ENTERPRISE INDUSTRIAL BUILDING, 388568, SINGAPORE.
BUSINESS ADDRESS	: 46 LORONG 17 GEYLANG #05-02 ENTERPRISE INDUSTRIAL BUILDING, 388569, SINGAPORE.
TEL.NO.	: 65-67453200
FAX.NO.	: 65-67459764
WEB SITE	: WWW.QUANTEL-GLOBAL.COM
CONTACT PERSON	: YIP HIN LAY ( DIRECTOR )
PRINCIPAL ACTIVITY	: TRADING OF ELECTRICAL, ELECTRONIC AND ENGINEERING EQUIPMENTS, TEST SOLUTION, MAGNETIC FIELD POWER SUPPLY CONTROLLER, AND ELECTRICAL SAFETY TESTERS, MEASURING INSTRUMENTS
ISSUED AND PAID UP CAPITAL	: 3,190,000.00 ORDINARY SHARE, OF A VALUE OF SGD 3,190,000.00
SALES	: SGD 12,549,495 [2017]
NET WORTH	: SGD 6,727,995 [2017]
STAFF STRENGTH	: 51 [2018]
BANKER (S)	: OVERSEA-CHINESE BANKING CORPORATION LIMITED
LITIGATION	: CLEAR
FINANCIAL CONDITION	: FAIR
PAYMENT	: REGULAR
MANAGEMENT	: AVERAGE
CAPABILITY	
COMMERCIAL RISK	: LOW
CURRENCY EXPOSURE	: MODERATE
GENERAL REPUTATION	: SATISFACTORY
INDUSTRY OUTLOOK	: MARGINAL GROWTH

## **HISTORY / BACKGROUND**

The Subject is a private limited company and is allowed to have a minimum of one and a maximum of forty-nine shareholders. As a private limited company, the Subject must have at least two directors. A private limited company is a separate legal entity from its shareholders. As a separate legal entity, the Subject is capable of

**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.

owning assets, entering into contracts, sue or be sued by other companies. The liabilities of the shareholders are to the extent of the equity they have taken up and the creditors cannot claim on shareholders' personal assets even if the Subject is insolvent. The Subject is governed by the Companies Act and the company must file its annual returns, together with its financial statements with the Registrar of Companies.

The Subject is principally engaged in the (as a / as an) trading of electrical, electronic and engineering equipment's, test solution, magnetic field power supply controller, and electrical safety testers, measuring instruments.

The immediate and ultimate holding company of the Subject is CHROMA ATE INC, a company incorporated in TAIWAN.

**Share Capital History**

Date	Issue & Paid Up Capital
02/11/2018	SGD 3,190,000.00

The major shareholder(s) of the Subject are shown as follows :

**Current Shareholder(s) :**

Name	Address	IC/PP/Loc No	Shareholding	(%)
YIP HIN LAY +	11, JALAN LEGUNDI, SEMBAWANG GARDEN ARCADE, 759276, SINGAPORE.	S1703434J	1,276,000.00	40.00
CHROMA ATE INC	66, HUAYA 1ST ROAD, GUIZHAN, TAOYUAN 33383 ,TAIWAN	T16UF0533	1,914,000.00	60.00
			-----	-----
			3,190,000.00	100.00
			=====	=====

+ Also Director

The Subject's interest in other companies (Subsidiaries/Associates) are shown as follow :

Local No	Country	Company	Status	(%)	As At
	VIETNAM	QUANTEL GLOBAL VIETNAM CO., LTD	-	100.00	31/12/2017
	INDIA	QUANTEL TECHNOLOGIES INDIA PRIVATE LIMITED	-	99.99	31/12/2017

***DIRECTORS***

**DIRECTOR 1**

Name Of Subject : YING, CHENG  
Address : 5F, 29, LANE 170, SECTION 5, ROOSEVELT ROAD, WUNSHAN DISTRICT, TAIPEI CITY, 11676, TAIWAN.  
IC / PP No : 302025987  
Nationality : TAIWANESE  
Date of : 04/02/2016  
Appointment

**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.

**INTEREST CHECK**

Interest in : see below  
companies  
Interest in business : none in our databank  
Former interest : none in our databank

**INTEREST IN COMPANY**

N	Local No	Compa ny	Designati on	App Date	Shareholdi ng No. %	Profit/(loss) After Tax	Financi al Year	Statu s	As At
1	19890057 1D	QUANT EL PTE LTD	Director	04/02/20 16	0.00 -	SGD365,925 .00	2017	-	02/11/20 18

**DIRECTOR 2**

Name Of Subject : HUANG, CHIN-MING  
Address : 12F, 92-2, SONGGAO ROAD, SINYI DISTRICT, TAIPEI CITY, 11073, TAIWAN.  
IC / PP No : 301005649  
Nationality : TAIWANESE  
Date of : 04/02/2016  
Appointment

**INTEREST CHECK**

Interest in : see below  
companies  
Interest in business : none in our databank  
Former interest : none in our databank

**INTEREST IN COMPANY**

N	Local No	Compa ny	Designati on	App Date	Shareholdi ng No. %	Profit/(loss) After Tax	Financi al Year	Statu s	As At
1	19890057 1D	QUANT EL PTE LTD	Director	04/02/20 16	0.00 -	SGD365,925 .00	2017	-	02/11/20 18

**DIRECTOR 3**

Name Of Subject : YIP HIN LAY  
Address : 11, JALAN LEGUNDI, SEMBAWANG GARDEN ARCADE, 759276, SINGAPORE.  
Other Address(es) : 637, WOODLANDS RING ROAD, 07-63, 730637, SINGAPORE.  
IC / PP No : S1703434J  
Nationality : SINGAPOREAN  
Date of : 07/04/1993  
Appointment

**INTEREST CHECK**

Interest in : see below  
companies  
Interest in business : none in our databank  
Former interest : none in our databank

**INTEREST IN COMPANY**

N o	Local No	Compa ny	Designat ion	App Date	Shareholding No. %	Profit/(loss) After Tax	Financ ial Year	Stat us	As At
1	19890057 1D	QUANT EL PTE LTD	Director	07/04/19 93	1,276,000 .00 40.0 0	SGD365,92 5.00	2017	-	02/11/20 18

**MANAGEMENT**

1) Name of : YIP HIN LAY  
Subject  
Position : DIRECTOR

**AUDITOR**

Firm No	Firm Name	Address	As At Date
	MILANT & ASSOCIATES LLP	N/A	31/12/2017

**COMPANY SECRETARIES**

1) Company : TAN LAY LENG @ CHEN LILING  
Secretary  
IC / PP No : S7226355C  
Address : 9, BUKIT BATOK CENTRAL LINK, 15-02, THE JADE, 658074, SINGAPORE.  
Date of : 25/05/2017  
Appointment

**BANKING**

Banking relations are maintained principally with :

1) Name : OVERSEA-CHINESE BANKING CORPORATION LIMITED

**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.

## **ENCUMBRANCE (S)**

Charge No	Creation Date	Charge Description	Chargee Name	Total Charge	Status
199701125	21/02/1997	N/A	OCBC PEARL LIMITED	SGD 11,334.96	Unsatisfied
200101162	13/03/2001	N/A	DBS BANK LTD.	-	Unsatisfied
C200503901	07/07/2005	N/A	OVERSEA-CHINESE BANKING CORPORATION LIMITED	-	Unsatisfied
C201105166	26/04/2011	N/A	DBS BANK LTD.	-	Unsatisfied

## **CIVIL LITIGATION CHECK - SUBJECT COMPANY AS A DEFENDANT**

\* A check has been conducted in our databank against the Subject whether the subject has been involved in any litigation.

No legal action was found in our databank.

No winding up petition was found in our databank.

## **PAYMENT RECORD**

### SOURCES OF RAW MATERIALS:

Local : YES  
Overseas : YES

The Subject refused to provide any name of trade/service supplier and we are unable to conduct any trade enquiry. However, from financial historical data we conclude that :

### OVERALL PAYMENT HABIT

Prompt 0-30 Days	[ ]	Good 31-60 Days	[ ]	Average 61-90 Days	[ X ]
Fair 91-120 Days	[ ]	Poor >120 Days	[ ]		

## **CLIENTELE**

Local : YES  
Domestic Markets : SINGAPORE

**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.

Overseas : YES  
Export Market : WORLDWIDE  
Credit Term : N/A  
Payment Mode : CHEQUES  
TELEGRAPHIC TRANSFER (TT)

## **OPERATIONS**

Goods : ELECTRICAL, ELECTRONIC AND ENGINEERING EQUIPMENTS, TEST SOLUTION,  
Traded : MAGNETIC FIELD POWER SUPPLY CONTROLLER, AND ELECTRICAL SAFETY  
TESTERS MEASURING INSTRUMENTS

Total Number of Employees:

YEAR	2018	2017	2016
GROUP	N/A	N/A	N/A
COMPANY	51	51	51

Branch : NO  
Other Information:

The Subject is principally engaged in the (as a / as an) trading of electrical, electronic and engineering equipments, test solution, magnetic field power supply controller, and electrical safety testers, measuring instruments.

The Subject is providing power supply test solution, magnetic field power supply controller, and electrical safety testers in the region.

The Subject also sells broader range of quality test and measuring instruments to ensure their products meet ever more stringent reliability and regulatory compliance standards.

The Subject has established itself as a strong technical and distribution gateway for its customers.

## **CURRENT INVESTIGATION**

Latest fresh investigations carried out on the Subject indicated that :

Telephone Number Provided By : N/A  
Client  
Current Telephone Number : 65-67453200  
Match : N/A  
Address Provided by Client : 46 LORONG 17 GEYLANG,05-02 ENTERPRISE INDUSTRIAL  
BUILDING SINGAPORE 388568  
Current Address : 46 LORONG 17 GEYLANG #05-02 ENTERPRISE INDUSTRIAL  
BUILDING, 388569, SINGAPORE.  
Match : YES

**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.

### Other Investigations

We contacted one of the staff from the Subject and he provided some information.

## **FINANCIAL ANALYSIS**

### Profitability

Turnover	:	Increased	[	2015 - 2017	]
Profit/(Loss) Before Tax	:	Decreased	[	2015 - 2017	]
Return on Shareholder Funds	:	Unfavourable	[	5.44%	]
Return on Net Assets	:	Unfavourable	[	7.09%	]

The Subject's turnover increased steadily as the demand for its products / services increased due to the goodwill built up over the years. The dip in profit could be due to the stiff market competition which reduced the Subject's profit margin. The unfavourable return on shareholders' funds could indicate that the Subject was inefficient in utilising its assets to generate returns.

### Working Capital Control

Stock Ratio	:	Favourable	[	18 Days	]
Debtor Ratio	:	Unfavourable	[	65 Days	]
Creditors Ratio	:	Favourable	[	7 Days	]

The Subject's stocks were moving fast thus reducing its holding cost. This had reduced funds being tied up in stocks. The high debtors' ratio could indicate that the Subject was weak in its credit control. However, the Subject could also giving longer credit periods to its customers in order to boost its sales or to capture / retain its market share. The Subject had a favourable creditors' ratio where the Subject could be taking advantage of the cash discounts and also wanting to maintain goodwill with its creditors.

### Liquidity

Liquid Ratio	:	Favourable	[	2.42 Times	]
Current Ratio	:	Favourable	[	2.63 Times	]

A minimum liquid ratio of 1 should be maintained by the Subject in order to assure its creditors of its ability to meet short term obligations and the Subject was in a good liquidity position. Thus, we believe the Subject is able to meet all its short term obligations as and when they fall due.

### Solvency

Interest Cover	:	Favourable	[	17.75 Times	]
Gearing Ratio	:	Favourable	[	0.07 Times	]

The interest cover showed that the Subject was able to service the interest. The favourable interest cover could indicate that the Subject was making enough profit to pay for the interest accrued. The Subject was lowly geared thus it had a low financial risk. The Subject was mainly financed by its shareholders' funds and internally generated funds. In times of economic slowdown / downturn, the Subject being a lowly geared company, will be able to compete better than those companies which are highly geared in the same industry.

### Overall Assessment :

Although the Subject's turnover had increased, its profits had declined over the same corresponding period. This could be due to the stiffer market competition and / or higher operating costs which lowered the Subject's profit margin. The Subject was in good liquidity position with its total current liabilities well covered by its total current assets. With its current net assets, the Subject should be able to repay its short term obligations. With the favourable interest cover, the Subject could be able to service all the accrued interest without facing any difficulties. The Subject as a lowly geared company, will be more secured compared to those highly geared companies. It has the ability to meet all its long term obligations.

Overall financial condition of the Subject : FAIR

## **SINGAPORE ECONOMIC / INDUSTRY OUTLOOK**

<b>Major Economic Indicators :</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017*</b>
Population (Million)	5.40	5.47	5.54	5.61	5.61
Gross Domestic Products ( % )	5.1	3.9	2.2	2.4	3.6
Consumer Price Index	2.4	1.0	(0.5)	(0.5)	0.6
Total Imports (Million)	466,762.0	463,779.1	407,767.9	398,372.0	403,300.0
Total Exports (Million)	513,391.0	518,922.7	476,285.4	468,552.0	466,900.0
Unemployment Rate (%)	1.9	1.9	1.9	2.1	-
Tourist Arrival (Million)	15.46	15.01	15.23	16.28	-
Hotel Occupancy Rate (%)	86.3	85.5	84.0	83.1	84.7
Cellular Phone Subscriber (Million)	1.97	1.98	1.99	-	-
Registration of New Companies (No.)	37,288	41,589	34,243	35,227	37,395
Registration of New Companies (%)	9.8	11.5	(17.7)	2.9	6.2
Liquidation of Companies (No.)	17,369	18,767	21,384	23,218	22,379
Liquidation of Companies (%)	(5.3)	8.0	13.9	8.6	(3.6)
Registration of New Businesses (No.)	22,893	35,773	28,480	27,120	22,148
Registration of New Businesses (%)	1.70	56.30	(20.39)	(4.78)	(18.33)
Liquidation of Businesses (No.)	22,598	22,098	26,116	35,866	24,344
Liquidation of Businesses (%)	0.5	(2.2)	18.2	37.3	(32.1)
Bankruptcy Orders (No.)	1,992	1,757	1,776	1,797	1,638
Bankruptcy Orders (%)	14.0	(11.8)	1.0	1.2	(8.9)
Bankruptcy Discharges (No.)	2,584	3,546	3,499	4,359	2,030
Bankruptcy Discharges (%)	37.4	37.2	(1.3)	24.6	(53.4)
<b>INDUSTRIES ( % of Growth ) :</b>					
<b>Agriculture</b>					
Production of Principal Crops	1.78	4.29	3.04	-	-
Fish Supply & Wholesale	(3.8)	(8.6)	(8.5)	(9.9)	-
<b>Manufacturing #</b>					
Food, Beverages & Tobacco	97.9	99.4	100.0	103.7	110.3
Textiles	119.5	102.7	100.0	92.4	84.4
Wearing Apparel	334.1	212.6	100.0	83.4	88.2
Leather Products & Footwear	122.0	106.5	100.0	88.8	79.0
Wood & Wood Products	103.0	107.2	100.0	95.0	92.9
Paper & Paper Products	104.4	104.5	100.0	97.3	96.1
Printing & Media	113.8	105.968	100.0	85.1	73.1
Crude Oil Refineries	100.7	92.2	100.0	104.2	113.5
Chemical & Chemical Products	88.4	96.7	100.0	98.9	105.3

**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.

Pharmaceutical Products	101.421	109.4	100.0	113.8	96.0
Rubber & Plastic Products	109.497	109.2	100.0	91.4	93.7
Non-metallic Mineral	107.4	90.759	100.0	89.8	72.9
Basic Metals	77.2	99.3	100.0	106.2	108.3
Fabricated Metal Products	107.5	107.757	100.0	93.8	91.3
Machinery & Equipment	109.1	118.2	100.0	80.8	86.1
Electrical Machinery	87.4	97.871	100.0	101.5	111.7
Electronic Components	105.0	105.6	100.0	114.1	151.4
Transport Equipment	111.1	106.68	100.0	101.0	99.5
<b>Construction</b>	<b>25.40</b>	<b>22.00</b>	-	-	-
Real Estate	88.5	145.1	-	-	-
<b>Services</b>					
Electricity, Gas & Water	6.70	6.50	-	-	-
Transport, Storage & Communication	9.80	14.20	-	-	-
Finance & Insurance	3.30	6.00	-	7.40	-
Government Services	6.50	6.30	-	-	-
Education Services	3.10	5.98	-	2.40	-

\* Estimate / Preliminary

# Based on Index of Industrial Production (2015 = 100)

## **INDUSTRY ANALYSIS**

### **INDUSTRY : TRADING**

According to the Ministry of Trade and Industry, the wholesale & retail trade sector expanded to 3.0% in the fourth quarter of 2017, moderating from the 3.3% growth in the previous quarter. The wholesale trade segment was boosted by an improvement in foreign wholesale sales volume, which more than offset the weakness in domestic wholesale sales volume. For the whole of 2017, the sector expanded by 2.3%, faster than the 1.0% growth in 2016. The improvement in growth can be attributed to the wholesale segment.

The domestic wholesale sales volume fell by 1.1% in the fourth quarter 2017, reversing the 2.0% growth in the preceding quarter. The poorer outturn was led by declines in the sales volume of household equipment & furniture (-27%) and general wholesale merchandise (-19%), which outweighed the increase in the sales volume of telecommunications & computers (20%). For the whole of 2017, the domestic wholesale trade index expanded by 1.0%, a turnaround from the 2.7% decline in 2016.

On the other hand, foreign wholesale sales volume rose to 6.2% in the fourth quarter 2017, a step-up from the 5.1% growth in the preceding quarter. Growth was driven by expansions in the sales of petroleum & petroleum-related products (11%), telecommunications & computers (19%) and electronic components (16%). However, growth was partly offset by a 20% decline in the sales volume of metals, timber & construction materials. For the full year 2017, the foreign wholesale trade index rose by 3.6%, faster than the increase of 1.5% in the previous year.

Besides, retail sales volume rose by 2.1% in the fourth quarter 2017, improving from the 0.9% growth recorded in the third quarter. Growth was supported by improvements in both motor vehicle and non-motor vehicle sales volumes. While motor vehicle sales benefitted from an on-year increase in COE supply, growth in non-motor

**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.

vehicle sales came on the back of an improvement in consumer sentiments. Notably, the sales volume of discretionary goods such as recreational goods, computer & telecommunication equipment and wearing apparel & footwear grew by 4.6%, 4.3 % and 3.1% respectively.

For the full year 2017, retail sales volume expanded by 1.3%, similar to the 1.5% growth recorded in 2016. Growth was driven by both motor vehicle sales and non-motor vehicle sales, which the former rising by 1.5% and the latter increasing by 1.3%. The rise in non-motor vehicle sales was underpinned by higher sales of discretionary goods. For instance, the sales volume of recreational goods (3.9%), watches & jewellery (2.4%), computer & telecommunications equipment (1.7%) and wearing apparel & footwear (1.5%) improved in 2017.

#### **OVERALL INDUSTRY OUTLOOK : MARGINAL GROWTH**

## **CREDIT RISK EVALUATION & RECOMMENDATION**

Incorporated in 1989, the Subject is a Private Limited company, focusing on trading of electrical, electronic and engineering equipments, test solution, magnetic field power supply controller, and electrical safety testers, measuring instruments. The Subject has been in business for over two decades. It has built up a strong clientele base and satisfactory reputation will enable the Subject to further enhance its business in the near term. The Subject is expected to enjoy a stable market shares. A paid up capital of SGD 3,190,000 allows the Subject to expand its business more comfortably. With a strong backing from its holding company, the Subject enjoys timely financial assistance should the needs arise.

Over the years, the Subject has penetrated into both the local and overseas market. The Subject has positioned itself in the global market and is competing in the industry. Its stable clientele base will enable the Subject to further enhance its business in the near term. Being a moderate size company, the Subject has a total workforce of 51 employees in its business operations. Overall, we regard that the Subject's management capability is average. This indicates that the Subject has greater potential to improve its business performance and raising income for the Subject.

Financially, the Subject registered a higher turnover compared to previous year. However, its profits showed a reverse trend. The lower profit achieved was a result of higher operating cost and increased competition. The Subject has generated an unfavourable return on shareholders' funds indicating that the management was inefficient in utilising its funds to generate return. The Subject is in good liquidity position with its current liabilities well covered by its current assets. Hence, it has sufficient working capital to meet its short term financial obligations. Being a lowly geared company, the Subject is exposed to low financial risk as it is mainly dependent on its internal funds to finance its business needs. Given a positive net worth standing at SGD 6,727,995, the Subject should be able to maintain its business in the near terms.

The Subject's supplier are from both the local and overseas countries. This will eliminate the risk of dependency on deliveries from a number of key suppliers and insufficient quantities of its raw materials. Overall the Subject has a good control over its resources.

The Subject's payment habit is average. With its adequate working capital, the Subject should be able to pay its short term debts.

The industry has reached its maturity stage and only enjoying a marginal growth. The steady growth of the country's economy will further enhance the industry activities. Thus, the Subject's future performance is very much depend on its marketing strategies in order to retain its position in the market.

**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.

Based on the above condition, we recommend credit be granted to the Subject promptly.

## **PROFIT AND LOSS ACCOUNT**

**THE FINANCIAL STATEMENTS WERE PREPARED IN ACCORDANCE WITH SINGAPORE FINANCIAL REPORTING STANDARDS.**

### **QUANTEL PTE LTD**

Financial Year End	2017-12-31	2016-12-31	2015-12-31	2015-03-31
Months	12	12	9	12
Consolidated Account	Company	Company	Company	Company
Audited Account	YES	YES	YES	YES
Unqualified Auditor's Report (Clean Opinion)	YES	YES	YES	YES
Financial Type	FULL	FULL	FULL	FULL
Currency	SGD	SGD	SGD	SGD
TURNOVER	12,549,495	10,525,347	7,010,769	9,103,021
Other Income	55,198	70,893	392,473	210,644
Total Turnover	12,604,693	10,596,240	7,403,242	9,313,665
Costs of Goods Sold	(8,677,556)	(6,976,222)	(4,626,340)	(6,139,028)
Gross Profit	3,927,137	3,620,018	2,776,902	3,174,637
PROFIT/(LOSS) FROM OPERATIONS	449,988	589,932	288,860	454,381
PROFIT/(LOSS) BEFORE TAXATION	449,988	589,932	288,860	454,381
Taxation	(84,063)	(25,914)	(45,486)	(39,275)
PROFIT/(LOSS) AFTER TAXATION	365,925	564,018	243,374	415,106
<b>RETAINED PROFIT/(LOSS) BROUGHT FORWARD</b>				
As previously reported	2,112,803	1,548,785	1,305,411	890,305
As restated	2,112,803	1,548,785	1,305,411	890,305
PROFIT AVAILABLE FOR APPROPRIATIONS	2,478,728	2,112,803	1,548,785	1,305,411
RETAINED PROFIT/(LOSS) CARRIED FORWARD	2,478,728	2,112,803	1,548,785	1,305,411

### **INTEREST EXPENSE (as per**

**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 to P&L)**

Lease interest	294	294	-	-
Term loan / Borrowing	26,566	95,259	-	-
Others	-	-	120,962	(165,953)
	-----	-----	-----	-----
	26,860	95,553	120,962	(165,953)
	=====	=====	=====	=====
DEPRECIATION (as per notes to P&L)	67,795	77,937	65,941	35,600
AMORTIZATION	32,000	20,533	-	-
	-----	-----	-----	-----
Total Amortization And Depreciation	99,795	98,470	65,941	35,600
	=====	=====	=====	=====

**BALANCE SHEET**

**QUANTEL PTE LTD**

**ASSETS EMPLOYED:**

<b>FIXED ASSETS</b>	1,498,788	1,559,851	1,639,826	611,428
<b>LONG TERM INVESTMENTS/OTHER ASSETS</b>				
Subsidiary companies	426,912	139,681	-	-
	-----	-----	-----	-----
<b>TOTAL LONG TERM INVESTMENTS/OTHER ASSETS</b>	426,912	139,681	-	-
<b>INTANGIBLE ASSETS</b>				
Computer software	43,467	75,467	-	-
	-----	-----	-----	-----
<b>TOTAL INTANGIBLE ASSETS</b>	43,467	75,467	-	-
	-----	-----	-----	-----
<b>TOTAL LONG TERM ASSETS</b>	1,969,167	1,774,999	1,639,826	611,428
<b>CURRENT ASSETS</b>				
Stocks	623,067	757,862	671,038	850,697
Trade debtors	2,247,516	2,486,210	1,671,203	920,820
Other debtors, deposits & prepayments	116,940	97,586	53,695	50,796
Short term deposits	1,548,416	227,819	403,814	748,160
Interest receivable	2,562	-	-	-
Amount due from related companies	2,387,679	1,494,661	1,001,995	1,442,938
Cash & bank balances	771,730	2,186,240	1,000,066	666,455
	-----	-----	-----	-----
<b>TOTAL CURRENT ASSETS</b>	7,697,910	7,250,378	4,801,811	4,679,866
	-----	-----	-----	-----
<b>TOTAL ASSET</b>	9,667,077	9,025,377	6,441,637	5,291,294
	=====	=====	=====	=====

**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.

**CURRENT LIABILITIES**

Trade creditors	160,499	235,712	1,169,550	2,103,348
Other creditors & accruals	262,832	510,133	144,827	145,233
Hire purchase & lease creditors	2,000	1,962	1,962	-
Short term borrowings/Term loans	142,625	228,475	252,960	105,986
Other borrowings	300,000	-	41,896	42,140
Deposits from customers	284,975	-	-	-
Amounts owing to related companies	1,672,811	1,345,145	-	44,210
Provision for taxation	95,927	15,577	57,846	43,432
Other liabilities	-	-	926,631	510,573

<b>TOTAL CURRENT LIABILITIES</b>	<b>2,921,669</b>	<b>2,337,004</b>	<b>2,595,672</b>	<b>2,994,922</b>
----------------------------------	------------------	------------------	------------------	------------------

<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>4,776,241</b>	<b>4,913,374</b>	<b>2,206,139</b>	<b>1,684,944</b>
---	------------------	------------------	------------------	------------------

**LONG TERM LIABILITIES**

Long term loans	-	301,373	327,062	56,429
Other long term borrowings	-	-	204,296	236,154
Lease obligations	3,231	5,231	7,193	-
Deferred taxation	14,182	19,699	9,362	8,378

<b>TOTAL LONG TERM LIABILITIES</b>	<b>17,413</b>	<b>326,303</b>	<b>547,913</b>	<b>300,961</b>
------------------------------------	---------------	----------------	----------------	----------------

<b>TOTAL NET ASSETS</b>	<b>6,727,995</b>	<b>6,362,070</b>	<b>3,298,052</b>	<b>1,995,411</b>
-------------------------	------------------	------------------	------------------	------------------

**FINANCED BY:**

**SHARE CAPITAL**

Ordinary share capital	3,190,000	3,190,000	690,000	690,000
------------------------	-----------	-----------	---------	---------

<b>TOTAL SHARE CAPITAL</b>	<b>3,190,000</b>	<b>3,190,000</b>	<b>690,000</b>	<b>690,000</b>
----------------------------	------------------	------------------	----------------	----------------

**RESERVES**

Revaluation reserve	1,059,267	1,059,267	1,059,267	-
Retained profit/(loss) carried forward	2,478,728	2,112,803	1,548,785	1,305,411

<b>TOTAL RESERVES</b>	<b>3,537,995</b>	<b>3,172,070</b>	<b>2,608,052</b>	<b>1,305,411</b>
-----------------------	------------------	------------------	------------------	------------------

<b>SHAREHOLDERS' FUNDS/EQUITY</b>	<b>6,727,995</b>	<b>6,362,070</b>	<b>3,298,052</b>	<b>1,995,411</b>
-----------------------------------	------------------	------------------	------------------	------------------

**FINANCIAL RATIO**

**QUANTEL PTE LTD  
TYPES OF FUNDS**

**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.

Cash	2,320,146	2,414,059	1,403,880	1,414,615
Net Liquid Funds	2,320,146	2,414,059	1,403,880	1,414,615
Net Liquid Assets	4,153,174	4,155,512	1,535,101	834,247
Net Current Assets/(Liabilities)	4,776,241	4,913,374	2,206,139	1,684,944
Net Tangible Assets	6,684,528	6,286,603	3,298,052	1,995,411
Net Monetary Assets	4,135,761	3,829,209	987,188	533,286
<b>PROFIT &amp; LOSS ITEMS</b>				
Earnings Before Interest & Tax (EBIT)	476,848	685,485	409,822	288,428
Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA)	576,643	783,955	475,763	324,028
<b>BALANCE SHEET ITEMS</b>				
Total Borrowings	447,856	537,041	835,369	440,709
Total Liabilities	2,939,082	2,663,307	3,143,585	3,295,883
Total Assets	9,667,077	9,025,377	6,441,637	5,291,294
Net Assets	6,727,995	6,362,070	3,298,052	1,995,411
Net Assets Backing Shareholders' Funds	6,727,995	6,362,070	3,298,052	1,995,411
Total Share Capital	3,190,000	3,190,000	690,000	690,000
Total Reserves	3,537,995	3,172,070	2,608,052	1,305,411
<b>GROWTH RATIOS (Year on Year) (%)</b>				
Revenue	19.23	50.13	(22.98)	-
Profit/(Loss) Before Tax	(23.72)	104.23	(36.43)	-
Profit/(Loss) After Tax	(35.12)	131.75	(41.37)	-
Total Assets	7.11	40.11	21.74	-
Total Liabilities	10.35	(15.28)	(4.62)	-
<b>LIQUIDITY (Times)</b>				
Cash Ratio	0.79	1.03	0.54	0.47
Liquid Ratio	2.42	2.78	1.59	1.28
Current Ratio	2.63	3.10	1.85	1.56
<b>WORKING CAPITAL CONTROL (Days)</b>				
Stock Ratio	18	26	35	34
Debtors Ratio	65	86	87	37
Creditors Ratio	7	12	92	125
<b>SOLVENCY RATIOS (Times)</b>				
Gearing Ratio	0.07	0.08	0.25	0.22
Liabilities Ratio	0.44	0.42	0.95	1.65
Times Interest Earned Ratio	17.75	7.17	3.39	(1.74)
Assets Backing Ratio	2.10	1.97	4.78	2.89
<b>PERFORMANCE RATIO (%)</b>				
Operating Profit Margin	3.59	5.60	4.12	4.99
Net Profit Margin	2.92	5.36	3.47	4.56
Return On Net Assets	7.09	10.77	12.43	14.45
Return On Capital Employed	7.02	10.13	10.65	12.56
Return On Shareholders' Funds/Equity	5.44	8.87	7.38	20.80
Dividend Pay Out Ratio (Times)	0	0	0	0
<b>NOTES TO ACCOUNTS</b>				
Contingent Liabilities	0	0	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.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.88
UK Pound	1	INR 94.75
Euro	1	INR 83.23
Euro	1	INR 83.06

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

**INFORMATION DETAILS**

Analysis Done by :	NIS
Report Prepared by :	TRU

**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)