

## MIRA INFORM REPORT

|                      |            |
|----------------------|------------|
| <b>Report No. :</b>  | 522394     |
| <b>Report Date :</b> | 03.08.2018 |

### IDENTIFICATION DETAILS

|                                |   |
|--------------------------------|---|
| <b>Name :</b>                  | AARYA CREATIONS   |
| <b>Registered Office :</b>     | Flat B, 14/F., Hody Commercial Building, 6-6A Hart Avenue, Tsimshatsui, Kowloon   |
| <b>Country :</b>               | Hongkong  |
| <b>Date of Incorporation :</b> | 15.04.2011  |
| <b>Com. Reg. No.:</b>          | 53933147-000-04   |
| <b>Legal Form :</b>            | Partnership.  |
| <b>Line of Business :</b>      | Trader of all kinds of diamonds and jewellery products, emerald, precious stones. |
| <b>No. of Employees :</b>      | 4. (Including Associates)   |

### RATING & COMMENTS

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

|                        |   |
|------------------------|---|
| <b>MIRA's Rating :</b> | B |
|------------------------|---|

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

|                            |                  |
|----------------------------|------------------|
| <b>Status :</b>            | Small Company    |
| <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.

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**ECGC Country Risk Classification List**

| Country Name | Previous Rating<br>(31.12.2017) | Current Rating<br>(01.04.2018) |
|--------------|---------------------------------|--------------------------------|
| Hongkong     | A1                              | A1                             |

| Risk Category        | ECGC<br>Classification |
|----------------------|------------------------|
| Insignificant        | A1                     |
| Low Risk             | A2                     |
| Moderately Low Risk  | B1                     |
| Moderate Risk        | B2                     |
| Moderately High Risk | C1                     |
| High Risk            | C2                     |
| Very High Risk       | D                      |

## HONGKONG - 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, hydrocarbon 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.

The mainland 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 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

## **COMPANY NAME AND ADDRESS**

### **AARYA CREATIONS**

ADDRESS: Flat B, 14/F., Hody Commercial Building, 6-6A Hart Avenue, Tsimshatsui, Kowloon, Hong Kong.

PHONE: 852-2375 0093, 2370 0030

FAX: 852-2730 2300

E-MAIL: info@pgjpr.com  
arun@pgjpr.com

## **MANAGEMENT**

Manager: Mr. Arun Jain

## **SUMMARY**

Establishment: 15th April, 2011.

Organization: Partnership.

Capital: Not disclosed.

Business Category: Diamond Trader.

Annual Turnover: HK\$50~100 million.

Employees: 4. (Including associates)

Main Dealing Banker: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

Banking Relation: Satisfactory.

## **ADDRESS**

### **Head Office:-**

Flat B, 14/F., Hody Commercial Building, 6-6A Hart Avenue, Tsimshatsui, Kowloon, Hong Kong.

**Associated Companies:-**

Gehna Collections, India.  
Gemdiam, Hong Kong. (Same address)  
Gemstar, India.  
Green Gems Japan Co. Ltd., Japan.  
Green Gems, Hong Kong. (Same address)  
Napra Gems BVBA, Belgium.  
Paras Gottam & Co., India.

## **BUSINESS REGISTRATION NUMBER**

53933147-000-04

## **MANAGEMENT**

Manager: Mr. Arun Jain

## **PARTNERS**

Name: Mr. Arun JAIN  
Residential Address: Flat F, 12/F., Hilton Tower, 96 Cranville Road, Tsimshatsui, Kowloon, Hong Kong.

Name: Ms. Sweta JAIN  
Residential Address: Flat F, 12/F., Hilton Tower, 96 Cranville Road, Tsimshatsui, Kowloon, Hong Kong.

## **HISTORY**

The subject was established on 15th April, 2011 as a partnership concern jointly owned by Mr. Arun Jain, Mr. Sodhit Surana and Ms. Sweta Jain under the Hong Kong Business Registration Regulations.

Mr. Sodhit Surana outwent on 1st April, 2017.

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

## **OPERATIONS**

Activities: Diamond Trader.

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Lines: All kinds of diamonds and jewellery products, emerald, precious stones.  
Employees: 4. (Including associates)  
Commodities Imported: India, Belgium, other European countries, US, etc.  
Markets: Japan, India, other Asian countries, etc.  
Annual Turnover: HK\$50~100 million.  
Terms/Sales: COD, L/C, T/T, etc.  
Terms/Buying: L/C, T/T, D/P, etc.

## **FINANCIAL INFORMATION**

Capital: Not disclosed.  
Profit or Loss: Making small profits in past years.  
Condition: Business is normal.  
Facilities: Making rather active use of general banking facilities.  
Payment: Met obligations on time.  
Commercial Morality: Satisfactory.  
Banker: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.  
Standing: Small.

## **GENERAL**

Aarya Creations is a partnership jointly owned by Mr. Arun Jain and Ms. Sweta Jain. Being India merchants, they are Hong Kong ID holders and have got the right to reside in Hong Kong permanently. They have been in Hong Kong for a very long time as they have got their Hong Kong IDs before setting up the subject.

Formerly the subject had three partners while one of them Mr. Sodhit Surana outwent on 1st April, 2017.

The subject shares the office with its associated company Gemdiam which was established on 11th July, 2001. It also shares the office with another company Green Gems.

The manager of the subject is Mr. Arun Jain who is also the manager of Gemdiam.

The subject is a diamond and jewellery product trader. Commodities such as polished and cut diamonds are imported from India, Belgium and the other European countries, etc. Some of the products and polished

diamonds are marketed in Hong Kong, China, exported or re-exported to Japan, India and the other Asian countries, the Middle East, Europe. Business has been normal.

The subject has got a number of regular suppliers in India. The following two India companies are the subject's main associated companies:

Paras Gottam & Co.; &

Gehna Collection's.

These two companies are the main suppliers of the subject in India.

The subject also offers precious stones studded 18K gold jewellery products. Business is normal.

Ms. Sweta Jain who is one of the partners of the subject is a jewellery product designer.

The annual sales turnover of the subject and its associate ranges from HK\$50 to 100 million. Business is chiefly handled by the two partners. Regular suppliers and customers have been maintained.

On the whole, as the history of the subject in Hong Kong is over seven years and three months, consider it good for normal business engagements in moderate credit amounts.

**FOREIGN EXCHANGE RATES**

| Currency  | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1    | INR 68.36     |
| UK Pound  | 1    | INR 89.52     |
| Euro      | 1    | INR 79.57     |
| HKD       | 1    | INR 8.75      |

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

**INFORMATION DETAILS**

|                             |     |
|-----------------------------|-----|
| <b>Analysis Done by :</b>   | DIV |
| <b>Report Prepared by :</b> | NIT |

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**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)