

## MIRA INFORM REPORT

<b>Report No. :</b>	529819
<b>Report Date :</b>	17.09.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	FIRST PRIORITY PRODUCTS CO., LTD.
<b>Registered Office :</b>	27/149 Moo 5, T. Phantainorasing, A. Muang, Samutsakorn 74000
<b>Country :</b>	Thailand
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	03.03.2000
<b>Com. Reg. No.:</b>	0105543022459
<b>Legal Form :</b>	Private Limited Company
<b>Line of Business :</b>	The subject is engaged in importing and distributing wide range of raw materials for printing and stationery industry such as inks, ball-point pen, refills, blades and chemicals, as well as writing and printing supplies such as highlighter pens and PP corrugated sheets.
<b>No. of Employees :</b>	7

**RATING & COMMENTS**

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

**MIRA's Rating :**

B

Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

<b>Status :</b>	Moderate
<b>Payment Behaviour :</b>	Slow but Correct
<b>Litigation :</b>	Clear

**NOTES :**

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

**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
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

**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**

FIRST PRIORITY PRODUCTS CO., LTD.

## **SUMMARY**

**BUSINESS ADDRESS** : 27/149 MOO 5, T. PHANTAINORASING,  
A. MUANG, SAMUTSAKORN 74000,  
THAILAND  
**TELEPHONE** : [66] 34 458-275, 081 615-9730  
**FAX** : [66] 34 458-275  
**E-MAIL ADDRESS** : surachateghogar@hotmail.com  
**REGISTRATION ADDRESS** : SAME AS BUSINESS ADDRESS  
**ESTABLISHED** : 2000  
**REGISTRATION / TAX ID NO.** : 0105543022459  
**CAPITAL REGISTERED** : BHT. 5,000,000  
**CAPITAL PAID-UP** : BHT. 5,000,000  
**SHAREHOLDER'S PROPORTION** : THAI : 100%  
**FISCAL YEAR CLOSING DATE** : DECEMBER 31  
**LEGAL STATUS** : PRIVATE LIMITED COMPANY  
**EXECUTIVE** : MRS. ANJALEE GHOGAR, THAI  
MANAGING DIRECTOR  
**NO. OF STAFF** : 7  
**LINES OF BUSINESS** : WRITING AND PRINTING SUPPLIES  
IMPORTER AND DISTRIBUTOR

## **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 March 3, 2000 as a private limited company under the registered name FIRST PRIORITY PRODUCTS CO., LTD. by Thai groups, Ghogar family, in order to import and distribute wide range of raw materials for stationery industry, as well as writing and printing supplies for local market. It currently employs 7 staff.

**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 subject's registered address was initially at 825/166 Moo 1, Prachauthit 58 Rd., Thungkru, Bangkok 10140.

On June 1, 2007, the subject's registered address was relocated to 27/149 Moo 5, T. Phantainorasing, A. Muang, Samutsakorn 74000, and this is the company's current operation address.

## ***THE BOARD OF DIRECTOR***

<u>Name</u>	<u>Nationality</u>	<u>Age</u>
Mrs. Anjalee Ghogar	Thai	56

## ***AUTHORIZED PERSON***

The above director signs on behalf of the subject with company's affixed.

## ***MANAGEMENT***

**Mrs. Anjalee Ghogar** is the Managing Director.  
She is Thai nationality with the age of 56 years old.

**Mr. Surachate Ghogar** is the Deputy Managing Director / Sales & Marketing Manager.  
He is Thai nationality.

## ***BUSINESS OPERATIONS***

The subject is engaged in importing and distributing wide range of raw materials for printing and stationery industry such as inks, ball-point pen, refills, blades and chemicals, as well as writing and printing supplies such as highlighter pens and PP corrugated sheets.

## ***PURCHASE***

Most of the products are imported from Germany, India, Republic of China, Indonesia, Italy, Japan, Switzerland, and the remaining is purchased from local manufacturers and suppliers.

### **MAJOR SUPPLIER**

**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.

European Ink GmbH : Germany

#### **SALES [LOCAL]**

100% of the products is sold locally by wholesale to dealers and stationery manufacturers.

#### **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 for the past two years.

## **CREDIT**

Sales are by cash or on the credit terms of 30-60 days.  
Local bills are paid by cash or on the credit terms of 30-60 days.  
Imports are by T/T.

## **BUSINESS TRANSACTION**

The products are sold by cash and credit, with the maximum credit given at 30-60 days. The subject is found to have delay and default payment by some customers.

## **BANKING**

**Thanachart Bank Public Co., Ltd.**

[Prapradaeng Branch : 123 Moo 4, Suksawad Rd., Phrapadaeng, Samutprakarn]

**Bangkok Bank Public Company Limited**

## **EMPLOYMENT**

The subject employs 7 staff.

## **LOCATION DETAILS**

The premise is rented for administrative office at the heading address. Premise is located in provincial.

## **COMMENT**

The subject is an importer and distributor of raw materials for printing and stationery industry, as well as writing and printing supplies. 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. Despite a negative retained earnings, the subject managed to obtain net profit for many consecutive years. Its business has been improved gradually.

## **FINANCIAL INFORMATION**

The capital was registered at Bht. 1,000,000 divided into 10,000 shares of Bht. 100 each with fully paid.

The capital was increased later as follows:

Bht. 2,000,000 on November 14, 2012

Bht. 5,000,000 on April 29, 2013

The latest registered capital was increased to Bht. 5,000,000 divided into 50,000 shares of Bht. 100 each with fully paid.

## **THE SHAREHOLDERS LISTED WERE:**

[as at April 30, 2018]

<u>NAME</u>	<u>HOLDING</u>	<u>%</u>
<b>Mrs. Anjalee Ghogar</b> Nationality: Thai Address : 27/149 Moo 5, T. Phantainorasing, A. Muang, Samutsakorn	49,400	98.80
<b>Ms. Chantana Ghogar</b> Nationality: Thai	500	1.00

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

Address : 27/149 Moo 5, T. Phantainorasing,  
A. Muang, Samutsakorn

**Mr. Surachate Ghogar**

100 0.20

Nationality: Thai

Address : 27/149 Moo 5, T. Phantainorasing,  
A. Muang, Samutsakorn

**Total Shareholders : 3**

**Share Structure** [as at April 30, 2018]

Nationality	Shareholders	No. of Share	% Shares
Thai	3	50,000	100.00
Foreign	-	-	-
<b>Total</b>	<b>3</b>	<b>50,000</b>	<b>100.00</b>

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

Mrs. Pulkanitta Boonkrong No. 3852

## **BALANCE SHEET [BAHT]**

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

Current Assets	<u>ASSETS</u>		
	2017	2016	2015
Cash and Cash Equivalent	901,095.60	418,841.39	388,033.42
Trade Accounts and Other Receivable	2,720,247.41	4,503,463.01	328,537.17
Short-term Loans	1,300,000.00	-	2,000,000.00
Inventories	1,921,653.80	2,632,627.30	2,570,580.00
Other Current Assets	213,144.99	187,090.29	498,352.18
<b>Total Current Assets</b>	<b>7,056,141.80</b>	<b>7,742,021.99</b>	<b>5,785,502.77</b>
Property, Plant and Equipment	401,850.62	641,937.92	896,575.38
<b>Total Assets</b>	<b>7,457,992.42</b>	<b>8,383,959.91</b>	<b>6,682,078.15</b>

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

**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>Current Liabilities</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Bank Overdraft and Short-term Loan From Financial Institutions	1,238,389.43	1,248,706.96	1,257,480.36
Trade Accounts and Other Payable	2,920,327.04	4,351,281.36	2,413,146.88
Accrued Income Tax	36,606.77	-	-
Other Current Liabilities	285,816.00	15,364.23	56,858.21
<b>Total Current Liabilities</b>	<b>4,481,139.24</b>	<b>5,615,352.55</b>	<b>3,727,485.45</b>
Long-term Loans	16,146.14	12,072.25	-
Other Non-current Liabilities	197,699.95	423,454.99	956,740.94
<b>Total Liabilities</b>	<b>4,694,985.33</b>	<b>6,051,779.79</b>	<b>4,684,226.39</b>
<b>Shareholders' Equity</b>			
Share capital : Baht 100 par value authorized, and issued share capital 50,000 shares	5,000,000.00	5,000,000.00	5,000,000.00
Capital Paid	5,000,000.00	5,000,000.00	5,000,000.00
Retained Earning- Unappropriated [Deficit]	[2,236,992.91]	[2,667,819.88]	[3,002,148.24]
<b>Total Shareholders' Equity</b>	<b>2,763,007.09</b>	<b>2,332,180.12</b>	<b>1,997,851.76</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>7,457,992.42</b>	<b>8,383,959.91</b>	<b>6,682,078.15</b>

## **PROFIT & LOSS ACCOUNT**

Revenue	2017	2016	2015
Sales or Services Income	24,862,150.00	20,156,838.45	20,251,717.67
Other Income	538,783.76	393,192.37	2.63
<b>Total Revenues</b>	<b>25,400,933.76</b>	<b>20,550,030.82</b>	<b>20,251,720.30</b>
<b>Expenses</b>			
Cost of Goods Sold or Services	22,312,504.68	18,051,777.78	17,025,901.36
Administrative Expenses	2,463,762.76	2,023,845.75	2,249,891.09
Other Expenses	29,300.41	38,964.48	12,779.86
<b>Total Expenses</b>	<b>24,805,567.85</b>	<b>20,114,588.01</b>	<b>19,288,572.31</b>
Profit/[Loss] before Financial Cost and Income Tax	595,365.91	435,442.81	963,147.99
Financial Cost	[125,682.17]	[85,750.22]	[167,261.79]
Profit/[Loss] before Income Tax	469,683.74	349,692.59	795,886.20
Income Tax	[38,856.77]	[15,364.23]	[56,858.21]
<b>Net Profit / [Loss]</b>	<b>430,826.97</b>	<b>334,328.36</b>	<b>739,027.99</b>

## **FINANCIAL ANALYSIS**

ITEM	UNIT	2017	2016	2015
<b>LIQUIDITY RATIO</b>				
CURRENT RATIO	TIMES	1.57	1.38	1.55
QUICK RATIO	TIMES	1.10	0.88	0.73
<b>ACTIVITY RATIO</b>				
FIXED ASSETS TURNOVER	TIMES	61.87	31.40	22.59
TOTAL ASSETS TURNOVER	TIMES	3.33	2.40	3.03
INVENTORY CONVERSION PERIOD	DAYS	31.44	53.23	55.11
INVENTORY TURNOVER	TIMES	11.61	6.86	6.62
RECEIVABLES CONVERSION PERIOD	DAYS	39.94	81.55	5.92
RECEIVABLES TURNOVER	TIMES	9.14	4.48	61.64
PAYABLES CONVERSION PERIOD	DAYS	47.77	87.98	51.73
CASH CONVERSION CYCLE	DAYS	23.60	46.80	9.30

**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.

**PROFITABILITY RATIO**

COST OF GOODS SOLD	%	89.74	89.56	84.07
SELLING & ADMINISTRATION	%	9.91	10.04	11.11
INTEREST	%	0.51	0.43	0.83
GROSS PROFIT MARGIN	%	12.42	12.39	15.93
NET PROFIT MARGIN BEFORE EX. ITEM	%	2.39	2.16	4.76
NET PROFIT MARGIN	%	1.73	1.66	3.65
RETURN ON EQUITY	%	15.59	14.34	36.99
RETURN ON ASSET	%	5.78	3.99	11.06
EARNING PER SHARE	BAHT	8.62	6.69	14.78

**LEVERAGE RATIO**

DEBT RATIO	TIMES	0.63	0.72	0.70
DEBT TO EQUITY RATIO	TIMES	1.70	2.59	2.34
TIME INTEREST EARNED	TIMES	4.74	5.08	5.76

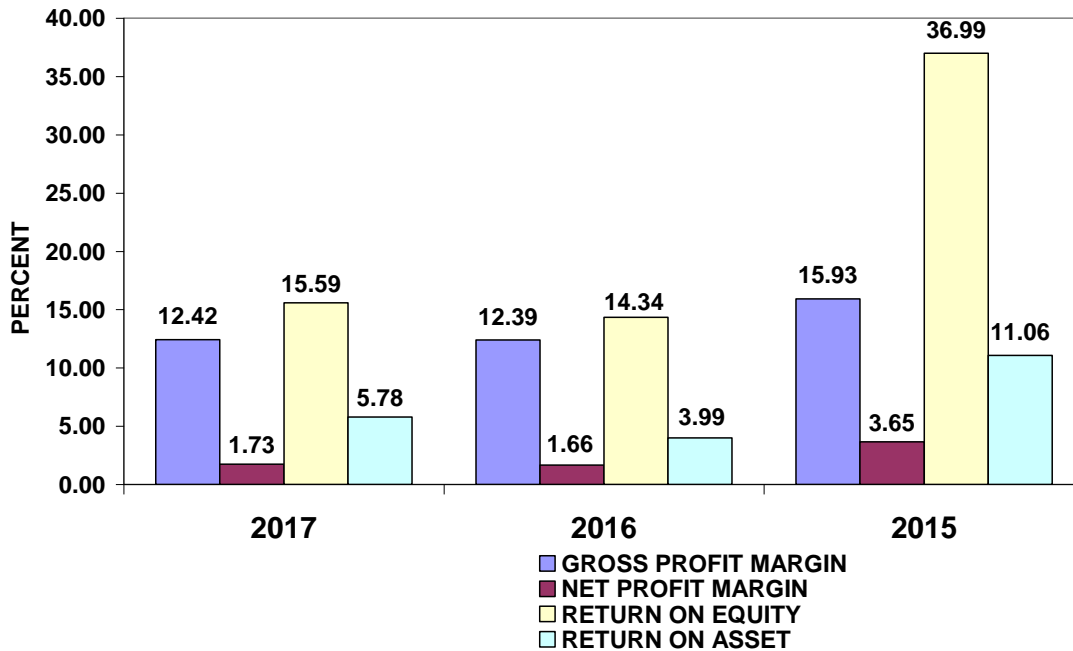
**ANNUAL GROWTH**

SALES GROWTH	%	23.34	(0.47)
OPERATING PROFIT	%	36.73	(54.79)
NET PROFIT	%	28.86	(54.76)
FIXED ASSETS	%	(37.40)	(28.40)
TOTAL ASSETS	%	(11.04)	25.47

**ANNUAL GROWTH : SATISFACTORY**

An annual sales growth is 23.34%. Sales Income has increased from THB 20,156,838.45 in 2016 to THB 24,862,150.00 in 2017. While net profit has increased from THB 334,328.36 in 2016 to THB 430,826.97 in 2017. And total assets has decreased from THB 8,383,959.91 in 2016 to THB 7,457,992.42 in 2017.

**PROFITABILITY : IMPRESSIVE**



**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.

**PROFITABILITY RATIO**

Gross Profit Margin	12.42	Satisfactory	Industrial Average	12.73
Net Profit Margin	1.73	Impressive	Industrial Average	1.70
Return on Assets	5.78	Impressive	Industrial Average	2.63
Return on Equity	15.59	Impressive	Industrial Average	6.30

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. The company's figure is 12.42%. When compared with the industry average, the ratio of the company was lower. This indicated that company may have problems with control over its costs.

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 1.73%, 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.

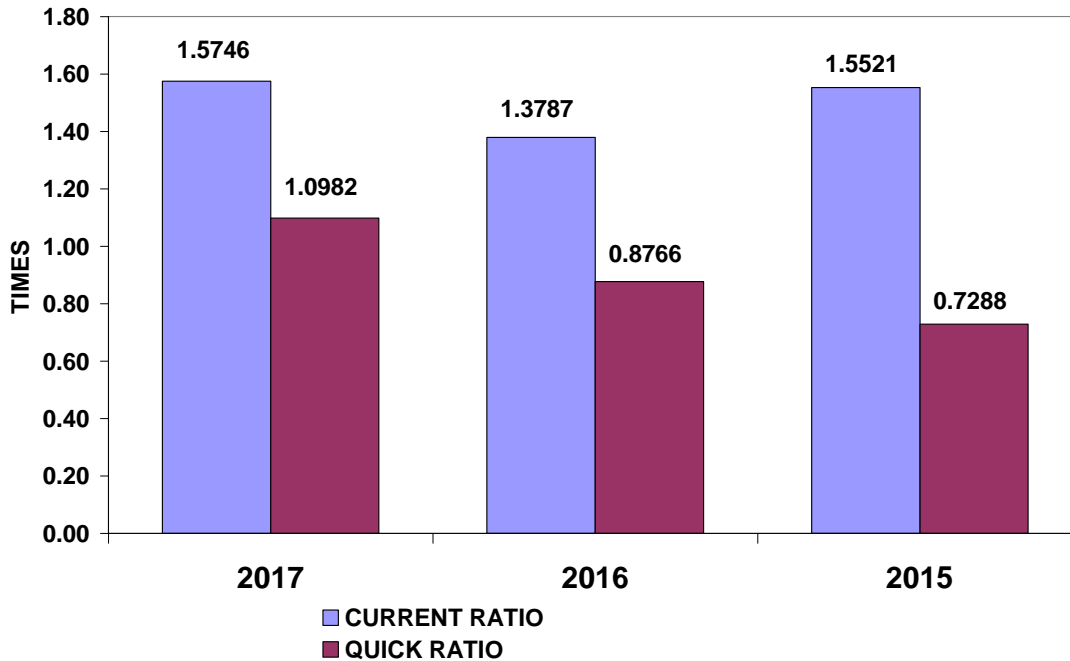
Return on Assets measures how efficiently profits are being generated from the assets employed in the business when compared with the ratios of firms in a similar business. A low ratio in comparison with industry averages indicates an inefficient use of business assets. Return on Assets ratio is 5.78%, 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.

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. Return on Equity ratio is 15.59%, 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.

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

Return on Assets	Downtrend
Return on Equity	Downtrend

**LIQUIDITY : SATISFACTORY**



**LIQUIDITY RATIO**

Current Ratio	1.57	Satisfactory	Industrial Average	1.70
Quick Ratio	1.10			
Cash Conversion Cycle	23.60			

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 1.57 times in 2017, increase from 1.38 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 lower.

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 1.1 times in 2017, increase from 0.88 times, although excluding inventory so the company still have good short-term financial strength.

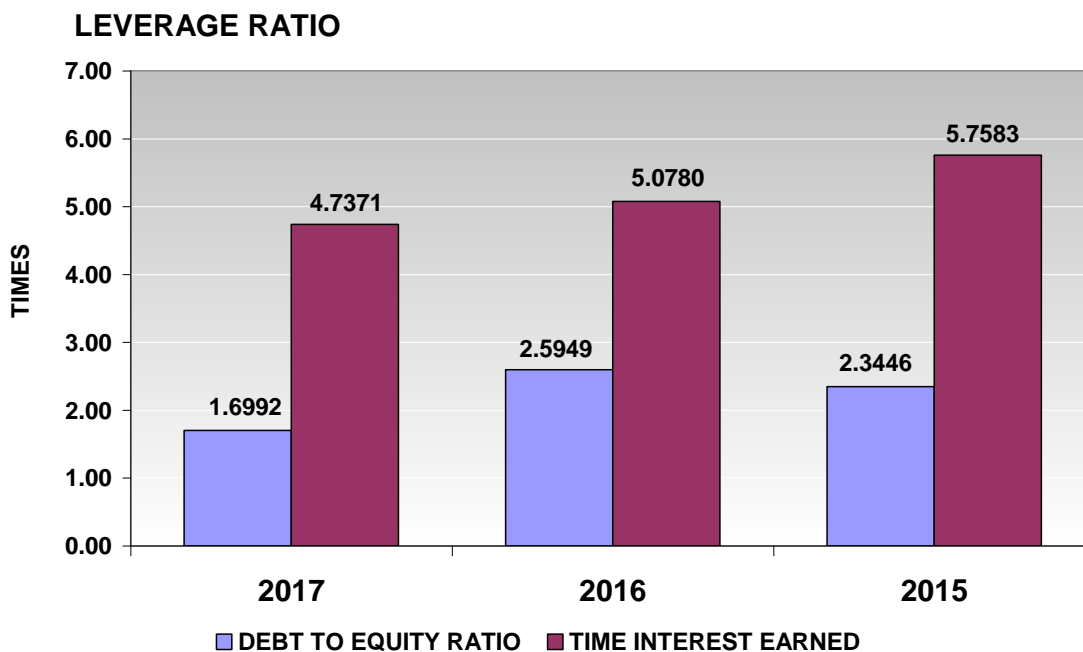
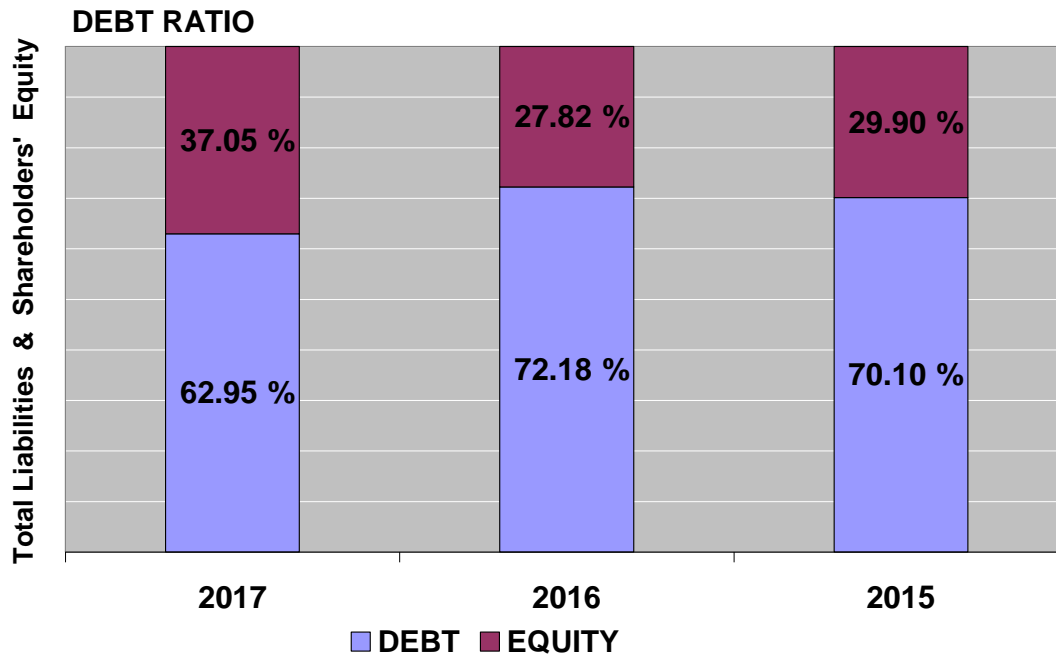
The Cash Conversion Cycle measures the number of days a company's cash is tied up in the production and sales process of its operations and the benefit from payment terms from its creditors. It meant the company could survive when no cash inflow was received from sale for 24 days.

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

Current Ratio                      Uptrend

**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 : ACCEPTABLE**



**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	0.63	Acceptable	Industrial Average	0.58
Debt to Equity Ratio	1.70	Risky	Industrial Average	1.40
Times Interest Earned	4.74	Impressive	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 higher the percentage means that the company is using less equity and has stronger leverage position.

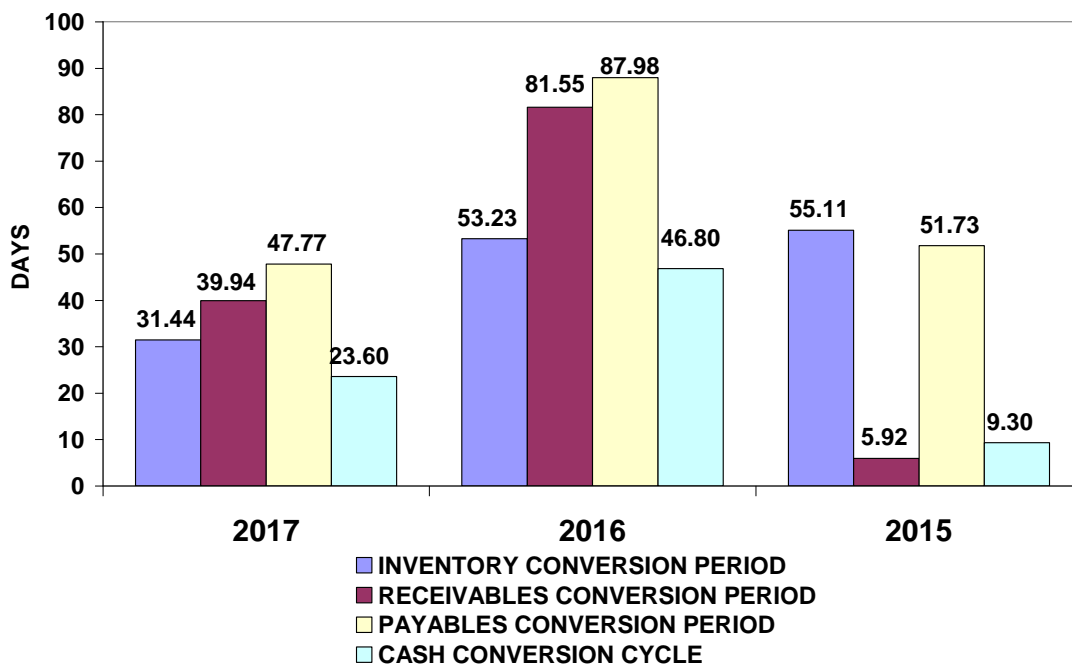
Times Interest Earned measuring a company's ability to meet its debt obligations. Ratio is 4.74 higher than 1, so the company can pay interest expenses on outstanding debt.

Debt Ratio shows the proportion of a company's assets which are financed through debt. The company's figure is 0.63 greater than 0.5, most of the company's assets are financed through debt.

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

Debt Ratio	Downtrend
Times Interest Earned	Stable

**ACTIVITY : 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.

**ACTIVITY RATIO**

Fixed Assets Turnover	61.87	Impressive	Industrial Average	-
Total Assets Turnover	3.33	Impressive	Industrial Average	1.55
Inventory Conversion Period	31.44			
Inventory Turnover	11.61	Impressive	Industrial Average	3.67
Receivables Conversion Period	39.94			
Receivables Turnover	9.14	Impressive	Industrial Average	3.98
Payables Conversion Period	47.77			

The company's Account Receivable Ratio is calculated as 9.14 and 4.48 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 overtly 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 decreased from 53 days at the end of 2016 to 31 days at the end of 2017. This represents a positive trend. And Inventory turnover has increased from 6.86 times in year 2016 to 11.61 times in year 2017.

The company's Total Asset Turnover is calculated as 3.33 times and 2.4 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	Downtrend
Inventory Turnover	Downtrend
Receivables Turnover	Uptrend

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.81
UK Pound	1	INR 94.15
Euro	1	INR 83.97
Thai Baht	1	INR 2.22

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

**INFORMATION DETAILS**

Analysis Done by :	VIV
Report Prepared by :	SDA

**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)