

## MIRA INFORM REPORT

<b>Report No. :</b>	537872
<b>Report Date :</b>	10.11.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	SURPLEX GMBH
<b>Registered Office :</b>	Wahlerstr. 4, D 40472 Düsseldorf
<b>Country :</b>	Germany
<b>Financials (as on) :</b>	31.12.2016
<b>Date of Incorporation :</b>	03.09.2008
<b>Com. Reg. No.:</b>	HRB 60054
<b>Legal Form :</b>	Private Limited Company
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>• Wholesale of other machinery, equipment and supplies</li> <li>• Other business support service activities n. e. c.</li> </ul>
<b>No. of Employees :</b>	150

**RATING & COMMENTS**

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

**MIRA's Rating :** A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular
<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 (30.06.2018)	Current Rating (30.09.2018)
Germany	A1	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

**GERMANY - ECONOMIC OVERVIEW**

The German economy - the fifth largest economy in the world in PPP terms and Europe's largest - is a leading exporter of machinery, vehicles, chemicals, and household equipment. Germany benefits from a highly skilled labor force, but, like its Western European neighbors, faces significant demographic challenges to sustained long-term growth. Low fertility rates and a large increase in net immigration are increasing pressure on the country's social welfare system and necessitate structural reforms.

Reforms launched by the government of Chancellor Gerhard SCHROEDER (1998-2005), deemed necessary to address chronically high unemployment and low average growth, contributed to strong economic growth and falling unemployment. These advances, as well as a government subsidized, reduced working hour scheme, help explain the relatively modest increase in unemployment during the 2008-09 recession - the deepest since World War II. The German Government introduced a minimum wage in 2015 that increased to \$9.79 (8.84 euros) in January 2017.

Stimulus and stabilization efforts initiated in 2008 and 2009 and tax cuts introduced in Chancellor Angela MERKEL's second term increased Germany's total budget deficit - including federal, state, and municipal - to 4.1% in 2010, but slower spending and higher tax revenues reduced the deficit to 0.8% in 2011 and in 2017 Germany reached a budget surplus of 0.7%. A constitutional amendment approved in 2009 limits the federal government to structural deficits of no more than 0.35% of GDP per annum as of 2016, though the target was already reached in 2012.

Following the March 2011 Fukushima nuclear disaster, Chancellor Angela MERKEL announced in May 2011 that eight of the country's 17 nuclear reactors would be shut down immediately and the remaining plants would close by 2022. Germany plans to replace nuclear power largely with renewable energy, which accounted for 29.5% of gross electricity consumption in 2016, up from 9% in 2000. Before the shutdown of the eight reactors, Germany relied on nuclear power for 23% of its electricity generating capacity and 46% of its base-load electricity production.

The German economy suffers from low levels of investment, and a government plan to invest 15 billion euros during 2016-18, largely in infrastructure, is intended to spur needed private investment. Domestic consumption, investment, and exports are likely to drive German GDP growth in 2018, and the country's budget and trade surpluses are likely to remain high.

Source : CIA

## **COMPANY NAME AND ADDRESS**

Report on: Surplex GmbH  
Company Status: active  
Wahlerstr. 4  
D 40472 Düsseldorf  
Telephone: 0211/4227370  
Telefax: 0211/42273717  
Homepage: www.surplex.com  
E-mail: info@surplex.com  
VAT no.: DE815025076  
Tax ID number: 105/5844/1574

## **CONCLUSION**

Business relations are permissible.

## **COMPANY SUMMARY**

Legal Form Private limited company  
Date of foundation: 03.09.2008  
Shareholders'  
agreement: 03.09.2008  
Registered on: 16.12.2008  
Commercial Register: Local court 40227 Düsseldorf  
under: HRB 60054

Share capital: EUR 25,000.00

Shareholder:  
Surplex Holding GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 37,000.00  
Share: EUR 25,000.00  
Registered on: 15.12.2016  
Reg. data: 40227 Düsseldorf, HRB 79369  
Profit transfer agreement

Manager:  
Ulrich Stalter  
Alte Landstr. 180

D 40489 Düsseldorf  
having sole power of representation  
born: 30.10.1968  
Marital status: married

Manager:

Michael Werker  
Überanger 28  
D 40489 Düsseldorf  
having sole power of representation  
born: 25.03.1968  
Profession: Businessman  
Marital status: married

Further functions/participations of Ulrich Stalter (Manager)

Shareholder:

Surplex Holding GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 37,000.00  
Share: EUR 18,500.00  
Registered  
on: 15.12.2016  
Reg. data: 40227 Düsseldorf, HRB 79369

Shareholder:

StalWerk Beteiligung GmbH  
Alte Landstr. 180  
D 40489 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 25,000.00  
Share: EUR 12,500.00  
Registered  
on: 17.04.2014  
Reg. data: 40227 Düsseldorf, HRB 72396

Manager:

StalWerk Beteiligung GmbH  
Alte Landstr. 180  
D 40489 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 25,000.00  
Registered  
on: 17.04.2014  
Reg. data: 40227 Düsseldorf, HRB 72396

Manager:

MUG Invest GmbH  
Alte Landstr. 180  
D 40489 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 30,000.00

Registered  
on: 24.05.2016  
Reg. data: 40227 Düsseldorf, HRB 77738

Manager:

Surplex Holding GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 37,000.00  
Registered  
on: 15.12.2016  
Reg. data: 40227 Düsseldorf, HRB 79369

Manager:

Stalwerk Invest GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 25,000.00  
Registered  
on: 16.12.2016  
Reg. data: 40227 Düsseldorf, HRB 79379

Further functions/participations of Michael Werker (Manager)

Shareholder:

Surplex Holding GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 37,000.00  
Share: EUR 18,500.00  
Registered  
on: 15.12.2016  
Reg. data: 40227 Düsseldorf, HRB 79369

Shareholder:

StalWerk Beteiligung GmbH  
Alte Landstr. 180  
D 40489 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 25,000.00  
Share: EUR 12,500.00  
Registered  
on: 17.04.2014  
Reg. data: 40227 Düsseldorf, HRB 72396

Manager:

StalWerk Beteiligung GmbH  
Alte Landstr. 180  
D 40489 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 25,000.00

---

**SURPLEX GMBH - 537872**

**PAGE NO. : 7**

---

Registered  
on: 17.04.2014  
Reg. data: 40227 Düsseldorf, HRB 72396

Manager:

MUG Invest GmbH  
Alte Landstr. 180  
D 40489 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 30,000.00  
Registered  
on: 24.05.2016  
Reg. data: 40227 Düsseldorf, HRB 77738

Manager:

Surplex Holding GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 37,000.00  
Registered  
on: 15.12.2016  
Reg. data: 40227 Düsseldorf, HRB 79369

Manager:

Stalwerk Invest GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf  
Legal form: Private limited company  
Share capital: EUR 25,000.00  
Registered  
on: 16.12.2016  
Reg. data: 40227 Düsseldorf, HRB 79379

## ***BUSINESS ACTIVITIES***

### **Main industrial sector**

4669 Wholesale of other machinery, equipment and supplies  
8299 Other business support service activities n. e. c.

## ***PARTICIPATIONS***

Shareholder:

Stalwerk Invest GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf  
Legal form: Private limited company

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Company Status: active  
Share capital: EUR 25,000.00  
Share: EUR 25,000.00  
Reg. data: 16.12.2016  
Local court 40227 Düsseldorf  
HRB 79379

## **FINANCIAL INFORMATION**

Payment experience: Regular  
Negative information: We have no negative information at hand.  
Balance sheet year: 2016  
PMI: No significant / relevant payment experience information pertaining to the company inquired upon is shown in the Deutscher Debitoren Monitor (DDMonitor).

## **REAL ESTATE**

Type of ownership: Tenant  
Address: Wahlerstr. 4  
D 40472 Düsseldorf

Land register documents were not available.

## **BANKERS**

**Principal bank**  
COMMERZBANK, 40002 DÜSSELDORF  
Sort. code: 30040000, Account no.: 188024400  
BIC: COBADEDDXXX, IBAN: DE94300400000188024400

## **FINANCIAL FIGURES**

Gross profit or loss:2016	EUR	16,312,396.00
Profit: 2016	EUR	4,032,674.00
Equipment:	EUR	274,223.00
Ac/ts receivable:	EUR	6,145,460.00

**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.

Liabilities: EUR 5,221,286.00  
Employees: 150

Profit transfer agreement to:  
Surplex Holding GmbH  
Wahlerstr. 4  
D 40472 Düsseldorf

## **BALANCE SHEETS**

Balance sheet ratios 01.01.2016 - 31.12.2016  
Equity ratio [%]: 44.95  
Liquidity ratio: 2.66  
Return on total capital [%]: 18.98

Balance sheet ratios 01.01.2015 - 31.12.2015  
Equity ratio [%]: 50.86  
Liquidity ratio: 10.00  
Return on total capital [%]: 24.52

Balance sheet ratios 01.01.2014 - 31.12.2014  
Equity ratio [%]: 43.65  
Liquidity ratio: 10.00  
Return on total capital [%]: 23.27

Balance sheet ratios 01.01.2013 - 31.12.2013  
Equity ratio [%]: 37.66  
Liquidity ratio: 10.00  
Return on total capital [%]: 21.94

### **Equity ratio**

The equity ratio indicates the portion of the equity as compared to the total capital. The higher the equity ratio, the better the economic stability (solvency) and thus the financial autonomy of a company.

### **Liquidity ratio**

The liquidity ratio shows the proportion between adjusted receivables and net liabilities. The higher the ratio, the lower the company's financial dependancy from external creditors.

### **Return on total capital**

The return on total capital shows the efficiency and return on the total capital employed in the company. The higher the return on total capital, the more economically does the company work with the invested capital.

Type of balance sheet: Company balance sheet  
Origin of the present balance sheet: electronic German Federal Gazette  
Financial year: 01.01.2016 - 31.12.2016

ASSETS EUR 21,243,664.43

***SURPLEX GMBH - 537872***

***PAGE NO. : 10***

Fixed assets	EUR	2,681,295.69
Intangible assets	EUR	4,347.03
Other / unspecified intangible assets	EUR	4,347.03
Tangible assets	EUR	275,891.54
Plant / machinery	EUR	1,668.24
Other tangible assets / fixtures and fittings	EUR	274,223.30
Financial assets	EUR	2,401,057.12
Shares in participations / subsidiaries and the like	EUR	1,851,057.12
Shares in related companies	EUR	226,668.12
Shares in investee companies	EUR	1,624,389.00
Loans to participations / subsidiaries and the like	EUR	550,000.00
Loans to related companies	EUR	530,000.00
Loans to investee companies	EUR	20,000.00
Current assets	EUR	18,466,822.72
Stocks	EUR	9,406,276.47
Other / unspecified stocks	EUR	9,406,276.47
Accounts receivable	EUR	6,145,460.22
Amounts due from related companies	EUR	47,787.26
Other debtors and assets	EUR	6,097,672.96
Liquid means	EUR	2,915,086.03
Remaining other assets	EUR	95,546.02
Accruals (assets)	EUR	95,546.02
<b>LIABILITIES</b>	EUR	<b>21,243,664.43</b>
Shareholders' equity	EUR	9,549,245.79
Capital	EUR	25,000.00
Subscribed capital (share capital)	EUR	25,000.00
Reserves	EUR	275,000.00
Capital reserves	EUR	275,000.00
Balance sheet profit/loss (+/-)	EUR	9,249,245.79
Balance sheet profit / loss	EUR	9,249,245.79
Provisions	EUR	6,473,132.52
Provisions for taxes	EUR	911,824.58
Other / unspecified provisions	EUR	5,561,307.94
Liabilities	EUR	5,221,286.12
Financial debts	EUR	174,994.20
Liabilities due to banks	EUR	174,994.20
Other liabilities	EUR	5,046,291.92
Trade creditors (for IAS incl. bills of exchange)	EUR	1,383,603.53
Liabilities from received advance payments	EUR	1,043,470.00
Liabilities due to related companies	EUR	25,000.00
Unspecified other liabilities	EUR	2,594,218.39
thereof liabilities from tax / financial authorities	EUR	59,087.63
thereof liabilities from social		

**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.

security	EUR	11,342.37
PROFIT AND LOSS ACCOUNT (cost-summary method) according to Comm. Code (HGB)		
Gross result (+/-)	EUR	16,312,395.64
Staff expenses	EUR	6,519,208.98
Wages and salaries	EUR	5,665,278.91
Social security contributions and expenses for pension plans and benefits	EUR	853,930.07
Total depreciation	EUR	191,483.78
Depreciation on tangible / intangible assets (incl. start-up and exp. of bus.	EUR	191,483.78
Other operating expenses	EUR	3,741,215.72
Operating result from continuing operations	EUR	5,860,487.16
Interest result (+/-)	EUR	12,506.53
Interest and similar income	EUR	21,683.88
thereof from related companies	EUR	958.33
Interest and similar expenses	EUR	9,177.35
Financial result (+/-)	EUR	12,506.53
Result from ordinary operations (+/-)	EUR	5,872,993.69
Income tax / refund of income tax (+/-)	EUR	-1,834,102.40
Other taxes / refund of taxes	EUR	-6,216.95
Tax (+/-)	EUR	-1,840,319.35
Annual surplus / annual deficit	EUR	4,032,674.34

Type of balance sheet:

Company balance sheet

Origin of the present balance sheet:

electronic German Federal Gazette

Financial year:

01.01.2015 - 31.12.2015

ASSETS	EUR	12,811,962.24
Fixed assets	EUR	4,495,074.12
Intangible assets	EUR	49,112.96
Concessions, licences, rights	EUR	49,112.96
Tangible assets	EUR	115,945.16
Plant / machinery	EUR	2,538.62
Other tangible assets / fixtures and fittings	EUR	113,406.54
Financial assets	EUR	4,330,016.00
Shares in participations / subsidiaries and the like	EUR	826,156.00
Shares in related companies	EUR	201,667.00
Shares in investee companies	EUR	624,489.00
Loans to participations / subsidiaries and the like	EUR	50,000.00
Loans to related companies	EUR	30,000.00
Loans to investee companies	EUR	20,000.00
Other / unspecified financial assets	EUR	3,453,860.00

**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 assets	EUR	8,252,469.94
Stocks	EUR	4,008,914.41
Accounts receivable	EUR	2,119,649.19
Amounts due from related companies	EUR	25.00
Other debtors and assets	EUR	2,119,624.19
Liquid means	EUR	2,123,906.34
Remaining other assets	EUR	64,418.18
Accruals (assets)	EUR	64,418.18
<b>LIABILITIES</b>	EUR	12,811,962.24
Shareholders' equity	EUR	6,516,571.45
Capital	EUR	25,000.00
Subscribed capital (share capital)	EUR	25,000.00
Reserves	EUR	275,000.00
Capital reserves	EUR	275,000.00
Balance sheet profit/loss (+/-)	EUR	6,216,571.45
Balance sheet profit / loss	EUR	6,216,571.45
Provisions	EUR	4,752,203.75
Provisions for taxes	EUR	649,827.95
Other / unspecified provisions	EUR	4,102,375.80
Liabilities	EUR	1,543,187.04
Financial debts	EUR	262,491.36
Liabilities due to banks	EUR	262,491.36
Other liabilities	EUR	1,280,695.68
Trade creditors (for IAS incl. bills of exchange)	EUR	655,313.16
Liabilities from received advance payments	EUR	565,000.00
Unspecified other liabilities	EUR	60,382.52
<b>PROFIT AND LOSS ACCOUNT (cost-summary method) according to Comm. Code (HGB)</b>		
Gross result (+/-)	EUR	12,143,013.51
Staff expenses	EUR	4,819,273.70
Wages and salaries	EUR	4,247,706.53
Social security contributions and expenses for pension plans and benefits	EUR	571,567.17
Total depreciation	EUR	150,491.62
Depreciation on tangible / intangible assets (incl. start-up and exp. of bus.	EUR	150,491.62
Other operating expenses	EUR	2,611,192.78
Operating result from continuing operations	EUR	4,562,055.41
Interest result (+/-)	EUR	11,761.40
Interest and similar income	EUR	22,482.95
thereof from related companies	EUR	25.00
Interest and similar expenses	EUR	10,721.55
Financial result (+/-)	EUR	11,761.40

**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.

---

***SURPLEX GMBH - 537872***

***PAGE NO. : 13***

Result from ordinary operations (+/-)	EUR	4,573,816.81
Income tax / refund of income tax (+/-)	EUR	-1,426,423.63
Other taxes / refund of taxes	EUR	-5,646.00
Tax (+/-)	EUR	-1,432,069.63
Annual surplus / annual deficit	EUR	3,141,747.18

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.73
UK Pound	1	INR 94.87
Euro	1	INR 82.52
Euro	1	INR 82.17

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIY
<b>Report Prepared by :</b>	SYL

**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)