

## MIRA INFORM REPORT

Report No. :	536767
Report Date :	30.10.2018

### IDENTIFICATION DETAILS

Name :	KENTO FOOTWARE (THAILAND) COMPANY LIMITED
Formerly Known As :	KIANG LEE HUAT CO., LTD.
Registered Office :	3 Soi Thakarm 20 Yak 6-1-2-2-3, Rama 2 Road, Samaedam, Bangkokhunthien, Bangkok 10150
Country :	Thailand
Financials (as on) :	31.12.2017
Date of Incorporation :	05.06.1979
Com. Reg. No.:	0105558060076
Legal Form :	Private Limited Company
Line of Business :	Manufacturer, distributor and exporter of rubber slippers and filp flops.
No. of Employees :	60

**RATING & COMMENTS**

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

**MIRA's Rating :**

A

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

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

**NOTES:**

Any query related to this report can be made on e-mail: while quoting report number, name and date.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Thailand	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

**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.

**THAILAND - ECONOMIC OVERVIEW**

With a relatively well-developed infrastructure, a free-enterprise economy, and generally pro-investment policies, Thailand is highly dependent on international trade, with exports accounting for about two-thirds of GDP. Thailand's exports include electronics, agricultural commodities, automobiles and parts, and processed foods. The industry and service sectors produce about 90% of GDP. The agricultural sector, comprised mostly of small-scale farms, contributes only 10% of GDP but employs about one-third of the labor force. Thailand has attracted an estimated 3.0-4.5 million migrant workers, mostly from neighboring countries.

Over the last few decades, Thailand has reduced poverty substantially. In 2013, the Thai Government implemented a nationwide 300 baht (roughly \$10) per day minimum wage policy and deployed new tax reforms designed to lower rates on middle-income earners.

Thailand's economy is recovering from slow growth during the years since the 2014 coup. Thailand's economic fundamentals are sound, with low inflation, low unemployment, and reasonable public and external debt levels. Tourism and government spending - mostly on infrastructure and short-term stimulus measures - have helped to boost the economy, and The Bank of Thailand has been supportive, with several interest rate reductions. Over the longer-term, household debt levels, political uncertainty, and an aging population pose risks to growth.

Source : CIA

## **COMPANY NAME AND ADDRESS**

### **KENTO FOOTWARE (THAILAND) COMPANY LIMITED**

[Former: KIANG LEE HUAT CO., LTD.]

## **SUMMARY**

**BUSINESS ADDRESS** : 3 SOI THAKARM 20 YAK 6-1-2-2-3, RAMA 2 ROAD,  
SAMAEDAM, BANGKHUNTHIEN, BANGKOK 10150,  
THAILAND

**TELEPHONE** : [66] 2895-6286,089 065-5922

**FAX** : [66] 2895-4101

**E-MAIL ADDRESS** : -

**REGISTRATION ADDRESS** : SAME AS BUSINESS ADDRESS

**ESTABLISHED** : 1979

**REGISTRATION /TAX ID NO.** : 0105558060076 [Former : 0103522010107]

**CAPITAL REGISTERED** : BHT. 3,000,000

**CAPITAL PAID-UP** : BHT. 3,000,000

**SHAREHOLDER'S PROPORTION** : THAI : 100%

**FISCAL YEAR CLOSING DATE** : DECEMBER 31

**LEGAL STATUS** : PRIVATE LIMITED COMPANY

**EXECUTIVE** : MS. VANVISA VIVATBUTSIRI, THAI  
MANAGING DIRECTOR

**NO. OF STAFF** : 60

**LINES OF BUSINESS** : RUBBER SLIPPERS AND FILP FLOPS  
MANUFACTURER, DISTRIBUTOR AND EXPORTER

## **CORPORATE PROFILE**

**OPERATING TREND** : STABLE

**PRESENT SITUATION** : OPERATING NORMALLY

**REPUTATION** : FAIR WITH NORMAL BUSINESS ENGAGEMENT

**MANAGEMENT STANDARD** : MANAGEMENT WITH FAIR PERFORMANCE

## **HISTORY**

The subject was established on June 5, 1979, originally as a limited partnership under the registered name "Kiang Lee Huat Limited Partnership", registration no. 0103522010107, by Thai partners, the Vivatbutsiri family.

On April 7, 2015, the subject's status was converted to a private limited company namely, "Kiang Lee Huat Co., Ltd.", registration no. 0105558060076.

On November 13, 2017, the subject's name was finally changed to KENTO FOOTWARE (THAILAND) COMPANY LIMITED. Its business objective is to manufacture rubber slippers and flip flops to both domestic and international markets. It currently employs approximately 60 staff.

The subject's registered address is 3 SoiThakarm 20 Yak 6-1-2-2-3, Rama 2 Road, Samaedam, Bangkhunthien, Bangkok 10150, and this is the subject's current operation address.

## **THE BOARD OF DIRECTOR**

<u>Name</u>	<u>Nationality</u>	<u>Age</u>
Ms. Vanvisa Vivatbutsiri	Thai	30
Ms. Jirapa Vivatbutsiri	Thai	27

## **AUTHORIZED PERSON**

One of the above directors can sign on behalf of the subject with company's affixed.

### **MANAGEMENT**

**Ms. Vanvisa Vivatbutsiri** is the Managing Director.  
She is Thai nationality with the age of 30 years old.

**Ms. Jirapa Vivatbutsiri** is the Deputy Managing Director.  
She is Thai nationality with the age of 27 years old.

## **BUSINESS OPERATIONS**

The subject is engaged in manufacturing, distributing and exporting various designs of rubber slippers and flip flops for men and women as the followings:

**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.

**1. Men's Flip Flops**

: Men's flip flops, slippers, fancy flip-flops, black flip flops, brown flip flops, leather flip flops, MC red flip flops, MC pink flip flops, MC orange flip flops, MC green flip flops, MC dark blue flip flops, MC blue flip flops, KT pink flip flops, MC black flip flops, MC light green flip flops, orange strip flip flops, printed slippers, etc.

**2. Ladies' Flip Flops**

: Ladies flip flops, fancy flip flops, EVA slippers, flat flip flops, stylish flops, leather flip flops, KT flip flops, PVC flip flops, black slippers, blue flip flops, fancy slippers, KT orange flip flops, etc.

**PRODUCTION CAPACITY**

500,000 pairs per month

**BRAND NAME**

"KENTO"

**PURCHASE**

100% of raw materials is purchased from local suppliers.

**SALES**

The products are sold locally to wholesalers.

**EXPORT**

The products are also exported to Australia, India, Indonesia, Malaysia, Myanmar, Philippines and many countries in Africa, Europe and Middle East.

## ***SUBSIDIARY AND AFFILIATED COMPANY***

The subject is not found to have any subsidiary or affiliated company here in Thailand.

## ***LITIGATION***

*Bankruptcy and Receivership*

There are no litigation on bankruptcy and receivership cases filed against the subject found at Legal Execution Department for the past five years.

*Others*

There are no legal suits filed against the subject according for the past two years.

## ***CREDIT***

Sales are by cash or on the credits term of 30-60 days.  
Local bills are paid by cash or on the credits term of 30-60 days.  
Exports are against T/T.

## ***BANKING***

Bangkok Bank Public Company Limited  
Kasikornbank Public Company Limited

## ***EMPLOYMENT***

The subject currently employs approximately 60 staff.

## ***LOCATION DETAILS***

The premise is owned for administrative office, factory and warehouse at the heading address. Premise is located in commercial/residential area.

## ***COMMENT***

The subject has been firmly established for thirty-nine years as a manufacturer of slippers and flip flops for men and women under "KENTO" brand. The products are for low to middle income customers who can afford to buy the products easily. The subject's operating performance in 2017 was satisfactory with an increase in both sales or service income and net profit comparing to the previous year. Its business is promising and growing steadily.

## ***FINANCIAL INFORMATION***

The capital was registered at Bht. 300,000 which divided into 3,000 shares of Bht. 100 each with fully paid.

On October 27, 2016, the registered capital was increased to Bht. 3,000,000 divided into 30,000 shares of Bht. 100 each with fully paid.

## ***THE SHAREHOLDERS LISTED WERE***

[as at July 17, 2017]

<u>NAME</u>	<u>HOLDING</u>	<u>%</u>
<b>Ms. Vanvisa Vivatbutsiri</b> Nationality: Thai Address : 29/31 Moo 5, T. Kokkrabue, A. Muang, Samutsakorn	16,300	54.33
<b>Ms. Jirapa Vivatbutsiri</b> Nationality: Thai Address : 8 Soi Thakarm 20 Yak 6-1-2-2-1, Samaedam, Bangkhunthien, Bangkok	13,650	45.50
<b>Mr. Chatree Jaidee</b> Nationality: Thai Address : 127 Soi Romklao 56, Klongsamprawet, Ladkrabang, Bangkok	50	0.17

**Total Shareholders : 3**

## ***SHARE STRUCTURE***

[As at July 17, 2017]

<u>Nationality</u>	<u>Shareholders</u>	<u>No. of Share</u>	<u>% Shares</u>
Thai	3	30,000	100.00
Foreign	-	-	-
<b>Total</b>	<b>3</b>	<b>30,000</b>	<b>100.00</b>

## ***NAME OF AUDITOR & CERTIFIED PUBLIC ACCOUNTANT NO.***

Mr. Ampon Saetae No. 9334

## ***BALANCE SHEET [BAHT]***

The latest financial figures published for December 31, 2017, 2016 and 2015 were:

### ASSETS

**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.

**KENTO FOOTWARE (THAILAND) COMPANY LIMITED - 536767**

**PAGE NO. : 9**

<b>Current Assets</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Cash and Cash Equivalents	348,968.93	54,210.68	168,055.52
Trade Accounts and Other Receivable	34,320.00	33,500.00	-
Inventories	535,693.13	412,691.97	70,608.27
Other Current Assets	-	-	4,442.17
<b>Total Current Assets</b>	<b>918,658.06</b>	<b>500,402.65</b>	<b>243,105.96</b>
Long-term Loans	3,432,000.00	3,350,000.00	900,000.00
<b>Total Assets</b>	<b>4,350,658.06</b>	<b>3,850,402.65</b>	<b>1,143,105.96</b>

**LIABILITIES & SHAREHOLDERS' EQUITY [BAHT]**

<b>Current Liabilities</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Trade Accounts and Other Payable	-	-	14,220.00
Accrued Income Tax	17,417.26	-	-
Other Current Liabilities	36,608.39	10,525.53	-
<b>Total Current Liabilities</b>	<b>54,025.65</b>	<b>10,525.53</b>	<b>14,220.00</b>
<b>Total Liabilities</b>	<b>54,025.65</b>	<b>10,525.53</b>	<b>14,220.00</b>
<b>Shareholders' Equity</b>			
Share capital : Baht 100 par value authorized, and issued share capital 30,000 shares in 2017 & 2016 3,000 shares in 2015	3,000,000.00	3,000,000.00	300,000.00
Capital Paid	3,000,000.00	3,000,000.00	300,000.00
Retained Earning -Unappropriated [Deficit]	1,296,632.41	839,877.12	828,885.96
<b>Total Shareholders' Equity</b>	<b>4,296,632.41</b>	<b>3,839,877.12</b>	<b>1,128,885.96</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>4,350,658.06</b>	<b>3,850,402.65</b>	<b>1,143,105.96</b>

**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.

## **PROFIT & LOSS ACCOUNT**

Revenue	2017	2016	2015
Sales or Services Income	5,474,895.00	5,272,640.50	2,495,664.50
Interest Income	35,454.11	33,842.11	-
<b>Total Revenues</b>	<b>5,510,349.11</b>	<b>5,306,482.61</b>	<b>2,495,664.50</b>
<b>Expenses</b>			
Cost of Goods Sold or Services	2,745,633.14	3,325,422.30	2,069,515.70
Administrative Expenses	2,290,543.42	1,970,069.15	525,131.45
<b>Total Expenses</b>	<b>5,036,176.56</b>	<b>5,295,491.45</b>	<b>2,594,647.15</b>
Profit / [Loss] before Income Tax	474,172.55	10,991.16	[98,982.65]
Income Tax	[17,417.26]	-	-
<b>Net Profit / [Loss]</b>	<b>456,755.29</b>	<b>10,991.16</b>	<b>[98,982.65]</b>

## **FINANCIAL ANALYSIS**

ITEM	UNIT	2017	2016	2015
<b>LIQUIDITY RATIO</b>				
CURRENT RATIO	TIMES	17.00	47.54	17.10
QUICK RATIO	TIMES	7.09	8.33	11.82
<b>ACTIVITY RATIO</b>				
FIXED ASSETS TURNOVER	TIMES	-	-	-
TOTAL ASSETS TURNOVER	TIMES	1.26	1.37	2.18
INVENTORY CONVERSION PERIOD	DAYS	71.21	45.30	12.45
INVENTORY TURNOVER	TIMES	5.13	8.06	29.31
RECEIVABLES CONVERSION PERIOD	DAYS	2.29	2.32	-
RECEIVABLES TURNOVER	TIMES	159.52	157.39	-
PAYABLES CONVERSION PERIOD	DAYS	-	-	2.51
CASH CONVERSION CYCLE	DAYS	73.50	47.62	9.95
<b>PROFITABILITY RATIO</b>				
COST OF GOODS SOLD	%	50.15	63.07	82.92
SELLING & ADMINISTRATION	%	41.84	37.36	21.04
INTEREST	%	-	-	-
GROSS PROFIT MARGIN	%	50.50	37.57	17.08

**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.

***KENTO FOOTWARE (THAILAND) COMPANY LIMITED - 536767***

***PAGE NO. : 11***

NET PROFIT MARGIN BEFORE EX. ITEM	%	8.66	0.21	(3.97)
NET PROFIT MARGIN	%	8.34	0.21	(3.97)
RETURN ON EQUITY	%	10.63	0.29	(8.77)
RETURN ON ASSET	%	10.50	0.29	(8.66)
EARNING PER SHARE	BAHT	15.23	0.37	(32.99)

**LEVERAGE RATIO**

DEBT RATIO	TIMES	0.01	0.00	0.01
DEBT TO EQUITY RATIO	TIMES	0.01	0.00	0.01
TIME INTEREST EARNED	TIMES	-	-	-

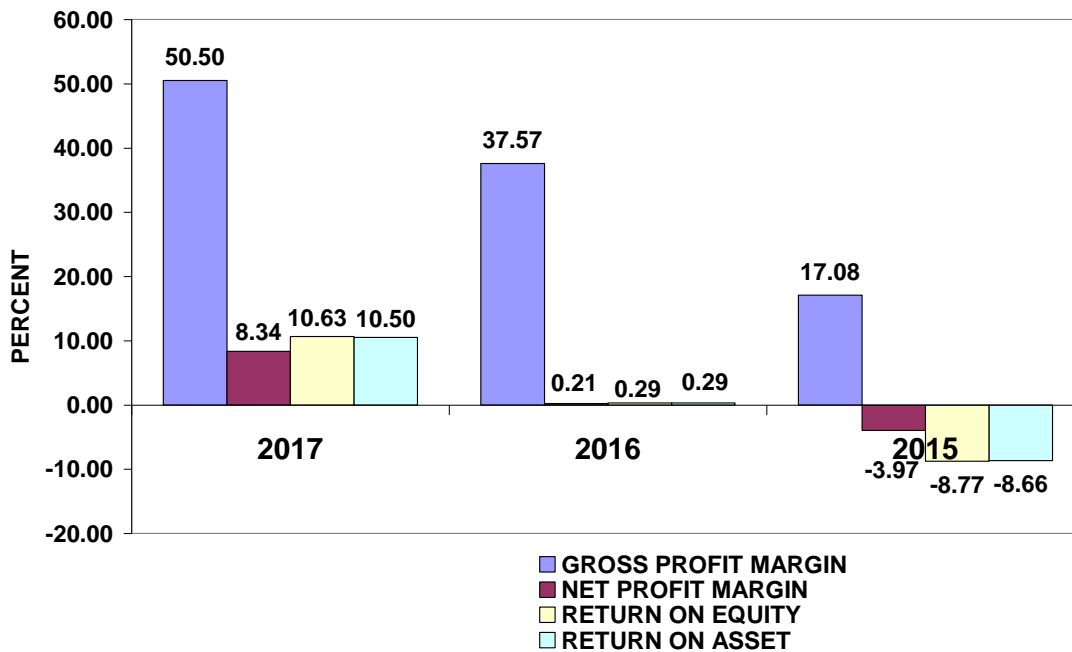
**ANNUAL GROWTH**

SALES GROWTH	%	3.84	111.27	
OPERATING PROFIT	%	4,214.13	(111.10)	
NET PROFIT	%	4,055.66	111.10	
FIXED ASSETS	%	-	-	
TOTAL ASSETS	%	12.99	236.84	

**ANNUAL GROWTH : IMPRESSIVE**

An annual sales growth is 3.84%. Sales Income has increased from THB 5,272,640.50 in 2016 to THB 5,474,895.00 in 2017. While net profit has increased from THB 10,991.16 in 2016 to THB 456,755.29 in 2017. And total assets has increased from THB 3,850,402.65 in 2016 to THB 4,350,658.06 in 2017.

**PROFITABILITY : IMPRESSIVE**



**PROFITABILITY RATIO**

Gross Profit Margin	50.50	Impressive	Industrial Average	15.55
Net Profit Margin	8.34	Impressive	Industrial Average	3.02
Return on Assets	10.50	Impressive	Industrial Average	5.50
Return on Equity	10.63	Satisfactory	Industrial Average	16.57

Gross Profit Margin used to assess a firm's financial health by revealing the proportion of money left over from revenues after accounting for the cost of goods sold. Gross profit margin serves as the source for paying additional expenses and future savings. Gross Profit Margin is 50.5%. When compared with the industry average, the ratio of the company was higher, indicated that company was more profitable than the same industry.

Net Profit Margin is the indicator of the company's efficiency in that net profit takes into consideration all expenses of the company. A low profit margin indicates a low margin of safety, higher risk that a decline in sales will erase profits and result in a net loss. Net Profit Margin ratio is 8.34%, higher figure when compared with those of its average competitors in the same industry, indicated that business was an efficient operator in a dominant position within its industry.

Return on Assets measures how efficiently profits are being generated from the assets employed in the business when compared with the ratios of firms in a similar business. A low ratio in comparison with industry averages indicates an inefficient use of business assets. Return on Assets ratio is 10.5%, higher figure when compared with those of its average competitors in the same industry, indicated that business was an efficient profit in a dominant position within its industry.

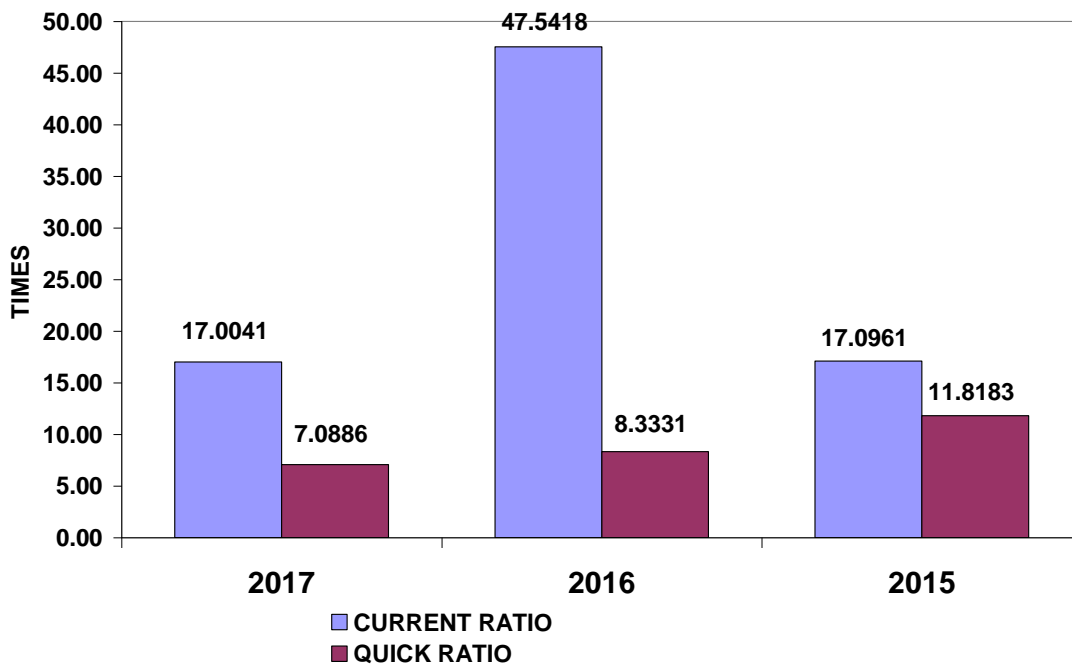
**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, 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.

Return on Equity indicates how profitable a company is by comparing its net income to its average shareholders' equity, ROE measures how much the shareholders earned for their investment in the company. When compared with the industry average, it was lower, the company's figure is 10.63%.

**Trend of the average competitors in the same industry for last 5 years**

Return on Assets                      Downtrend  
 Return on Equity                      Downtrend

**LIQUIDITY : IMPRESSIVE**



**LIQUIDITY RATIO**

Current Ratio	17.00	Impressive	Industrial Average	1.83
Quick Ratio	7.09			
Cash Conversion Cycle	73.50			

The Current Ratio is to ascertain whether a company's short-term assets are readily available to pay off its short-term liabilities. The company's figure is 17 times in 2017, decrease from 47.54 times, then it is generally considered to have good short-term financial strength. When compared with the industry average, the ratio of the company was higher, indicated that company was an efficient operator in a dominant position within its industry.

The Quick Ratio is a liquidity indicator that further refines the current ratio by measuring the amount of the most liquid current assets there are to cover current liabilities. The company's figure is 7.09 times in 2017, decrease from 8.33 times, although excluding inventory so the company still have good short-term financial strength.

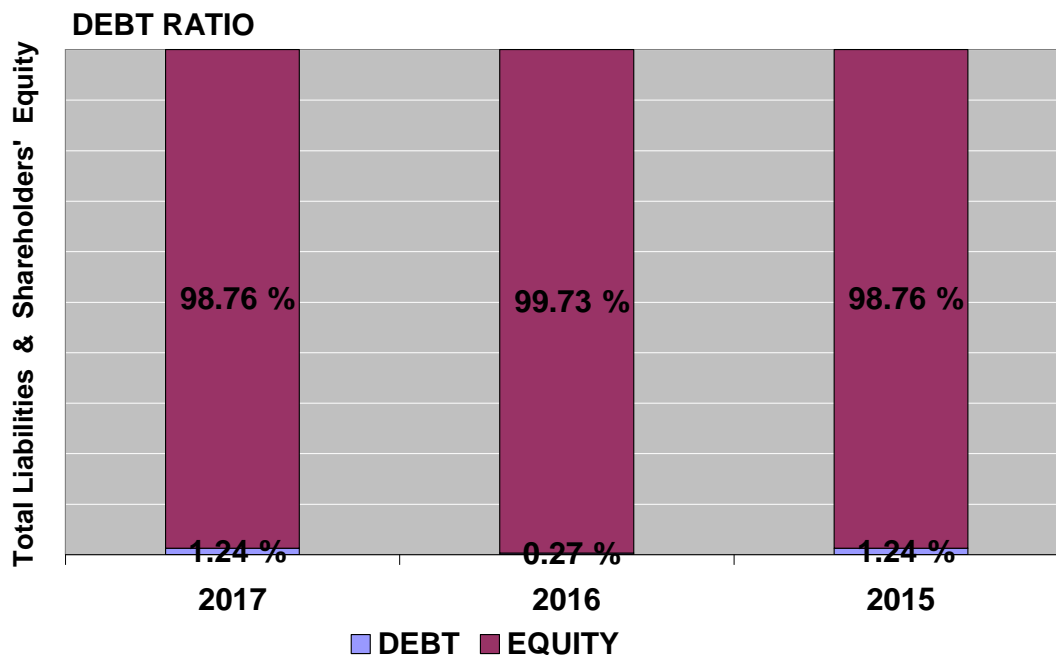
**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, 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.

The Cash Conversion Cycle measures the number of days a company's cash is tied up in the production and sales process of its operations and the benefit from payment terms from its creditors. It meant the company could survive when no cash inflow was received from sale for 74 days.

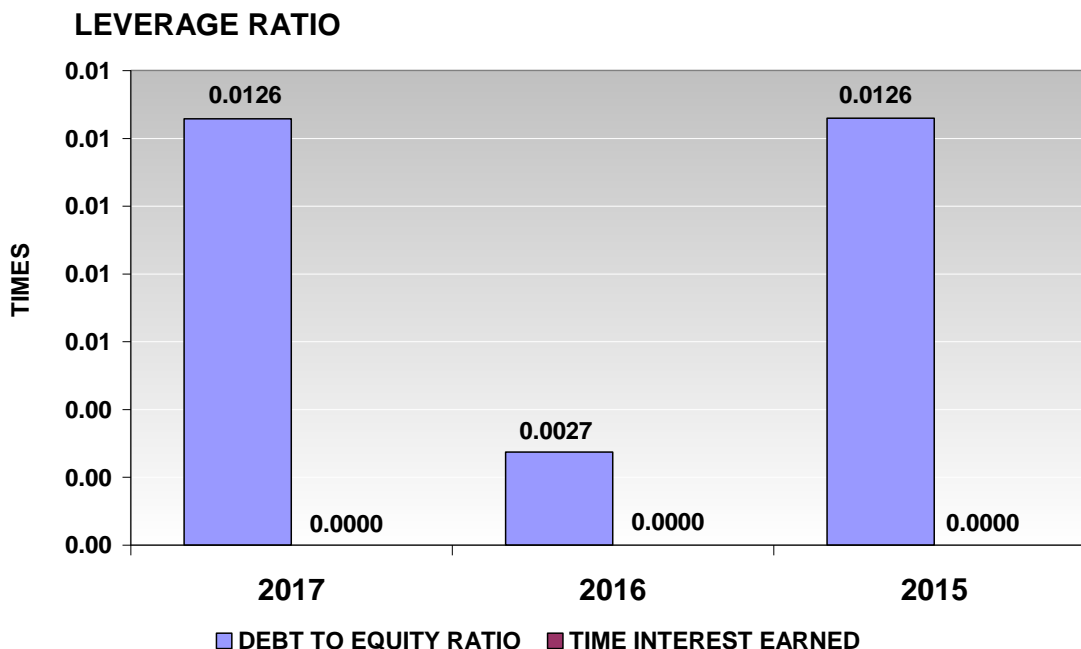
**Trend of the average competitors in the same industry for last 5 years**

Current Ratio                      Uptrend

**LEVERAGE : EXCELLENT**



**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.



**LEVERAGE RATIO**

Debt Ratio	0.01	Impressive	Industrial Average	0.48
Debt to Equity Ratio	0.01	Impressive	Industrial Average	0.93
Times Interest Earned	-		Industrial Average	-

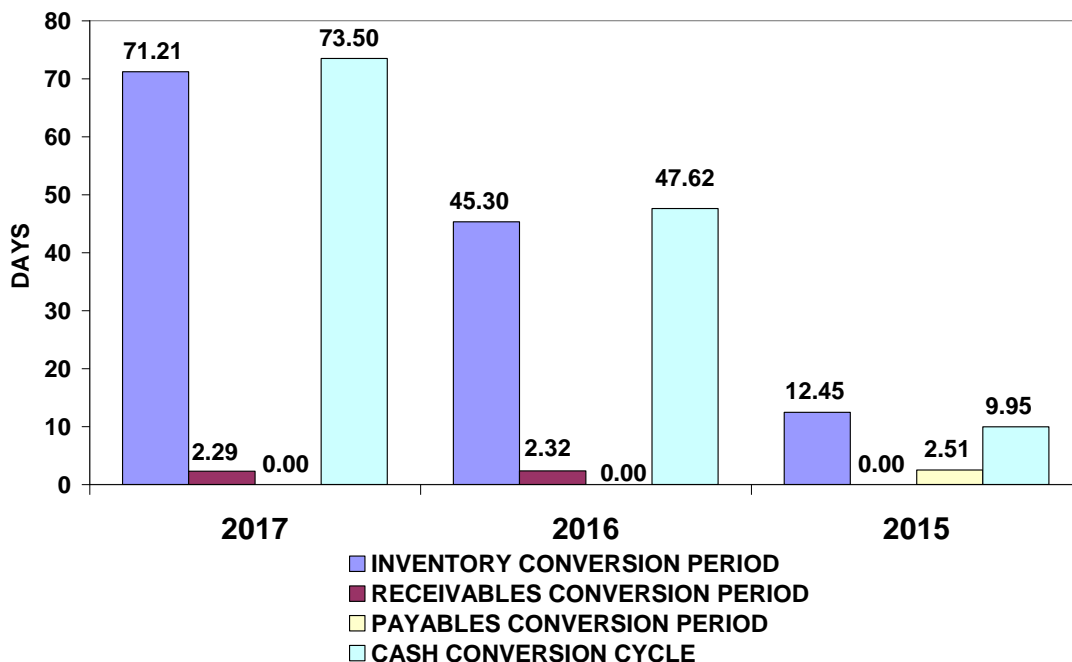
Debt to Equity Ratio a measurement of how much suppliers, lenders, creditors and obligors have committed to the company versus what the shareholders have committed. A lower the percentage means that the company is using less leverage and has a stronger equity position.

Debt Ratio shows the proportion of a company's assets which are financed through debt. The company's figure is 0.01 less than 0.5, most of the company's assets are financed through equity.

**Trend of the average competitors in the same industry for last 5 years**

Debt Ratio	Downtrend
Times Interest Earned	Stable

**ACTIVITY : IMPRESSIVE**



**ACTIVITY RATIO**

Fixed Assets Turnover	-		Industrial Average	-
Total Assets Turnover	1.26	Satisfactory	Industrial Average	1.82
Inventory Conversion Period	71.21			
Inventory Turnover	5.13	Satisfactory	Industrial Average	7.91
Receivables Conversion Period	2.29			
Receivables Turnover	159.52	Impressive	Industrial Average	6.00
Payables Conversion Period	-			

The company's Account Receivable Ratio is calculated as 159.52 and 157.39 in 2017 and 2016 respectively. This ratio measures the efficiency of the company in managing its trade debtors to generate revenue. A lower ratio may indicate over extension and collection problems. Conversely, a higher ratio may indicate an overly stringent policy. In this case, the company's A/R ratio in 2017 increased from 2016. This would suggest the company had good performance in the management of its debt collections.

Inventory Turnover in Days Ratio indicates the liquidity of inventory. It estimates the number of days that it will take to sell the current inventory. Inventory is particularly sensitive to change in business activities. The inventory turnover in days has increased from 45 days at the end of 2016 to 71 days at the end of 2017. This represents a negative trend. And Inventory turnover has decreased from 8.06 times in year 2016 to 5.13 times in year 2017.

**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.

The company's Total Asset Turnover is calculated as 1.26 times and 1.37 times in 2017 and 2016 respectively. This ratio is determined by dividing total assets into total sales turnover. The ratio measures the activity of the assets and the ability of the firm to generate sales through the use of the assets.

**Trend of the average competitors in the same industry for last 5 years**

Fixed Assets Turnover	Stable
Total Assets Turnover	Uptrend
Inventory Turnover	Uptrend
Receivables Turnover	Downtrend

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.42
UK Pound	1	INR 94.26
Euro	1	INR 83.69
Thai Baht	1	INR 2.21

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

**INFORMATION DETAILS**

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

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

**RATING EXPLANATIONS**

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)