

## MIRA INFORM REPORT

<b>Report No. :</b>	535417
<b>Report Date :</b>	22.10.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	TECHIK INSTRUMENT (SHANGHAI) CO.,LTD.
<b>Registered Office :</b>	Room 506 Bldg. 3 No. 245 Jiachuan Road Xuhui Dist. Shanghai Pr
<b>Country :</b>	China
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	26.12.2008
<b>Credibility Code :</b>	913101046840006171
<b>Legal Form :</b>	Limited liabilities co
<b>Line of Business :</b>	The subject's registered business scope includes technological development, transfer, consultation and service in the fields of information technology, chemical industry and mechanical science and technology; installation, commissioning, sales and maintenance of public safety technology preventive equipment, electronic equipment, communication equipment, computer software and hardware, peripheral equipment and instruments; selling general mechanical equipment, office supplies and building materials; importing and exporting goods and technologies; assembly, production and sale of metal analyzers; assembly and production of various testing machines (with permit if needed)
<b>No. of Employees :</b>	161

### 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>	Satisfactory
-----------------	--------------

**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>Payment Behaviour :</b>	No Complaints
<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>
China	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

**CHINA - ECONOMIC OVERVIEW**

Since the late 1970s, China has moved from a closed, centrally planned system to a more market-oriented one that plays a major global role. China has implemented reforms in a gradualist fashion, resulting in efficiency gains that have contributed to a more than tenfold increase in GDP since 1978. Reforms began with the phaseout of collectivized agriculture, and expanded to include the gradual liberalization of prices, fiscal decentralization, increased autonomy for state enterprises, growth of the private sector, development of stock markets and a modern banking system, and opening to foreign trade and investment. China continues to pursue an industrial policy, state support of key sectors, and a restrictive investment regime. From 2013 to 2017, China had one of the fastest growing economies in the world, averaging slightly more than 7% real growth per year. Measured on a purchasing power parity (PPP) basis that adjusts for price differences, China in 2017 stood as the largest economy in the world, surpassing the US in 2014 for the first time in modern history. China became the world's largest exporter in 2010, and the largest trading nation in 2013. Still, China's per capita income is below the world average.

In July 2005 moved to an exchange rate system that references a basket of currencies. From mid-2005 to late 2008, the renminbi (RMB) appreciated more than 20% against the US dollar, but the exchange rate remained virtually pegged to the dollar from the onset of the global financial crisis until June 2010, when Beijing announced it would resume a gradual appreciation. From 2013 until early 2015, the renminbi held steady against the dollar, but it depreciated 13% from mid-2015 until end-2016 amid strong capital outflows; in 2017 the RMB resumed appreciating against the dollar – roughly 7% from end-of-2016 to end-of-2017. In 2015, the People's Bank of China announced it would continue to carefully push for full convertibility of the renminbi, after the currency was accepted as part of the IMF's special drawing rights basket. However, since late 2015 the Chinese Government has strengthened capital controls and oversight of overseas investments to better manage the exchange rate and maintain financial stability.

The Chinese Government faces numerous economic challenges including: (a) reducing its high domestic savings rate and correspondingly low domestic household consumption; (b) managing its high corporate debt burden to maintain financial stability; (c) controlling off-balance sheet local government debt used to finance infrastructure stimulus; (d) facilitating higher-wage job opportunities for the aspiring middle class, including rural migrants and college graduates, while maintaining competitiveness; (e) dampening speculative investment in the real estate sector without sharply slowing the economy; (f) reducing industrial overcapacity; and (g) raising productivity growth rates through the more efficient allocation of capital and state-support for innovation. Economic development has progressed further in coastal provinces than in the interior, and by 2016 more than 169.3 million migrant workers and their dependents had relocated to urban areas to find work. One consequence of China's population control policy known as the "one-child policy" - which was relaxed in 2016 to permit all families to have two children - is that China is now one of the most rapidly aging countries in the world. Deterioration in the environment - notably air pollution, soil erosion, and the steady fall of the water table, especially in the North - is another long-term problem. China continues to lose arable land because of erosion and urbanization. The Chinese Government is seeking to add energy production capacity from sources other than coal and oil, focusing on natural gas, nuclear, and clean energy development. In 2016, China ratified the Paris Agreement, a multilateral agreement to combat climate change, and committed to peak its carbon dioxide emissions between 2025 and 2030.

The government's 13th Five-Year Plan, unveiled in March 2016, emphasizes the need to increase innovation and boost domestic consumption to make the economy less dependent on government investment, exports, and heavy industry. However, China has made more progress on subsidizing innovation than rebalancing the economy. Beijing has committed to giving the market a more decisive role in allocating resources, but the Chinese Government's policies continue to favor state-owned enterprises and emphasize stability. Chinese leaders in 2010 pledged to double China's GDP by 2020, and the 13th Five Year Plan includes annual economic growth targets of at least 6.5% through 2020 to achieve that goal. In recent years, China has renewed its support

**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.

for state-owned enterprises in sectors considered important to "economic security," explicitly looking to foster globally competitive industries. Chinese leaders also have undermined some market-oriented reforms by reaffirming the "dominant" role of the state in the economy, a stance that threatens to discourage private initiative and make the economy less efficient over time. The slight acceleration in economic growth in 2017—the first such uptick since 2010—gives Beijing more latitude to pursue its economic reforms, focusing on financial sector deleveraging and its Supply-Side Structural Reform agenda, first announced in late 2015.

Source : CIA

## **COMPANY NAME AND ADDRESS**

Company Name : TECHIK INSTRUMENT (SHANGHAI) CO.,LTD.  
Address : No. 118 Lane 3509 South Hongmei Road Minhang District SHANGHAI,  
PR CHINA  
Telephone : 0086- 21-60671088  
Facsimile : 0086- 21-54307031  
Website : <http://www.techik.cn>  
Email : [sales@techin.cn](mailto:sales@techin.cn)

## **REGISTRATION INFORMATION**

Established Date : 2008-12-26  
Credibility Code : 913101046840006171  
Legal Form : Limited liabilities co.  
Registration Authority : Market Supervision Bureau – Xuhui Dist. Shanghai  
Status : Active

Registered Capital : RMB 6,000,000  
Paid Up Capital : RMB 6,000,000  
Turnover : RMB 127,872,000 (as of Dec. 31, 2017)  
Equities : RMB 14,258,000 (as of Dec. 31, 2017)

Chief Executive : Xiang Min  
Business Line : Manufacturer  
Manpower : 161

Tax Registration  
Certificate No. : 913101046840006171  
Organization Code : 68400061-7

HS code : 3104960962  
Import & Export code : 3100684000617

Financial Condition : Fairly Stable  
Business Size : Medium Enterprise  
Payment : No complaints

### **Registered Address**

Room 506 Bldg. 3 No. 245 Jiachuan Road Xuhui Dist. Shanghai Pr China

**Company Status: Limited liabilities co.**

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

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

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

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

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

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

Existing shareholders have pre-exemption right to purchase shares of the co. offered for sale by the other shareholders and to subscribe for the newly increased registered capital of the co.

**Premise**

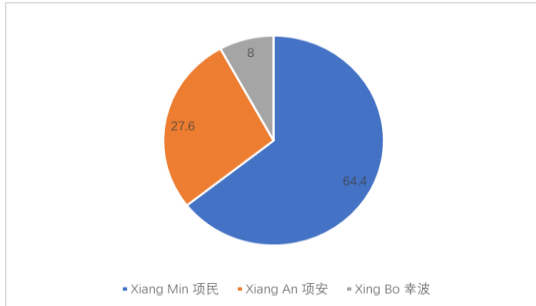
The subject operates from premises located at the heading address, and this address houses its operating office and factory in Shanghai. Our checks reveal that the subject rents the total premise, but the square meters are unknown.

## ***MANAGEMENT***

<b>Position</b>	<b>Name</b>	<b>Nationality</b>
Legal representative, General Manager Executive Director	Xiang Min	Chinese
Supervisors	Xiang An	Chinese

## ***MAJOR SHAREHOLDERS***

<b>Name</b>	<b>% Shareholding</b>
Xiang Min	64.4
Xiang An	27.6
Xing Bo	8



## **KEY EVENTS**

**Changes of its registered information are as follows:**

Date of change	Item	Before the change	After the change
2014-12-03	Legal representative	Shao Jianping	Present one

## **BUSINESS OPERATIONS**

The subject's registered business scope includes technological development, transfer, consultation and service in the fields of information technology, chemical industry and mechanical science and technology; installation, commissioning, sales and maintenance of public safety technology preventive equipment, electronic equipment, communication equipment, computer software and hardware, peripheral equipment and instruments; selling general mechanical equipment, office supplies and building materials; importing and exporting goods and technologies; assembly, production and sale of metal analyzers; assembly and production of various testing machines (with permit if needed)

The subject is mainly engaged in manufacturing and selling food safety inspection equipment and public security inspection equipment.

Products:

Metal Detector  
X-ray inspection System  
Checkweigher  
Combo Machine  
Multi-sorting Checkweigher

The subject sources its materials 70% from domestic market, and 30% from overseas market. the subject sells 60% of its products in domestic market, and 40% to overseas market, mainly U.S.A. and Ukraine, Russia, Vietnam, etc.

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

**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.

## ***SUPPLIER & CUSTOMER***

No record.

## ***RELATED COMPANIES***

### **Subsidiaries**

Techik Instrument (Hefei) Co. Ltd  
=====

Credibility Code: 91340111MA2T12R0XU

Legal representative: Xiang Min

Registered Capital: RMB 6,000,000

Established Date: 2018-08-27

### **Branches**

Techik Instrument (Shanghai) Co. Ltd Minhang Branch  
=====

Credibility Code: 91310112MA1GBUTW1U

Principal: Xiang Min

Established Date: 2018-01-11

## ***NEGATIVE INFORMATION***

### **Lawsuit Record:**

<b>Date</b>	<b>Case No.</b>	<b>Petitioner</b>	<b>Defendant</b>	<b>Executive court</b>	<b>Status</b>
2016-12-31	2016-0121	The subject company.	Chengdu Li Hui Food Co., Ltd.	Jintang County People's court	Concluded

**Trade payment experience:** The subject did not provide any name of trade/service suppliers and we have no other sources to conduct the enquiry at present.

**Delinquent payment record:** None in our database.

**Debt collection record:** No overdue amount owed by the subject was placed to us for collection within the last 6 years.

**Customs administrative penalty:** No record.

**Equity freeze information:** No record.

**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.

Administrative Penalty: No record.

## **MORTGAGE**

Registered No.	Registered Date	Registration Authority	Amount (RMB)
[2014]-34	2014-12-24	Market Supervision Bureau – Xuhui Dist. Shanghai	3,000,000

## **TRADEMARK**

Registration No.	Registration Date	Trademark Design
6752920	2010-6-14	
7997462	2011-7-21	

## **PATENT**

Patent name	Published Application Number	Application number	Date of publication
Driving circuit of high speed solenoid valve	CN106122565B	CN201610771777.7	2018-07-20
Self checking control method of metal detecting machine	CN106383371A	CN201610771757.X	2017-02-08

## **BANKING**

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

Bank of China Meilong Sub-branch

Account No.: 440363446436

## **ABBREVIATED FINANCIAL STATEMENT**

### **Financial Summary**

=====

Unit: RMB'000

	<b>As of Dec. 31, 2016</b>	<b>As of Dec. 31, 2017</b>
Total assets	84,310	108,672
	=====	=====
Total liabilities	74,280	94,414
Equities	10,030	14,258
	-----	-----
Total liabilities & equities	84,310	108,672
	=====	=====
Turnover	97,790	127,872
Profits before tax	1,780	4,351
Less: tax	0	125
Profits	1,780	4,226

### **Important Ratios**

=====

	<b>As of Dec. 31, 2016</b>	<b>As of Dec. 31, 2017</b>
*Liabilities to assets	0.88	0.87
*Net profit margin (%)	1.82	3.30
*Return on total assets (%)	2.11	3.89
*Turnover/Total assets	1.16	1.18

### **PROFITABILITY: AVERAGE**

The turnover of the subject appears average in its line in 2016 and fairly good in 2017.  
the subject's net profit margin is average.  
the subject's return on total assets is average.

the subject's turnover is average, comparing with the size of its total assets.

### **LEVERAGE: FAIR**

The debt ratio of the subject is high.  
The risk for the subject to go bankrupt is average.

### **TREND ANALYSIS**

=====

	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Sales Trend</b>	--	--	↑
<b>Profit margin</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.

Debt to assets ratio	--	--	↓
Overall	Financial	<input type="checkbox"/> Good	<input type="checkbox"/> Fairly Good
Condition		<input checked="" type="checkbox"/> Fairly Stable	<input type="checkbox"/> Fair
			<input type="checkbox"/> Stable
			<input type="checkbox"/> Poor

## **COMMENT**

The subject was registered as a Limited liabilities co. at local Administration for Industry & Commerce (AIC - The official body of issuing and renewing business license).

The subject is considered medium-sized in its line with fairly stable financial conditions.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.44
UK Pound	1	INR 95.65
Euro	1	INR 84.17
CNY	1	INR 10.57

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	DIV
<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)