

MIRA INFORM REPORT

Report No. :	536243
Report Date :	25.10.2018

IDENTIFICATION DETAILS

Name :	SK LUBRICANTS CO., LTD.
Registered Office :	26, Jong-Ro, Jongno-Gu, Seoul, SK Bldg., Korea 03188
Country :	South Korea
Financials (as on) :	30.06.2018
Date of Incorporation :	05.10.2009
Com. Reg. No.:	101-86-49595
Legal Form :	Co., Ltd by Shares
Line of Business :	Manufacture of Lubricating Oils and Greases
No. of Employees :	316

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 :	Regular
Litigation :	Clear

NOTES:

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.

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)
South Korea	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

SOUTH KOREA - ECONOMIC OVERVIEW

After emerging from the 1950-53 war with North Korea, South Korea emerged as one of the 20th century's most remarkable economic success stories, becoming a developed, globally connected, high-technology society within decades. In the 1960s, GDP per capita was comparable with levels in the poorest countries in the world. In 2004, South Korea's GDP surpassed one trillion dollars.

Beginning in the 1960s under President PARK Chung-hee, the government promoted the import of raw materials and technology, encouraged saving and investment over consumption, kept wages low, and directed resources to export-oriented industries that remain important to the economy to this day. Growth surged under these policies, and frequently reached double-digits in the 1960s and 1970s. Growth gradually moderated in the 1990s as the economy matured, but remained strong enough to propel South Korea into the ranks of the advanced economies of the OECD by 1997. These policies also led to the emergence of family-owned chaebol conglomerates such as Daewoo, Hyundai, and Samsung, which retained their dominant positions even as the government loosened its grip on the economy amid the political changes of the 1980s and 1990s.

The Asian financial crisis of 1997-98 hit South Korea's companies hard because of their excessive reliance on short-term borrowing, and GDP ultimately plunged by 7% in 1998. South Korea tackled difficult economic reforms following the crisis, including restructuring some chaebols, increasing labor market flexibility, and opening up to more foreign investment and imports. These steps lead to a relatively rapid economic recovery. South Korea also began expanding its network of free trade agreements to help bolster exports, and has since implemented 16 free trade agreements covering 58 countries—including the United State and China—that collectively cover more than three-quarters of global GDP.

In 2017, the election of President MOON Jae-in brought a surge in consumer confidence, in part, because of his successful efforts to increase wages and government spending. These factors combined with an uptick in export growth to drive real GDP growth to more than 3%, despite disruptions in South Korea's trade with China over the deployment of a US missile defense system in South Korea.

In 2018 and beyond, South Korea will contend with gradually slowing economic growth - in the 2-3% range - not uncommon for advanced economies. This could be partially offset by efforts to address challenges arising from its rapidly aging population, inflexible labor market, continued dominance of the chaebols, and heavy reliance on exports rather than domestic consumption. Socioeconomic problems also persist, and include rising inequality, poverty among the elderly, high youth unemployment, long working hours, low worker productivity, and corruption.

Source : CIA

BASIC INFORMATION

Company Name	SK LUBRICANTS CO., LTD.
Registered Address	26, Jong-ro, Jongno-gu, Seoul, Korea
Building	SK Bldg.
Zip Code	03188
Tel	+82-2-2121-6114
Fax	+82-2-2121-7111
E-mail	krk@sklube.com
Website	www.sk lubricants.com;www.sk lube.com
Trading Address	SK Bldg., 26, Jong-ro, Jongno-gu, Seoul, Korea (Old Address System : SK Bldg., 99, Seorin-dong, Jongno-gu, Seoul, Korea)
Tel	+82-2-2121-5555
Fax	+82-2-2121-7111
Other Address-R&D Center	140-1, Wonchon-dong, Yuseong-gu, Daejeon, Korea
Tel	+82-42-866-7301
Fax	+82-42-866-7302
Other Address-Ulsan Complex	110, Gosa-dong, Nam-gu, Ulsan, Korea
Tel	+82-52-208-2114
Fax	+82-52-208-2002
Type	Export/Import
Industry	Manufacture of Lubricating Oils and Greases
Main Business	Lubricant, Grease
Sub Business	
Established (mm/dd/yyyy)	10/05/2009

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Grease(15121902)
Sell	Engine oil(15121501)
Sell	Brake oil(15121509)
Sell	Gear oil(15121503)
Sell	Lubricating preparations(15121500)

CEO'S

Name	Ji Dong-Sub
Date of Birth	07/07/1963
Title	President & CEO
Nationality	Korean

PROFILES

Capital (KRW)	100,000,000,000
Employees	316
Formation	Co., Ltd by shares A Company of SK Group
Bank Details	KEB Hana Bank Nong Hyup Bank Shinhan Bank
Corporate Registered No.	110111-4191815
Business Registered No.	101-86-49595
Permit & Licenses	Int'l Trade No.: 30669666
Shareholder Position	

Name	Shares	%
SK INNOVATION CO., LTD.(110111-3710385)	40,000,000	100.00
TOTAL	40,000,000	100.00

Company History	10/05/2009 Incorporated as the present name, after spinning off from SK ENERGY CO., LTD.(110111-3710385) 05/08/2015 Split off the par value to 2,500 KRW from 5,000 KRW 05/08/2015 Increased the authorized shares to 160,000,000 shares from 80,000,000 shares 02/26/2018 Decided to IPO by the Decision of Board of Directors
-----------------	--

MANAGEMENT

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Ji Dong-Sub	Korean	07/07/1963	12/21/2016
Outside Director / Auditor	Shinn Hyun-Han	Korean	02/05/1965	04/02/2018
Director	Na Kyung-Soo	Korean	06/28/1964	12/18/2015
Outside Director / Auditor	Cho Seok	Korean	09/27/1957	04/02/2018
Outside Director / Auditor	Song Eui-Young	Korean	04/30/1961	04/02/2018

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
06/2018	1,459,586,174,000	2,142,532,435,000	155,862,777,000
2017	2,904,364,377,000	2,144,149,309,000	368,527,960,000
2016	2,271,496,501,000	2,249,787,307,000	296,087,292,000

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.

2015	2,376,675,177,000	2,118,130,463,000	174,057,401,000
2014	3,025,477,343,000	2,043,050,431,000	149,667,445,000
2013	2,663,145,340,000	1,913,148,186,000	68,713,144,000
2012	2,505,875,601,000	1,927,142,049,000	109,166,879,000
2011	2,673,128,615,000	1,840,888,447,000	375,027,887,000
2010	2,003,365,602,000	1,289,099,890,000	217,502,430,000

FINANCIAL DESCRIPTION

Authorized Capital(KRW)	400,000,000,000
Paid-Up Capital(KRW)	100,000,000,000
Total Issues Shares	40,000,000

Balance Sheet

Unit : Thousand Korean Won	01/01/2018~06/30/2018	As of 12/31/2017	As of 12/31/2016
Total Assets	2,142,532,435	2,144,149,309	2,249,787,307
Current Assets	1,289,382,945	1,305,635,144	1,394,749,526
Cash & Cash Equivalents	93,529,030	303,946,227	175,929,238
Current Financial Instruments	123,664,515	-	425,688,625
Trade Receivables	707,698,981	660,237,234	525,235,953
Other Receivables	24,058,682	16,027,502	17,201,767
Unearned Income	256,045	255,337	792,540
Advance Payments	11,408,243	12,840,693	9,504,479
Prepaid Expenses	1,967,596	1,217,569	1,684,126
Inventories	324,019,675	294,186,546	232,133,341
Derivatives	2,780,178	16,432,856	6,579,457
Other Current Assets	-	491,180	-
Non-Current Assets	853,149,490	838,514,165	855,037,781
Other Financial Assets	10,000	10,000	10,000
Marketable Financial Instruments	-	25,094,055	17,574,675
Non-Current Financial Instruments	25,297,586	-	-
Investment_Subsidiaries	398,686,106	398,686,106	398,686,106
Long-Term Loan	2,213,559	2,489,763	2,501,303
Tangibles	415,091,186	396,107,755	414,245,388
Intangibles	2,360,738	1,798,638	1,803,971
Guarantees	819,404	765,199	765,199
Deferred Income Taxes	8,670,911	13,562,649	19,451,139
Total Liabilities	738,728,587	744,771,942	886,282,911
Current Liabilities	492,041,318	501,496,107	583,632,751
Trade Payables	278,776,911	259,268,625	232,154,921
Account Payables	5,136,037	6,014,978	9,817,453
Accrued Expenses	68,781,015	80,325,254	82,952,891

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.

Advance Receipts	2,089,771	2,312,590	3,847,129
Withholdings	13,771,560	12,805,396	15,068,644
Accrued Income Tax	38,977,788	72,379,165	66,593,193
Current Portion of Long-Term Debts	59,963,340	59,918,994	149,959,757
Derivatives	24,544,896	8,471,105	23,238,763
Non-Current Liabilities	246,687,269	243,275,835	302,650,160
Debentures	239,657,633	239,557,535	299,191,202
Confirmed Salaries	6,791,268	3,340,457	2,685,192
Finance Guarantee	238,368	377,843	773,766
Capital Stock	100,000,000	100,000,000	100,000,000
Capital Surplus	254,309,715	254,309,715	254,309,715
Profit Surplus	1,049,355,289	1,045,083,084	1,008,810,318
Others	138,844	-15,432	384,363
Total Equity	1,403,803,848	1,399,377,367	1,363,504,396
Liab. & Shareholder's Equity	2,142,532,435	2,144,149,309	2,249,787,307

Income Statement

Unit : Thousand Korean Won	01/01/2018~06/30/2018	As of 12/31/2017	As of 12/31/2016
Sales	1,459,586,174	2,904,364,377	2,271,496,501
Cost of Sold Goods	1,179,894,534	2,181,719,128	1,662,615,026
Gross Profit	279,691,640	722,645,249	608,881,475
Selling & Admin. Expenses	80,275,818	247,009,673	220,099,768
Operating Income	199,415,822	475,635,576	388,781,707
Finance Income	99,353,667	157,300,179	159,615,199
Finance Expenses	96,901,639	150,263,773	173,865,252
Other Operating Income	428,130	422,110	1,057,861
Other Operating Expenses	3,534,292	3,208,071	8,277,597
Income Before Taxes	198,761,688	479,886,021	367,311,918
Income Taxes Expenses	42,898,911	111,358,061	71,224,626
Net Income	155,862,777	368,527,960	296,087,292

Cash Flows

Unit : Thousand Korean Won	01/01/2018~06/30/2018	As of 12/31/2017	As of 12/31/2016
Operating Activities Cash Flows	96,803,451	192,036,815	444,042,029
Net Income	155,862,777	368,527,960	296,087,292
Adjustment	46,076,655	128,500,431	107,171,440
Adjustment	-50,023,960	-217,748,578	111,142,312
Dividends Received	17,647,749	16,312,596	672,020
Interests Received	2,318,076	7,016,345	10,906,629
Interests Paid	-4,127,850	-11,338,200	-21,439,478
Income Taxes	-70,949,996	-99,233,739	-60,498,186
Cash Flows from Investing	-157,220,648		
Cash Flows from Financing	-150,000,000	-482,200,000	-305,184,000

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.

SK LUBRICANTS CO., LTD. - 536243

PAGE NO. : 8

Increase/Decrease in Cash	-210,417,197	128,016,989	-103,335,380
Cash at the Beginning of Year	303,946,227	175,929,238	279,282,429
Cash at the End of Year	93,529,030	303,946,227	175,929,238

**PRODUCTS, TECHNOLOGIES, SERVICES
DESCRIPTION**

Main Products & Services Lubricant, Grease

Brand Name : ZIC, YUBASE

TRADE PARTNERS & COMPETITORS

Suppliers HYUNDAI OIL REFINERY CO., LTD.(110111-0090558)
SK ENERGY CO. LTD.(110111-4505967)
INFINEUM SINGAPORE
AFTON CHEMICAL ASIA PACIFIC
Customers JX NIPPON OIL & ENERGY CORPORATION
SK LUBRICANTS EUROPE B.V.
SK LUBRICANTS AMERICAS, INC.
SK LUBRICANTS JAPAN CO., LTD.
Competitors JX NIPPON OIL & ENERGY CORPORATION
GS CALTEX CORPORATION
GS GANGNAM TOWER, 679, YEOKSAM 1-DONG, GANGNAM-GU,
SEOUL, KOREA
TEL:+82-2-2005-1114 FAX:+82-2-2005-6051

S-OIL CORPORATION
45TH FL., KOREA LIFE INSURANCE 63 BLDG., 60, YEOEUIDO-DONG,
YEONGDEUNGPO-GU, SEOUL, KOREA
TEL:+82-2-3772-5151 FAX:+82-2-786-4030

ISU CHEMICAL CO., LTD.
112-4, BANPO 4-DONG, SEOCHO-GU, SEOUL, KOREA
TEL:+82-2-590-6600 FAX:+82-2-590-6666

RELATED PARTIES (SUBSIDIARIES, JOINT- VENTURE & AFFILIATES)

Affiliates-Domestic	SK INNOVATION CO., LTD.(110111-3710385) SK TELECOM CO., LTD.(110111-0371346) SK C&C CO., LTD.(110111-0769583) SK TELINK, CORP.(110111-1533599) INNOACE CO., LTD(110111-2104026) PAXNET, INC.(110111-1698830) IHQ, INC.(110111-0042393) AIRCROSS CO., LTD.(110111-2121765) TU MEDIA CORPORATION(110111-2907826) SK COMMUNICATIONS CO., LTD.(110111-1322885) COMMERCE PLANET CO., LTD.(110111-1416133) F&U CREDIT INFORMATION CO., LTD.(135311-0003300) SK WYVERNS CO., LTD(120111-0217366) SK HOLDINGS CO., LTD.(110111-0022816) SK ENGINEERING & CONSTRUCTION CO., LTD.(110111-0038805) SK TELESYS CO., LTD.(110111-1405897) LOEN ENTERTAINMENT, INC.(134111-0010706) INFOSEC CO., LTD(110111-2007858) INDEPENDENCE CO., LTD.(110111-2010116) SKC MEDIA CO., LTD.(161511-0076377) IFILM CORPORATION(110111-2857451) SK BROADBAND CO., LTD.(110111-1466659) CU MEDIA. INC.(110111-2031477) NTREEV SOFT CO., LTD.(110111-2906456) SK I-MEDIA CO., LTD.(110111-3505851) IPLATFORM, INC(110111-3638917) NURI SOLUTION CO., LTD.(110111-1866213) HANAROMEDIA INC.(110111-3292664) HANARO DREAM INCORPORATED(110111-2183343) BROADBAND D&M CO., LTD.(110111-1509269) NOWON JOEUN TELECOM CO., LTD.(110111-3655218) MIRACLE INFORMATION & TELECOMMUNICATION CO., LTD.(120111-0433491) ENCAR NETWORKS LTD.(110111-2125270) SK MARKETING & COMPANY CO., LTD.(110111-3874066)
Affiliates-Domestic	QC I&T CO., LTD.(110111-3675381) QL KWANAK CO., LTD.(110111-3826140) QL DONGJAK CO., LTD.(110111-3729740) QL SEOCHO CO., LTD.(110111-3729807) QL YONGSAN CO., LTD.(110111-3761023) QL YANGCHEON CO., LTD.(110111-3729609) SK NETWORKS CO., LTD.(130111-0005199) SK SHIPPING CO., LTD.(110111-0311392)

	MRO KOREA CO., LTD(110111-2016940)
	SK D&D CO., LTD.(110111-3001685)
	OK CASHBAG SERVICE CO., LTD.(110111-1873432)
	SK NETWORKS SERVICE CO., LTD.(135811-0141788)
	BROADBAND TS CO., LTD.(281111-0119401)
	BROADBAND CS CO., LTD.(110111-1592595)
	BROADBAND SEOUL CS CO., LTD.(110111-3558842)
	BROADBAND BUSAN CS CO., LTD.(180111-0573774)
	BROADBAND GYEONGGI CS CO., LTD.(134111-0147575)
	BROADBAND GWANGJU CS CO., LTD.(200111-0233050)
	ANTS CO., LTD.(151111-0031058)
	ULLEUNG DEEP SEA WATER CO., LTD(110111-3224724)
	WS TRADING CO., LTD.(110111-3448712)
	SK SECURITIES CO., LTD(110111-0037112)
	SOLMICS CO., LTD.(134711-0014631)
	UB CARE CO., LTD.(110111-1105364)
	MECHARONICS CO., LTD.(120111-0233338)
	ULLEUNG MINERAL CO., LTD.(110111-2602244)
	WALKERHILL INC.(110111-0142854)
	REAL BEST CO., LTD.
Affiliates-Overseas	PT. PATRA SK
	SK ENERGY LUBRICANTS (TIANJIN) CO., LTD.
	SKSOL LUBE BASE OILS, S.A.
ubsidiary	SK LUBRICANTS AMERICAS, INC.
	(100,0% held by the subject company)
	1300 POST OAK BLVD SUITE 450 HOUSTON TEXAS 77056
	SK LUBRICANTS EUROPE B.V.
	(100,0% held by the subject company)
	STRAWINSKYLAAN 713, 1077XX AMSTERDAM, NETHERLANDS
	SK ENERGY LUBRICANTS (TIANJIN) CO., LTD.
	(100,0% held by the subject company)
	NO.47 HAIBIN NO.1 ROAD, TIANJIN PORT FREE TRADE ZONE, TIANJIN CITY, CHINA
	SK LUBRICANTS JAPAN CO., LTD.
	(100,0% held by the subject company)
	NBF HIBIYA BLDG. 8F. 1-1-7, UCHISAIWAICHO CHIYODAKU,TOKYO 100-0011, JAPAN
	PT. PATRA SK
	(65,0% held by the subject company)
	THE PLAZA OFFICE TOWER FL.28 JL. M.H. THAMRIN KAV. 28-30 JAKARTA 10350 – INDONESIA
	YUBASE MANUFACTURING ASIA CORPORATION(230111-0168673)
	(70.0% held by the subject company)

SK LUBRICANTS & OILS INDIA PVT. LTD.
(100,0% held by the subject company)
UNIT #309, SEWA CORPORATE PARK, M.G ROAD, GURGAON
122002, HARYANA, INDIA

IBERIAN LUBE BASE OILS COMPANY, S.A.(Ex. SKSOL LUBE BASE
OILS, S.A.)
(70,0% held by the subject company)
CALLE DE LA RETAMA 7, MADRID, 28045, SPAIN

SK LUBRICANTS RUS LIMITED LIABILITY COMPANY
(100,0% held by the subject company)
10, TESTOVSKAYA STR, 123317, RUSSIA
SK HOLDINGS CO., LTD.(110111-0022816)
SK INNOVATION CO., LTD.(110111-3710385)
SK INNOVATION CO., LTD.(110111-3710385)
-Service Agreement with
SK INNOVATION CO., LTD.(110111-3710385)

Corporate Ownership

Major Shareholders
Cooperative Enterprise

UCO Purchasing Agreement with
JXTG NIPPON OIL & ENERGY CORPORATION(JXTG)

SALES BY REGION (ACTIVITY & MARKETS)

Sales/ Unit : Thousand KRW	06/2018	2017	2016
Export	1,083,579,207	2,183,410,361	1,647,385,660
Domestic	371,852,326	712,437,941	615,801,102
Others	4,154,641	8,516,075	8,309,739
Total	1,459,586,174	2,904,364,377	2,271,496,501

The Subject deals with the companies in USA, Australia, China, Indonesia, India and Vietnam.

COURT ACTION

No.

NEWS CLIPPING

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.26
UK Pound	1	INR 95.05
Euro	1	INR 83.99
KRW	1	INR 0.064

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	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)