

**MIRA INFORM REPORT**

Report No. :	531310
Report Date :	27.09.2018

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**IDENTIFICATION DETAILS**

Name :	NIPPON LEAKLESS TALBROS PRIVATE LIMITED
Registered Office :	Space No. 302 , 3rd Floor, Eros Corporate Park IMT, Manesar, Gurugram – 122050, Haryana
Tel. No.:	Not Available
Country :	India
Financials (as on) :	31.03.2018
Date of Incorporation :	09.03.2005
CIN No.: [Company Identification No.]	U29199HR2005PTC035653
Capital Investment / Paid-up Capital :	INR 120.000 Million
PAN No.: [Permanent Account No.]	AACCN0630J
GSTN : [Goods & Service Tax Registration No.]	06AACCN0630J1ZS
Legal Form :	Private Limited Liability Company
Line of Business :	The Subject is engaged in the business of manufacturing gaskets for passenger cars, motorcycles, scooters, power equipment products and industrial applications. (Registered activity)
No. of Employees :	Not Available

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

<b>MIRA's Rating :</b>	A+
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Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

<b>Maximum Credit Limit :</b>	USD 1400000
<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular
<b>Litigation :</b>	Clear
<b>Comments :</b>	<p>Subject is a joint venture company between Nippon Leakless Corporation (NLK) Japan and Talbros Automotive Components Ltd. (TACL) India. It was incorporated in the year 2005. It manufactures Gaskets for passenger's cars, motorcycles, scooters, power equipment products and industrial applications.</p> <p>For the financial year 2018, the company has increased its revenue from operation as compared to previous year and maintained decent profitability margin of 12%.</p> <p>Rating takes into consideration sound financial profile of the company marked by healthy network base along with debt free balance sheet.</p> <p>Rating further derives strength from strong financial and managerial support received from its holding entities, experience of its management team along with long business track records.</p> <p>Trade relations are reported as fair. Business is active. Payments are seems to be regular.</p> <p>In view of established market position, the company can be considered good for normal business dealings at usual trade terms and conditions.</p>

**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.

<b>ECGC Country Risk Classification List</b>
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Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
India	A1	A1

<b>Risk Category</b>	<b>ECGC Classification</b>
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Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

**EXTERNAL AGENCY RATING**

<b>Rating Agency Name</b>	Not Available
<b>Rating</b>	Not Available
<b>Rating Explanation</b>	Not Available
<b>Date</b>	Not Available

**RBI DEFAULTERS' LIST STATUS**

Subject's name is not enlisted as a defaulter in the publicly available RBI Defaulters' list.

**EPF (Employee Provident Fund) DEFAULTERS' LIST STATUS**

Subject's name is not enlisted as a defaulter in the publicly available EPF (Employee Provident Fund) Defaulters' list as of 31-03-2018.

**BIFR (Board for Industrial & Financial Reconstruction) LISTING STATUS**

Subject's name is not listed as a Sick Unit in the publicly available BIFR (Board for Industrial & Financial Reconstruction) list as of 27.09.2018

**IBBI (Insolvency and Bankruptcy Board of India) LISTING STATUS**

Subject's name is not listed in the publicly available IBBI (Insolvency and Bankruptcy Board of India) list as of report date.

**LOCATIONS**

<b>Registered Office :</b>	Space No. 302 , 3rd Floor, Eros Corporate Park IMT, Manesar, Gurugram – 122050, Haryana, India
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<b>Tel. No.:</b>	Not Available
<b>Fax No.:</b>	Not Available
<b>E-Mail :</b>	<a href="mailto:secretarial@leaklesstalbro.com">secretarial@leaklesstalbro.com</a>
<b>Corporate Office :</b>	400, Udyog Vihar, Phase – III, Gurugram – 122016, Haryana, India
<b>Tel. No.:</b>	91-124-400 2963
<b>Fax No.:</b>	91-124-243 9222
<b>E-Mail :</b>	<a href="mailto:talbro@talbro.com">talbro@talbro.com</a>
<b>Rewari Office:</b>	Plot No. 125-A, Sector 6, HSIDC Growth Centre, Bawal, District Rewari - 123501, Haryana. India
<b>Tel. No.:</b>	91-1284-264204-06
<b>Fax No.:</b>	91-1284-264311
<b>E-Mail :</b>	<a href="mailto:prashant@leaklesstalbro.com">prashant@leaklesstalbro.com</a>

### DIRECTORS

As on 31.03.2018

<b>Name :</b>	Mr. Umesh Talwar		
<b>Designation :</b>	Director		
<b>Address :</b>	152-F, Malcha Marg Diplomatic Enclave, New Delhi – 110021, India		
<b>Date of Birth/Age :</b>	29.09.1950		
<b>Qualification :</b>	MBA		
<b>Date of Appointment :</b>	09.03.2005		
<b>DIN No.:</b>	00059271		
<b>Other Directorship:</b>			
<b>CIN/FCRN</b>	<b>Company Name</b>	<b>Begin Date</b>	<b>End Date</b>
L29199HR1956PLC033107	TALBROS AUTOMOTIVE COMPONENTS LIMITED	18/04/2000	-
U34102HR2014PTC052479	QH TALBROS PRIVATE LIMITED	05/01/2016	-
U74899DL1983PTC014923	SUNRISE MEDICARE PRIVATE LIMITED	04/04/2002	-
U74899DL1993PLC052392	XO FORGE LIMITED	23/03/1993	-
U74899DL1994PLC062149	XO LITE LIMITED	27/09/2008	-
U93000HR1992PLC031770	XO STAMPINGS LIMITED	25/11/1995	-
<b>Name :</b>	Mr. Vidur Talwar		
<b>Designation :</b>	Director		
<b>Address :</b>	D-1/36, Vasant Vihar, New Delhi – 110057, India		
<b>Date of Appointment :</b>	18.01.2008		
<b>DIN No.:</b>	00114643		
<b>Other Directorship:</b>			
<b>CIN/FCRN</b>	<b>Company Name</b>	<b>Begin Date</b>	<b>End Date</b>
L29199HR1956PLC033107	TALBROS AUTOMOTIVE COMPONENTS LIMITED	25/09/2015	-
U25200HR2012PTC046820	TALBROS MARUGO RUBBER PRIVATE LIMITED	28/01/2013	-

U31909HR1980PTC010226	TALBROS INTERNATIONAL PRIVATE LIMITED	05/01/2016	-
U34102HR2014PTC052479	QH TALBROS PRIVATE LIMITED	05/01/2016	-
U34300DL1997PTC089072	T & T MOTORS PRIVATE LIMITED	17/07/2004	-
U34300HR2012PTC044985	MAGNETI MARELLI TALBROS CHASSIS SYSTEMS PRIVATE LIMITED	31/03/2012	-
U74999HR1994PLC032202	TALBROS INTERNATIONAL LIMITED	30/09/2014	-
U93000HR1992PLC031770	XO STAMPINGS LIMITED	21/03/1995	-
<b>Name :</b> Mr. Varun Talwar			
<b>Designation :</b> Director			
<b>Address :</b> D-1/36, Vasant Vihar, New Delhi – 110057, India			
<b>Date of Appointment :</b> 07.09.2015			
<b>DIN No.:</b> 00263984			
<b>Other Directorship:</b>			
<b>CIN/FCRN</b>	<b>Company Name</b>	<b>Begin Date</b>	<b>End Date</b>
L29199HR1956PLC033107	TALBROS AUTOMOTIVE COMPONENTS LIMITED	29/09/2008	-
U25200HR2012PTC046820	TALBROS MARUGO RUBBER PRIVATE LIMITED	28/01/2013	-
U31909HR1980PTC010226	TALBROS INTERNATIONAL PRIVATE LIMITED	30/09/2016	-
U34300DL1997PTC089072	T & T MOTORS PRIVATE LIMITED	30/09/2014	-
U34300HR2012PTC044985	MAGNETI MARELLI TALBROS CHASSIS SYSTEMS PRIVATE LIMITED	09/09/2014	-
U74899DL1983PTC014923	SUNRISE MEDICARE PRIVATE LIMITED	22/12/2001	-
U74899DL1993PLC052392	XO FORGE LIMITED	23/03/1993	-
U74899DL1994PLC062149	XO LITE LIMITED	27/09/2008	-
U74900DL2016PTC289188	POOJA TALWAR DEVELOPMENT & ENRICHMENT CENTRES PRIVATE LIMITED	02/01/2016	-
<b>Name :</b> Ms. Shinya Miyamoto			
<b>Designation :</b> Director			
<b>Address :</b> 3-20-C-905 Naka Arai Tokorozawa – 3590041, Japan			
<b>Date of Appointment :</b> 18.03.2005			
<b>DIN No.:</b> 00503065			
<b>Name :</b> Ms. Akira Komatsu			
<b>Designation :</b> Director			
<b>Address :</b> 6-24-3 Koyama Shinagawa-Ku Tokyo 1420062, Japan			
<b>Date of Appointment :</b> 18.03.2005			
<b>DIN No.:</b> 00729454			
<b>Name :</b> Noriyuki Deguchi			
<b>Designation :</b> Director			
<b>Address :</b> Room No. 207 A-13 Greenwood City, Sector-45, Gurugram – 122001, Haryana, India			
<b>Date of Appointment :</b> 01.04.2018			
<b>DIN No.:</b> 05251839			

<b>Name :</b>	Mr. Ichiro Miyamoto
<b>Designation :</b>	Director
<b>Address :</b>	26-11 Tokorozawa City Kotesashi-CHO, 3 Chome Tokorozawa 3591141, Japan
<b>Date of Appointment :</b>	07.09.2015
<b>DIN No.:</b>	06603649
<b>Name :</b>	Mr. Akira Iijima
<b>Designation :</b>	Nominee Director
<b>Address :</b>	2-11-20 Baba Midori KU Saitama 3360912, Japan
<b>Date of Appointment :</b>	12.06.2017
<b>DIN No.:</b>	07700086

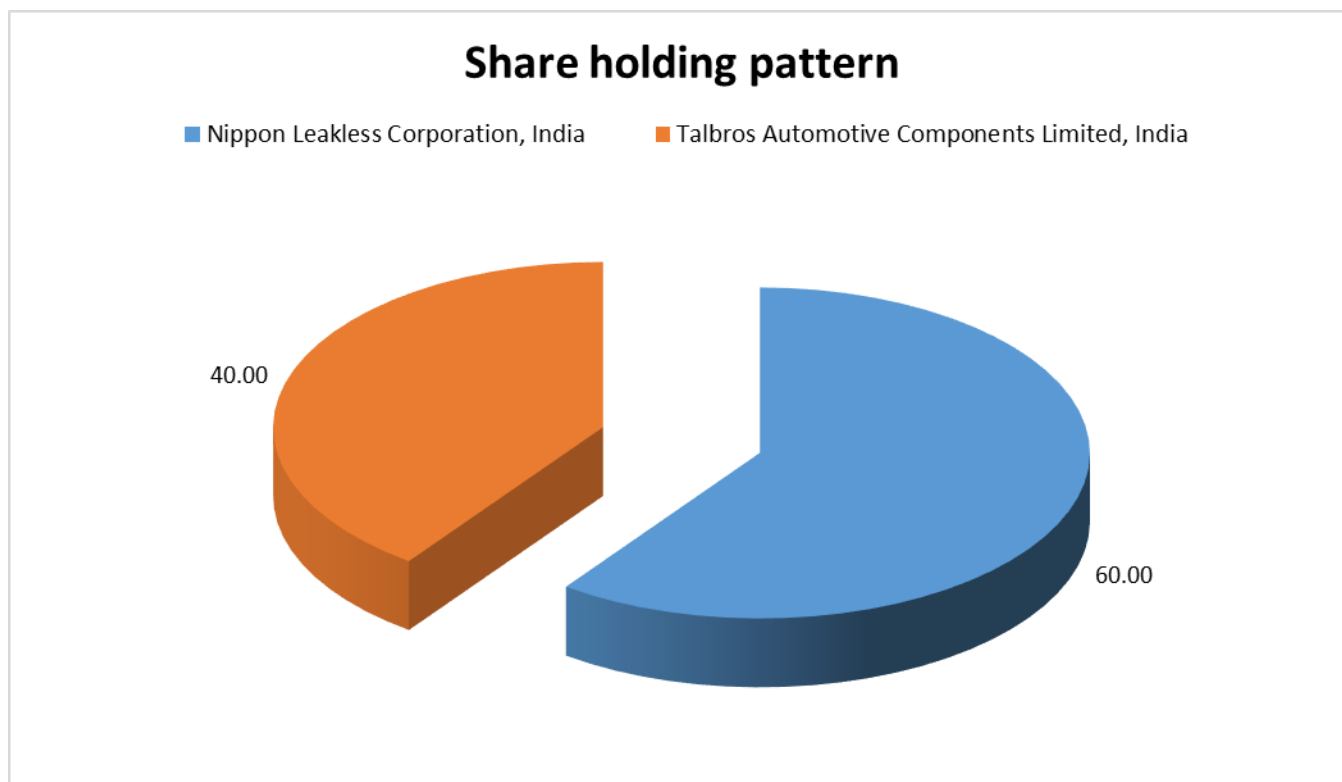
**KEY EXECUTIVES**

<b>Name :</b>	Mr. Pawan Kumar Bothra
<b>Designation :</b>	Company Secretary
<b>Address :</b>	C-124 West Patel Nagar, 3rd Floor, New Delhi – 110008, India
<b>Date of Birth/Age :</b>	25.01.1979
<b>Date of Appointment :</b>	01.09.2007
<b>PAN No.:</b>	AHXPB7525K

**MAJOR SHAREHOLDERS / SHAREHOLDING PATTERN**

As on 31.03.2018

<b>Names of Shareholders</b>	<b>No. of Shares</b>	<b>%age</b>
Nippon Leakless Corporation, India	7200000	60.00
Talbros Automotive Components Limited, India	4800000	40.00
<b>Total</b>	<b>12000000</b>	<b>100.00</b>



#### Equity Share Break up (Percentage of Total Equity)

As on 16.06.2018

Category	Percentage
Promoter - Body corporate	100.00
<b>Total</b>	<b>100.00</b>

#### BUSINESS DETAILS

<b>Line of Business :</b>	The Subject is engaged in the business of manufacturing gaskets for passenger cars, motorcycles, scooters, power equipment products and industrial applications. (Registered activity)	
<b>Products :</b>	<b>Item Code No.</b>	<b>Product Description</b>
	40169340	Soft Gaskets
	84841090	Metal Gaskets
	<b>NIC Code of the Product/ service</b>	<b>Product Description</b>
	29113	Gaskets-Soft And Metal

Brand Names :	Not Available
Agencies Held :	Not Available
Exports :	Not Available
Imports :	Not Available
Terms :	Not Available

**PRODUCTION STATUS NOT AVAILABLE****GENERAL INFORMATION**

Suppliers :	Reference :	Not Available
	Name of the Person :	--
	Contact No.:	--
	Since How Long Known :	--
	Maximum Limit Dealt :	--
	Experience :	--
	Remark:	--
Customers :	Reference :	Not Available
	Name of the Person :	--
	Contact No.:	--
	Since How Long Known :	--
	Maximum Limit Dealt :	--
	Experience :	--
	Remark:	--
No. of Employees :	Not Available	
Bankers :	Bank Name	State Bank of India
	Branch	Overseas Branch, Jawahar Vyapar Bhawan 1, Tolstoy Marg, New Delhi – 110001, India
	Person Name (With Designation)	--
	Contact Number	--
	Name of Account Holder	--
	Account Number	--
	Account Since (Date/Year of Account Opening)	--
	Average Balance Maintained (If Possible)	--
	Credit Facilities Enjoyed (If	--

	any)	
	Account Operation	--
	Remarks (If any)	--

<b>Auditors :</b>	
<b>Name :</b>	S N Dhawan and Company LLP Chartered Accountants
<b>Address :</b>	D74, Malcha, Marg, Diplomatic, Enclave, New Delhi – 110021, India
<b>Income-tax PAN of auditor or auditor's firm :</b>	AAQFS0580H
<b>Memberships :</b>	Not Available
<b>Collaborators :</b>	Not Available
<b>Holding company:</b>	<ul style="list-style-type: none"> <li>Nippon Leakless Corporation, Japan</li> </ul>
<b>Subsidiary of Holding Company:</b>	<ul style="list-style-type: none"> <li>Thai Leakless Corporation, Thailand</li> <li>Vietnam Leakless Company Limited, Vietnam</li> <li>Guangzhou Leakless Automobile Parts CO, China</li> <li>American Leakless Company, United States</li> <li>NP Leakless (M) Sendirian Berhad, Malaysia</li> </ul>
<b>Associate of Holding Company:</b>	<ul style="list-style-type: none"> <li>PTNLK Indonesia, Indonesia</li> <li>Talbros Automotive Components Limited</li> </ul>

### CAPITAL STRUCTURE

As on 31.03.2018

**Authorised Capital :**

No. of Shares	Type	Value	Amount
12000000	Equity Shares	INR 10/- each	INR 120.000 Million

**Issued, Subscribed & Paid-up Capital :**

No. of Shares	Type	Value	Amount
12000000	Equity Shares	INR 10/- each	INR 120.000 Million

**FINANCIAL DATA**  
[all figures are in INR Million]

**ABRIDGED BALANCE SHEET**

SOURCES OF FUNDS	31.03.2018	31.03.2017	31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
(a) Share Capital	120.000	120.000	120.000
(b) Reserves & Surplus	371.476	321.399	260.893
(c) Money received against share warrants	0.000	0.000	0.000
(2) Share Application money pending allotment	0.000	0.000	0.000
<b>Total Shareholders' Funds (1) + (2)</b>	<b>491.476</b>	<b>441.399</b>	<b>380.893</b>
(3) Non-Current Liabilities			
(a) long-term borrowings	0.000	0.000	0.000
(b) Deferred tax liabilities (Net)	12.651	15.693	17.280
(c) Other long term liabilities	0.000	0.000	0.000
(d) long-term provisions	3.378	2.620	1.760
<b>Total Non-current Liabilities (3)</b>	<b>16.029</b>	<b>18.313</b>	<b>19.040</b>
(4) Current Liabilities			
(a) Short term borrowings	0.000	0.000	0.000
(b) Trade payables	223.315	198.933	190.873
(c) Other current liabilities	11.055	19.442	16.957
(d) Short-term provisions	0.520	0.426	14.848
<b>Total Current Liabilities (4)</b>	<b>234.890</b>	<b>218.801</b>	<b>222.678</b>
<b>TOTAL</b>	<b>742.395</b>	<b>678.513</b>	<b>622.611</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	192.113	185.190	160.899
(ii) Intangible Assets	0.475	0.602	0.085
(iii) Capital work-in-progress	0.000	1.487	1.308
(iv) Intangible assets under development	0.000	0.000	0.000
(b) Non-current Investments	0.000	0.000	0.000
(c) Deferred tax assets (net)	0.000	0.000	0.000
(d) Long-term Loan and Advances	0.370	0.306	41.674

(e) Other Non-current assets	14.886	18.292	0.000
<b>Total Non-Current Assets</b>	<b>207.844</b>	<b>205.877</b>	<b>203.966</b>
(2) Current assets			
(a) Current investments	0.000	0.000	0.000
(b) Inventories	211.584	223.265	224.440
(c) Trade receivables	149.779	161.210	124.011
(d) Cash and cash equivalents	168.889	76.911	62.356
(e) Short-term loans and advances	0.000	0.200	7.427
(f) Other current assets	4.299	11.050	0.411
<b>Total Current Assets</b>	<b>534.551</b>	<b>472.636</b>	<b>418.645</b>
<b>TOTAL</b>	<b>742.395</b>	<b>678.513</b>	<b>622.611</b>

<b>PROFIT &amp; LOSS ACCOUNT</b>
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	<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>SALES</b>			
	Income	1196.971	1180.210	1039.892
	Other Income	8.028	6.789	3.489
	<b>TOTAL</b>	<b>1204.999</b>	<b>1186.999</b>	<b>1043.381</b>
<b>Less</b>	<b>EXPENSES</b>			
	Cost of Materials Consumed	695.769	672.769	616.420
	Purchases of Stock-in-Trade	72.224	69.711	81.136
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16.660	(17.619)	5.725
	Employees benefits expense	89.420	77.397	65.574
	CSR Expenditure	0.000	0.000	3.537
	Other expenses	93.868	172.631	74.142
	<b>TOTAL</b>	<b>967.941</b>	<b>974.889</b>	<b>846.534</b>
	<b>PROFIT/ (LOSS) BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION</b>	<b>237.058</b>	<b>212.110</b>	<b>196.847</b>
<b>Less</b>	<b>FINANCIAL EXPENSES</b>	0.000	0.000	0.000
	<b>PROFIT / (LOSS) BEFORE TAX, DEPRECIATION AND AMORTISATION</b>	<b>237.058</b>	<b>212.110</b>	<b>196.847</b>
<b>Less/ Add</b>	<b>DEPRECIATION/ AMORTISATION</b>	24.981	23.409	31.226

	PROFIT/ (LOSS) BEFORE TAX	212.077	188.701	165.621
Less	TAX	68.451	62.809	54.634
	PROFIT/ (LOSS) AFTER TAX	143.626	125.892	110.987
	EARNINGS IN FOREIGN CURRENCY			
	F.O.B. Value of Exports	0.094	0.118	0.138
	TOTAL EARNINGS	0.094	0.118	0.138
	Earnings / (Loss) Per Share (INR)	11.97	10.49	9.25

## CURRENT MATURITIES OF LONG TERM DEBT DETAILS

Particulars	31.03.2018	31.03.2017	31.03.2016
Current Maturities of Long term debt	NA	NA	NA
Net cash flows from (used in) operations	285.958	167.286	138.083
Net cash flows from (used in) operating activities	208.746	119.821	63.527

## KEY RATIOS

## EFFICIENCY RATIOS

PARTICULARS	31.03.2018	31.03.2017	31.03.2016
Average Collection Days (Sundry Debtors / Income * 365 Days)	45.67	49.86	43.53
Account Receivables Turnover (Income / Sundry Debtors)	7.99	7.32	8.39
Average Payment Days (Sundry Creditors / Purchases * 365 Days)	106.13	97.79	99.88
Inventory Turnover (Operating Income / Inventories)	1.12	0.95	0.88
Asset Turnover (Operating Income / Net Fixed Assets)	1.23	1.13	1.21

## LEVERAGE RATIOS

PARTICULARS	31.03.2018	31.03.2017	31.03.2016
Debt Ratio ((Borrowing + Current Liabilities) / Total Assets)	0.32	0.32	0.36
Debt Equity Ratio (Total Liability / Networth)	0.00	0.00	0.00
Current Liabilities to Networth (Current Liabilities / Net Worth)	0.48	0.50	0.58
Fixed Assets to Networth (Net Fixed Assets / Networth)	0.39	0.42	0.43
Interest Coverage Ratio (PBIT / Financial Charges)	0.00	0.00	0.00

**PROFITABILITY RATIOS**

PARTICULARS		31.03.2018	31.03.2017	31.03.2016
Net Profit Margin ((PAT / Sales) * 100)	%	12.00	10.67	10.67
Return on Total Assets ((PAT / Total Assets) * 100)	%	19.35	18.55	17.83
Return on Investment (ROI) ((PAT / Networth) * 100)	%	29.22	28.52	29.14

**SOLVENCY RATIOS**

PARTICULARS	31.03.2018	31.03.2017	31.03.2016
Current Ratio (Current Assets / Current Liabilities)	2.28	2.16	1.88
Quick Ratio ((Current Assets – Inventories) / Current Liabilities)	1.37	1.14	0.87
G-Score Ratio Financial (Networth / Total Assets)	0.66	0.65	0.61
G-Score Ratio Debt (Debts / Equity Capital)	0.00	0.00	0.00

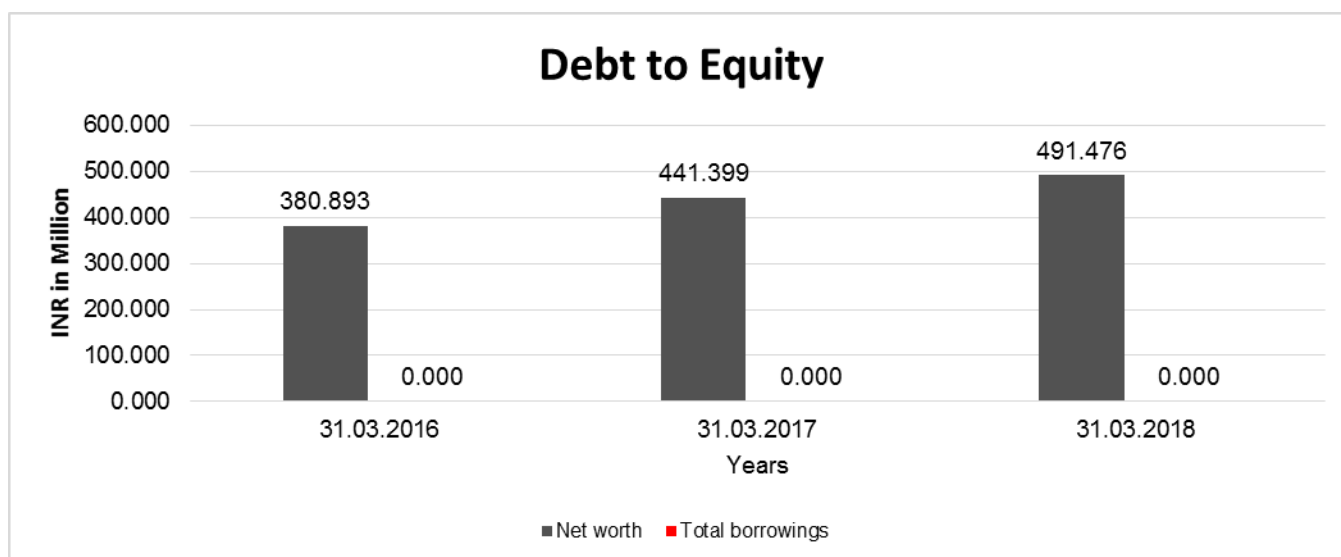
G-Score Ratio Liquidity (Total Current Assets / Total Current Liabilities)	2.28	2.16	1.88
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Total Liability = Short-term Debt + Long-term Debt + Current Maturities of Long-term debts

**FINANCIAL ANALYSIS**  
*[all figures are INR Million]*

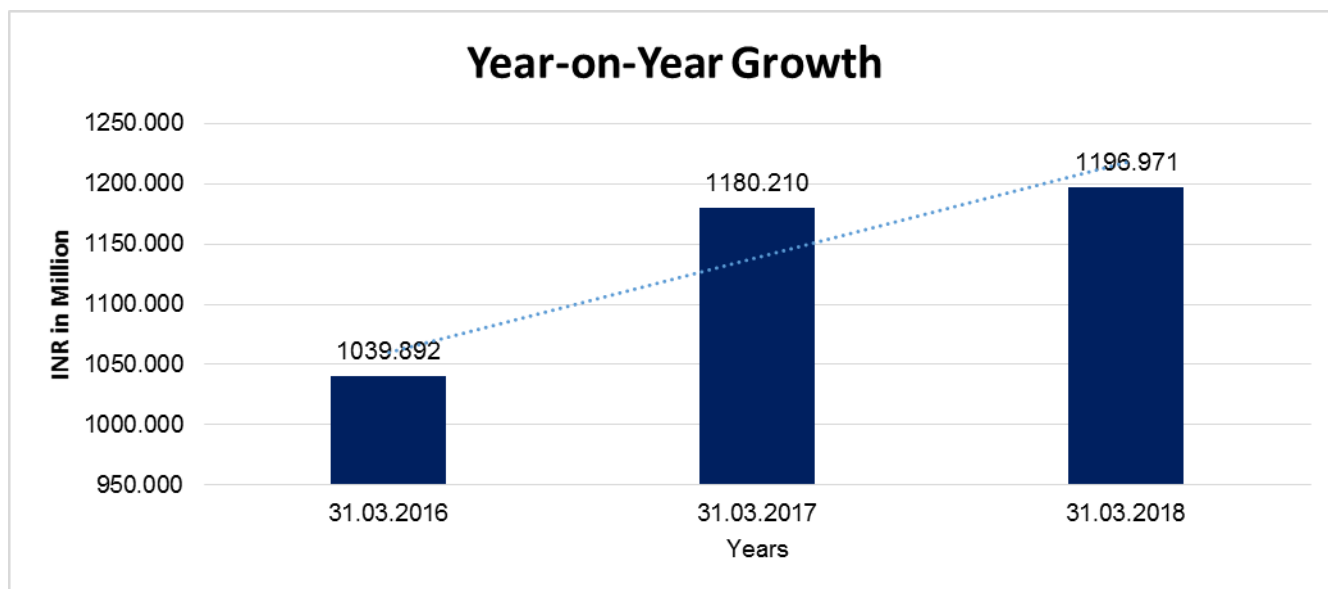
**DEBT EQUITY RATIO**

Particular	31.03.2016	31.03.2017	31.03.2018
	INR In Million	INR In Million	INR In Million
Share Capital	120.000	120.000	120.000
Reserves & Surplus	260.893	321.399	371.476
<b>Net worth</b>	<b>380.893</b>	<b>441.399</b>	<b>491.476</b>
Long Term borrowings	0.000	0.000	0.000
Short Term borrowings	0.000	0.000	0.000
<b>Total borrowings</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Debt/Equity ratio</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>



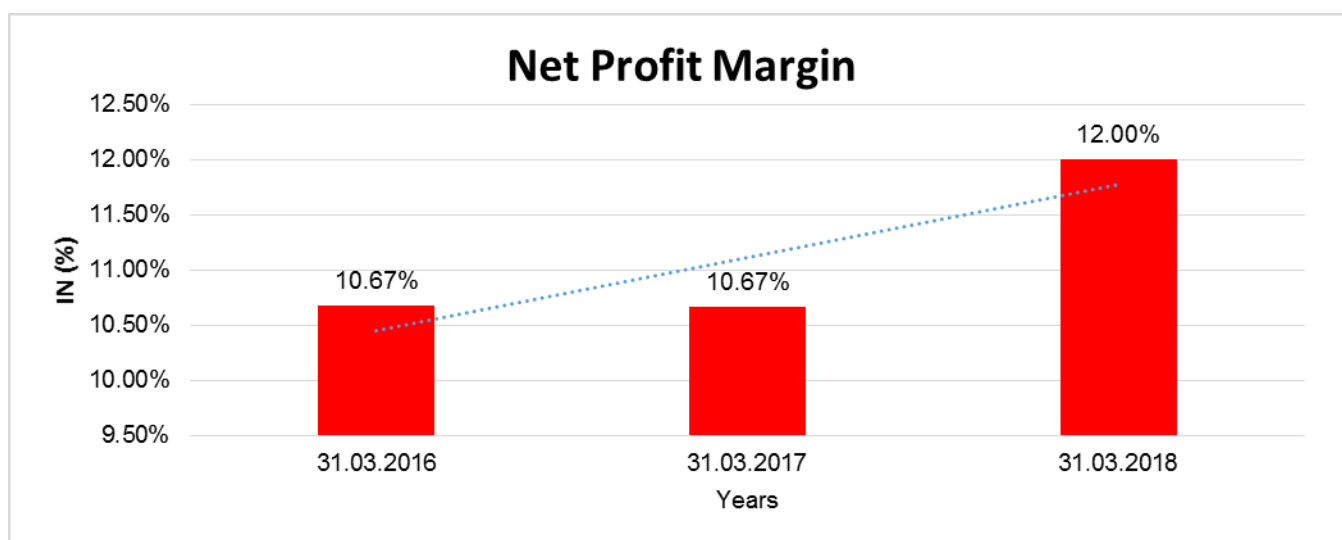
**YEAR-ON-YEAR GROWTH**

Year on Year Growth	31.03.2016	31.03.2017	31.03.2018
	INR In Million	INR In Million	INR In Million
Sales	1039.892	1180.210	1196.971
		<b>13.494</b>	<b>1.420</b>



**NET PROFIT MARGIN**

Net Profit Margin	31.03.2016	31.03.2017	31.03.2018
	INR In Million	INR In Million	INR In Million
Sales	1039.892	1180.210	1196.971
Profit	110.987	125.892	143.626
	<b>10.67%</b>	<b>10.67%</b>	<b>12.00%</b>



**LOCAL AGENCY FURTHER INFORMATION**

Sr. No.	Check list by info agents	Available in Report (Yes/No)
1	Year of establishment	Yes
2	Constitution of the entity -Incorporation details	Yes
3	Locality of the entity	Yes
4	Premises details	No
5	Buyer visit details	--
6	Contact numbers	No
7	Name of the person contacted	No
8	Designation of contact person	Yes
9	Promoter's background	Yes
10	Date of Birth of Proprietor / Partners / Directors	Yes
11	Pan Card No. of Proprietor / Partners	Yes
12	Voter Id Card No. of Proprietor / Partners	No
13	Type of business	Yes
14	Line of Business	Yes
15	Export/import details (if applicable)	No
16	No. of employees	No
17	Details of sister concerns	No
18	Major suppliers	No
19	Major customers	No
20	Banking Details	Yes
21	Banking facility details	Yes
22	Conduct of the banking account	--
23	Financials, if provided	Yes
24	Capital in the business	Yes
25	Last accounts filed at ROC, if applicable	Yes
26	Turnover of firm for last three years	Yes
27	Reasons for variation <> 20%	--
28	Estimation for coming financial year	No
29	Profitability for last three years	Yes
30	Major shareholders, if available	Yes
31	External Agency Rating, if available	No
32	Litigations that the firm/promoter involved in	--
33	Market information	--
34	Payments terms	No
35	Negative Reporting by Auditors in the Annual Report	No

## CORPORATE INFORMATION

Subject is a private company incorporated and domiciled in India. The Company is a joint venture between Nippon Leakless Corporation, Japan and Talbros Automotive Components Limited, India. The Company is engaged in the business of manufacturing gaskets for passenger cars, motorcycles, scooters, power equipment products and industrial applications.

The Company has its registered place of business at Space No 302, 3rd Floor, EROS Corporate Park, IMT Manesar, Gurugram 122050, Haryana, India.

### **RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

The highlight of the Company's performance for the financial year 2017-18 is as under:

Revenue from operations increased by 1.42% to INR 1196.971 Million. Profit before Finance Cost and Depreciation and Tax (PBDIT) increased by 11.76% to INR 237.058 Million. Net Profit from Ordinary activities After Tax increased by 14.08% to INR 143.625 Million.

Total Income has showed a growth of 1.52% during the financial year in spite of the fact that there were initial hiccups for three month during the period from Jul'17-Sep '17 due to implementation of Goods and Service Tax. The Net Profit from Ordinary activities after tax has increased by 14.08% to INR 143.625 Million in the current financial year as compared to INR 125.891 Million in the previous financial year due to various initiatives taken by the management such as localisation of raw material, cost control, better utilisation of existing resources, better production mix.

### **ECONOMIC SCENARIO AND OUTLOOK**

The Automobile Sector exited the financial year 2017-18 on a positive note with almost every segment posting growth except passenger buses. This reinforced the fact that despite having a difficult year, the auto industry showed resilience.

There was more demand from smaller towns and semi-urban areas which result in Sales of two-wheelers in the world's biggest market recorded a new high of 20.19 million units last year, growing at 14.80 per cent compared with 7 per cent in 2016-17. Motorcycle sales grew 13.69 per cent to 12.61 million units, while scooters expanded 20 per cent to 6.71 million units.

The automobile industry expanded even as it was grappling with the after effects of demonetisation and challenges from the transition to the goods and services tax (GST) from July 2017 and the shift to Bharat Stage IV emission norms (in case of two-wheelers).

According to a SIAM presentation, the sales growth of passenger vehicles in FY19 is expected to be at 8-10 per cent, the two-wheeler industry is slated to deliver a better performance at 11-13 per cent, with motorcycles up by 9-11 per cent and scooters growing higher between 13-16 per cent.

The scooters are finding a large market in the north-east and eastern states like Orissa, Bihar and Chhattisgarh, where vehicle penetration is still low. Some southern states also indicated a large preference for scooters as they are popular among women professionals. Instead of keeping two cars, families are now opting for maintaining two two-wheelers for separate family members, as they are cost effective and fuel efficient.

The two successive good monsoon years have put the rural economy on the growth track, boosting utility vehicles, motorcycles and small commercial vehicle sales in the rural markets and as per MET department initial prediction, normal monsoon is also expected in the current financial year which is expected to bring positive sentiments into the market and give a boost to overall vehicle sales.

A revival of the economy post-demonetization and enforcement of GST are putting the country back on track. The GDP and economic reform programmes of the government are indicating positive signs of recovery. Bank recapitalization, rural revival, and reforms such as Insolvency and Bankruptcy Code by the government will also be expected to give a fillip to the auto sector.

The key challenges are alignment with global emission standards and safety norms, lack of infrastructure, urban congestion and meeting efficiency needs. The change in political scenario, automobile policy and weak monsoon may derail the growth of Auto sector in the current financial year.

#### **AWARDS AND RECOGNITIONS**

During the financial year under consideration, the company has been continuously appreciated for meeting customer delivery schedule confirming to the best quality standards. These appreciations will definitely inspire us to constantly work towards achieving new milestones and set up high efficiency standards to meet customer requirements. They have received certain awards and recognition which are listed below:

Award for outstanding performance in Quality from Honda Car India Limited.

Recognition for contribution in making Honda Motorcycle and Scooters India Private Ltd on over 6 million company

#### **NEW BUSINESS**

The company has been exploring various options to increase its presence in two-wheeler gasket business. The company has been constantly developing gaskets for new models to be launched by Hero, Honda & Yamaha in the coming financial year.

The Company has successfully started supplying Auto Parts to Toyota with effect from September 2017. This marks an entry of the company in Toyota and the company is making every effort to increase its presence in the four-wheeler industry.

#### **INDEX OF CHARGES:**

<b>SN</b>	<b>SRN</b>	<b>Charge Id</b>	<b>Charge Holder Name</b>	<b>Date of Creation</b>	<b>Date of Modification</b>	<b>Date of Satisfaction</b>	<b>Amount</b>	<b>Address</b>
1	A07396948	10027516	State Bank of India-Overseas Branch	16/11/2006	-	-	80000000.0	Jawahar Vyapar Bhawan1, Tolstoy Marg, New Delhi – 110001, India

**CONTINGENT LIABILITIES:****(INR in million)**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Claims against company not acknowledged as debt	62.721	62.283

**FIXED ASSETS**

- Land
- Building
- Factory Building
- Factory Equipment
- Furniture and Fixture
- Plant and Machinery
- Vehicle
- Ships vessels
- Motor Vehicle
- Office Equipment
- Computer Equipments

**CMT REPORT (Corruption, Money Laundering & Terrorism]**

The Public Notice information has been collected from various sources including but not limited to: ***The Courts, India Prisons Service, Interpol, etc.***

**1] INFORMATION ON DESIGNATED PARTY**

No records exist designating subject or any of its beneficial owners, controlling shareholders or senior officers as terrorist or terrorist organization or whom notice had been received that all financial transactions involving their assets have been blocked or convicted, found guilty or against whom a judgement or order had been entered in a proceedings for violating money-laundering, anti-corruption or bribery or international economic or anti-terrorism sanction laws or whose assets were seized, blocked, frozen or ordered forfeited for violation of money laundering or international anti-terrorism laws.

**2] Court Declaration :**

No records exist to suggest that subject is or was the subject of any formal or informal allegations, prosecutions or other official proceeding for making any prohibited payments or other improper payments to government officials for engaging in prohibited transactions or with designated parties.

**3] Asset Declaration :**

No records exist to suggest that the property or assets of the subject are derived from criminal conduct or a prohibited transaction.

**4] Record on Financial Crime :**

Charges or conviction registered against subject: **None**

**5] Records on Violation of Anti-Corruption Laws :**

Charges or investigation registered against subject: **None**

**6] Records on Int'l Anti-Money Laundering Laws/Standards :**

Charges or investigation registered against subject: **None**

**7] Criminal Records**

No available information exist that suggest that subject or any of its principals have been formally charged or convicted by a competent governmental authority for any financial crime or under any formal investigation by a competent government authority for any violation of anti-corruption laws or international anti-money laundering laws or standard.

**8] Affiliation with Government :**

No record exists to suggest that any director or indirect owners, controlling shareholders, director, officer or employee of the company is a government official or a family member or close business associate of a Government official.

**9] Compensation Package :**

Our market survey revealed that the amount of compensation sought by the subject is fair and reasonable and comparable to compensation paid to others for similar services.

**10] Press Report :**

No press reports / filings exists on the subject.

**CORPORATE GOVERNANCE**

MIRA INFORM as part of its Due Diligence do provide comments on Corporate Governance to identify management and governance. These factors often have been predictive and in some cases have created vulnerabilities to credit deterioration.

Our Governance Assessment focuses principally on the interactions between a company's management, its Board of Directors, Shareholders and other financial stakeholders.

**CONTRAVENTION**

Subject is not known to have contravened any existing local laws, regulations or policies that prohibit, restrict or otherwise affect the terms and conditions that could be included in the agreement with the subject.

**FOREIGN EXCHANGE RATES**

Currency	Unit	INR
US Dollar	1	INR 72.71
UK Pound	1	INR 95.76
Euro	1	INR 85.53

**INFORMATION DETAILS**

Analysis Done by :	PRA
Report Prepared by :	SUJ

## SCORE FACTORS

DEMERIT POINTS		
--BANK CHARGES	YES/NO	YES
--LITIGATION	YES/NO	NO
--OTHER ADVERSE INFORMATION	YES/NO	NO
MERIT POINTS		
--SOLE DISTRIBUTORSHIP	YES/NO	NO
--EXPORT ACTIVITIES	YES/NO	NO
--AFFILIATION	YES/NO	YES
--LISTED	YES/NO	NO
--OTHER MERIT FACTORS	YES/NO	YES

## 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)