

MIRA INFORM REPORT

Report No. :	535626
Report Date :	24.10.2018

IDENTIFICATION DETAILS

Name :	EKMAN PULP AND PAPER LIMITED
Registered Office :	Room 4024-39, 40/F., Sun Hung Kai Centre, 30 Harbour Road, Wanchai
Country :	Hong Kong
Date of Incorporation :	23.02.1982
Com. Reg. No.:	08536079
Legal Form :	Private Limited Company
Line of Business :	Importer, Wholesaler and Re-exporter of Pulp and paper
No. of Employees :	28 (Including associates)

RATING & COMMENTS

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

MIRA's Rating :	A
-----------------	---

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

Status :	Good
Payment Behaviour :	No Complaints
Litigation :	Clear

NOTES :

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

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.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Hong Kong	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

HONG KONG - ECONOMIC OVERVIEW

Hong Kong has a free market economy, highly dependent on international trade and finance - the value of goods and services trade, including the sizable share of reexports, is about four times GDP. Hong Kong has no tariffs on imported goods, and it levies excise duties on only four commodities, whether imported or produced locally: hard alcohol, tobacco, oil, and methyl alcohol. There are no quotas or dumping laws. Hong Kong continues to link its currency closely to the US dollar, maintaining an arrangement established in 1983.

Excess liquidity, low interest rates and a tight housing supply have caused Hong Kong property prices to rise rapidly. The lower and middle-income segments of the population increasingly find housing unaffordable.

Hong Kong's open economy has left it exposed to the global economic situation. Its continued reliance on foreign trade and investment makes it vulnerable to renewed global financial market volatility or a slowdown in the global economy.

Mainland China has long been Hong Kong's largest trading partner, accounting for about half of Hong Kong's total trade by value. Hong Kong's natural resources are limited, and food and raw materials must be imported. As a result of China's easing of travel restrictions, the number of mainland tourists to the territory surged from 4.5 million in 2001 to 47.3 million in 2014, outnumbering visitors from all other countries combined. After peaking in 2014, overall tourist arrivals dropped 2.5% in 2015 and 4.5% in 2016. The tourism sector rebounded in 2017, with visitor arrivals rising 3.2% to 58.47 million. Travelers from Mainland China totaled 44.45 million, accounting for 76% of the total.

The Hong Kong Government is promoting the Special Administrative Region (SAR) as the preferred business hub for renminbi (RMB) internationalization. Hong Kong residents are allowed to establish RMB-denominated savings accounts, RMB-denominated corporate and Chinese government bonds have been issued in Hong Kong, RMB trade settlement is allowed, and investment schemes such as the Renminbi Qualified Foreign Institutional Investor (RQFII) Program was first launched in Hong Kong. Offshore RMB activities experienced a setback, however, after the People's Bank of China changed the way it set the central parity rate in August 2015. RMB deposits in Hong Kong fell from 1.0 trillion RMB at the end of 2014 to 559 billion RMB at the end of 2017, while RMB trade settlement handled by banks in Hong Kong also shrank from 6.8 trillion RMB in 2015 to 3.9 trillion RMB in 2017.

Hong Kong has also established itself as the premier stock market for Chinese firms seeking to list abroad. In 2015, mainland Chinese companies constituted about 50% of the firms listed on the Hong Kong Stock Exchange and accounted for about 66% of the exchange's market capitalization.

During the past decade, as Hong Kong's manufacturing industry moved to the mainland, its service industry has grown rapidly. In 2014, Hong Kong and China signed a new agreement on achieving basic liberalization of trade in services in Guangdong Province under the Closer Economic Partnership Agreement (CEPA), adopted in 2003 to forge closer ties between Hong Kong and the mainland. The new measures, which took effect in March 2015, cover a negative list and a most-favored treatment provision. On the basis of the Guangdong Agreement, the Agreement on Trade in Services signed in November 2015 further enhanced liberalization, including extending the implementation of the majority of Guangdong pilot liberalization measures to the whole Mainland, reducing the restrictive measures in the negative list, and adding measures in the positive lists for cross-border services as well as cultural and telecommunications services. In June 2017, the Investment Agreement and the Agreement on Economic and Technical Cooperation (Ecotech Agreement) were signed under the framework of CEPA.

Hong Kong's economic integration with the mainland continues to be most evident in the banking and finance sector. Initiatives like the Hong Kong-Shanghai Stock Connect, the Hong Kong- Shenzhen Stock Connect the Mutual Recognition of Funds, and the Bond Connect scheme are all important steps towards opening up the Mainland's capital markets and have reinforced Hong Kong's role as China's leading offshore RMB market. Additional connect schemes such as ETF Connect (for exchange-traded fund products) are also under

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.



MIRA INFORM PRIVATE LIMITED
605, Palmspring, Near D'Mart, Link Road,
Malad (West), Mumbai - 400 064. INDIA
Tel : 91-22-40448000 (44 lines)
Fax : 91-22-40448045 / 40448046
E-mail : mira@mirainform.com
info@mirainform.com
Website : <http://www.mirainform.com>
<http://www.miraglobalcheck.com>
<http://www.miraglobalcollections.com>

exploration by Hong Kong authorities. In 2017, Chief Executive Carrie LAM announced plans to increase government spending on research and development, education, and technological innovation with the aim of spurring continued economic growth through greater sector diversification.

Source : CIA

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 NAME AND ADDRESS

EKMAN PULP AND PAPER LIMITED

ADDRESS: Room 4024-39, 40/F., Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.

PHONE: 852-2542 1268, 2827 1010

FAX: 852-2542 1626, 2827 7711

E-MAIL: ekman.hk@ekman-co.se
gustav.appelgren@ekmangroup.com

MANAGEMENT:

Managing Director: Mr. Michael James Flynn

SUMMARY

Incorporated on: 23rd February, 1982.

Organization: Private Limited Company.

Issued Share Capital: HK\$100,000.00

Business Category: Importer, Wholesaler and Re-exporter.

Employees: 28. (Including associates)

Main Dealing Banker: Skandinaviska Enskilda Banken AB (publ), Hong Kong Branch.

Banking Relation: Satisfactory.

ADDRESS

Registered Head Office:-

Room 4024-39, 40/F., Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.

China Offices:-

Suite 5-2010, Guanghua Xuan Guang An Men Wai, Xuan Wu District, Beijing, China 100055.

[Tel: 86 10 6343 5411, Fax: 86 10 6343 5412]

Room 2313, Nan Zheng Building, No. 580 West Nanjing Road, Shanghai, China 200041.

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.

[Tel: 86 21 5234 0543/4/5, Fax: 86 21 5234 0546]
6/F., New Yield Fast Commercial Building, 63 Jida Road, Zhuhai SEZ, China 519015.
[Tel: 86 756 3221 671/72/73, Fax: 86 756 3221 670]

Holding Company:-
Ekman & Co. AB
Ekelundsgatan 1, SE-401 23, Goteborg, Sweden.
[Tel: 46 31 750 55 00, Fax: 46 31 750 56 80]

Associated Companies:-
AB Jan Liebig Ltd., Sweden.
Costal Pulp & Paper LLC, USA.
Costal Pulp & Paper Ltd., Hong Kong.
Ekman & Co. (Korea) Ltd., Korea.
Ekman & Co. AB, Sweden.
Ekman & Co. China Ltd., China.
Ekman & Co. GmbH, Germany.
Ekman & Co. Inc., USA.
Ekman Africa (Pty) Ltd., South Africa.
Ekman AG, Switzerland.
Ekman Asia Pte. Ltd., Singapore.
Ekman Converting SA, Morocco.
Ekman Denmark Aps, Denmark.
Ekman Dis Ticaret Ltd. Sti, Turkey.
Ekman do Brasil Comercial Ltda., Brazil.
Ekman Iberica S.A., Spain.
Ekman Italia S.r.l., Italy.
Ekman Middle East (FZC), UAE.
Ekman Polska Sp. z.o.o., Poland.
Ekman Pty. Ltd., Australia.
Ekman Pulp & Paper Co. Ltd., Japan.
Ekman Pulp & Paper Pvt. Ltd., India.
Ekman Recycling Inc., USA.
Ekman UK Ltd., UK.
Kwok Fung (Sino H.K.) Enterprise Ltd., Hong Kong.
Percy Von Schoulta & Co. AB, Sweden.
Rappresentanza Ekman SRL, Italy.
Reliance Fibres Ltd., United Kingdom.
Secondary Pulp & Paper Inc., Canada.
Taipei Ekman & Co., Taiwan.
etc.

BUSINESS REGISTRATION NUMBER

08536079

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 FILE NUMBER

0109142

MANAGEMENT

CEO: Mr. Jan Olof Svensson
Managing Director: Mr. Michael James Flynn

ISSUED SHARE CAPITAL

HK\$100,000.00 (50,000 fully paid "A" ordinary shares and 50,000 fully paid "B" ordinary shares)

SHAREHOLDER

(As per registry dated 23-02-2018)

<u>Name</u>	<u>No. of shares</u>	
	"A" Ordinary	"B" Ordinary
Ekman & Co. AB	50,000	50,000
Ekelundsgatan 1, SE-401 23, Goteborg, Sweden.	=====	=====

DIRECTORS

(As per registry dated 28-08-2018)

<u>Name</u>	<u>Address</u>
(Nationality) Jan Olof SVENSSON	Meisenbergstrasse 7, 6300 Zug, Switzerland.
Per Hans TIDEBRANT	Utlandagatan 10, SE-412 61, Gothenburg, Sweden.
Michael James FLYNN	8 Mountain Lane, Holmdel, NJ 07733, U.S.A.
Annie Elisabeth EDVARSEN	Baverstigen 3, S-448 34 Floda, Sweden.
Kiyokazu UEDA	1-5-4 Mukaihara, Asao-ku, Kawasaki-city, Kanagawa, Japan.

SECRETARY

(As per registry dated 23-02-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
Macfarlane Ltd.	Room 1701, 17/F., Tai Yau Building, 181 Johnston Road, Wanchai, Hong Kong.	0562735

HISTORY

The subject was incorporated on 23rd February, 1982 as a private limited liability company under the Hong Kong Companies Ordinance.

Formerly the subject was located at Suite 4702, 47/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong, moved to the present address in October 2011.

Apart from these, neither material change nor amendment has been ever traced and noted.

OPERATIONS

Activities:	Importer, Wholesaler and Re-exporter.
Lines:	Pulp and paper.
Employees:	28.
Commodities Imported:	Mainly imported from Europe, Canada, etc.
Markets:	China and other Asian countries.
Group Operating Revenue:	US\$2,510 million (2013) US\$2,341 million (2014) US\$2,097 million (2015) US\$1,981 million (2016) US\$2,372 million (2017)
Group Volume Traded:	4,800 tonnes (2013) 4,600 tonnes (2014) 4,296 tonnes (2015) 4,266 tonnes (2016) 4,613 tonnes (2017)
Terms/Sales:	As per contracted.
Terms/Buying:	Various terms.

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.

MEMBERSHIP

Swedish Chamber of Commerce in Hong Kong, Hong Kong

FINANCIAL INFORMATION

Issued Share Capital: HK\$100,000.00 (50,000 fully paid "A" ordinary shares and 50,000 fully paid "B" ordinary shares)

Mortgage or Charge:-

Date of Charge Over Account Receivables: 26-04-2001

Amount: The maximum aggregate principal amount of US\$3,000,000 under Facility Letter dated 23-04-2001

Property: The Company as beneficial owner thereby charged with the payment or discharge of all monies and liabilities owing by the Company to the Lender in respect of the Facility

Mortgagee: Skandinaviska Enskilda Banken AB (publ), Singapore Branch.

Profit or Loss: Business is profitable.

Condition: Keeping in an active state.

Facilities: Making active use of general banking facilities.

Payment: No Complaints

Commercial Morality: Satisfactory.

Banker: Skandinaviska Enskilda Banken AB (publ), Hong Kong Branch.

Standing: Very Good.

GENERAL

Ekman Pulp and Paper Limited is a wholly-owned subsidiary of Ekman & Co. AB [Ekman] which is a Sweden-based firm. The subject is one of the members of the Ekman Group which is trading in pulp and paper. It imports paper and pulp from Europe and Canada and re-exported to China and the other Asian countries. Business has been good and active.

The managing director of the subject Mr. Michael James Flynn is a US passport holder.

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 major activities of the subject are marketing, selling, financing and distribution of forest products throughout Southeast Asia with a special emphasis on the Chinese market. Main products include wood pulp, recycled paper, paper and packaging grades as well as biofuels.

The subject also supports the sales activities of other Ekman offices located throughout Asia.

The Ekman Group, incorporated in 1802 and headquartered in Gothenburg, is one of the world's leading international trading companies focusing on the global forest products industry.

Ekman is one of the world's leading trading houses, working for the global forest industry. Its mission is to facilitate and to add value to the process of marketing, selling and distributing forest products worldwide.

The operations are coordinated from Ekman's three hubs in Gothenburg, Miami and Hong Kong. These three offices are fully equipped trading houses, capable of providing all of the different services it may offer to its customers.

Ekman was founded by Mr. Daniel Joensson Ekman in 1663 selling iron and timber.

Ekman is trading in the following products:

- Pulp
- Paper and Packaging
- Recovered Materials
- Bioenergy
- Ekman provides a complete range of services for the paper and pulp industries, covering market information and research, invoicing and documentation, logistics and warehouse administration, transportation and insurance, trade finance, credit risk coverage, payment administration, advance payments and financing, currency and interest rate hedging, and price risk hedging.
- The following table is the financial highlights of the Ekman Group – Five years' summary (Unit: US\$ million):-

	2017	2016	2015	2014	2013
Total sales	2,372	1,981	2,097	2,341	2,510
Income after financial items	9.4	5.9	9.3	9.1	11.5
Total assets	295	243	244	319	324
Equity	54.2	43.8	46.2	44.7	53.3

The total sales of the Group in 2017 were satisfactory.

Now, Ekman has set up subsidiaries in Australia, Belgium, Brazil, Canada, China, Czech Republic, Dubai, India, Indonesia, Mexico, Italy, Japan, Poland, Singapore, South Korea, Spain, Sweden, Taiwan, Turkey, the United Kingdom and the United States.

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.

Ekman has about 260 employees working at about 40 locations throughout the world.

Jan Svensson is the CEO of the Ekman Group while Hans Tidebrant is the Senior Vice President. Ulf Fredrik Gustaf Arne Tragardh is the Executive Vice President. All are also directors of the subject.

The directors of the subject Ng and Yeung are veterans in the field of paper importing and marketing.

The subject has its own premises in Hong Kong. It is fully supported by Ekman.

The history of the subject in Hong Kong is over 36 years and seven months.

On the whole, consider it good for normal business engagements.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.78
UK Pound	1	INR 95.56
Euro	1	INR 84.47
HKD	1	INR 9.34

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

INFORMATION DETAILS

Analysis Done by :	NIY
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)