

## MIRA INFORM REPORT

Report No. :	523309
Report Date :	08.08.2018

### INQUIRY DETAILS

Given Name :	STAR DIAM LTD
Given Address :	Rm 1406, Hart Avenue Plaza, 14th Floor, 5-9 Hart Vanue TST, Kowloon, Hong Kong
Tel. No.:	+852 23696909
Fax No.:	23696906

### IDENTIFICATION DETAILS

Name :	STAR DIAM LIMITED
Registered Office :	Room 1406, 14/F., Hart Avenue Plaza, 5-9 Hart Avenue, Tsimshatsui, Kowloon
Country :	Hong Kong
Date of Incorporation :	28.05.2005
Com. Reg. No.:	35669566
Legal Form :	Private Limited Company.
Line of Business :	Importer, Exporter and Wholesaler of All Kinds of Diamonds
No. of Employees :	3

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	B
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Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Status :	Moderate
Payment Behaviour :	Slow but Correct

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<b>Litigation :</b>	Clear
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**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)
Hong Kong	A1	A1

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

## HONG KONG - ECONOMIC OVERVIEW

Hong Kong has a free market economy, highly dependent on international trade and finance - the value of goods and services trade, including the sizable share of reexports, is about four times GDP. Hong Kong has no tariffs on imported goods, and it levies excise duties on only four commodities, whether imported or produced locally: hard alcohol, tobacco, 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

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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**

### **STAR DIAM LIMITED**

**ADDRESS:** Room 1406, 14/F., Hart Avenue Plaza, 5-9 Hart Avenue, Tsimshatsui, Kowloon, Hong Kong.

**PHONE:** 852-2369 6909

**FAX:** 852-2369 6906

**E-MAIL:** nimitshah\_99@hotmail.com

### **MANAGEMENT:**

Managing Director: Mr. Nimit Shailesh Shah

## **SUMMARY**

Incorporated on: 28th May, 2005.

Organization: Private Limited Company.

Issued Share Capital: HK\$1.00

Business Category: Diamond Trader.

Employees: 3.

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

Banking Relation: Satisfactory.

## **STAR DIAM LIMITED**

### **ADDRESS:**

Registered Head Office:-

Room 1406, 14/F., Hart Avenue Plaza, 5-9 Hart Avenue, Tsimshatsui, Kowloon, Hong Kong.

Related Company:-

Sparkling Diam (Shanghai) Ltd.

Room 805B, South Building, China Diamond Exchange Centre Building, 1701 Century Boulevard, Pudong New Area, Shanghai, China.

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## **BUSINESS REGISTRATION NUMBER**

35669566

## **COMPANY FILE NUMBER**

0973603

## **MANAGEMENT**

Managing Director: Mr. Nimit Shailesh Shah

## **ISSUED SHARE CAPITAL**

HK\$1.00

## **SHAREHOLDER**

(As per registry dated 28-05-2018)

Name

Nimit Shailesh SHAH

No. of share

1

=

## **DIRECTORS**

(As per registry dated 28-05-2018)

Name

(Nationality)

Nimit Shailesh SHAH

Address

Flat L, 17/F., Tower 2, Royal Peninsula, 8 Hung Lai Road,  
Hungghom, Kowloon, Hong Kong.

Nirav Shailesh SHAH

Lady North Court Building, No. 2, 4/F., 5 Chowpatti Road, India.

## **SECRETARY**

(As per registry dated 28-05-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
Ponce & Co. Ltd.	Unit 324, 3/F., Hankow Centre, 5-15 Hankow Road, Tsimshatsui, Kowloon, Hong Kong.	1121248

## **HISTORY**

The subject was incorporated on 28th May, 2005 as a private limited liability company under the Hong Kong Companies Ordinance.

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

## **OPERATIONS**

Activities: Importer, Exporter and Wholesaler.

Lines: All kinds of diamonds, etc.

Brand Name: *Star Diam.*

Employees: 3.

Commodities Imported: India, Belgium, other European countries, etc.

Markets: Hong Kong, China, Japan, other Asian countries, Europe, etc.

Terms/Sales: CAD, L/C, T/T, etc.

Terms/Buying: L/C, T/T, D/P, O/A, etc.

## **FINANCIAL INFORMATION**

Issued Share Capital: HK\$1.00

Mortgage or Charge: (See attachment)

Profit or Loss: Business is profitable.

Condition: Keeping in an active manner.

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Facilities:	Adequate for current running.
Payment:	Slow but Correct.
Commercial Morality:	Satisfactory.
Banker:	The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
Standing:	Satisfactory.

## **GENERAL**

Having issued just 1 ordinary share of HK\$1.00, Star Diam Limited previously was wholly owned by M. Shailesh & Company which was an India-based firm. On 17th December, 2009, M. Shailesh & Company transferred its single share to Mr. Nimit Shailesh Shah (N S Shah).

Now, the subject is wholly-owned by N. S. Shah who is also the Managing director of the subject. He is a Hong Kong ID holder and has got the right to reside in Hong Kong. He is also the only director of the subject.

The subject is a loose diamond importer, exporter and wholesaler. It is also the supplier, importer and exporter of versatile range of diamonds in a wide variety like rose cut diamonds, rose cut heart, rose cut round, rose cut pears, rose cut oval, rose cut marquise, emerald cut, taper, tapered baguette, fancy cut and fancy colour diamonds, briollets beads, old mine cut diamonds round brilliant cut diamonds, marquise, pears, oval, heart, trilliant, etc.

The subject is also specialised in white diamonds, from PK quality to VS quality, TTLB, off white, black, dark brown, treated diamonds in round shape, etc. Caret size is 6.5 or over. Most of its products bear the brand name *Star Diam*.

The subject's loose and fancy diamonds are chiefly imported from India. Other diamonds are imported from Belgium and the other European countries. Finished products are marketed in Hong Kong, China, exported to Japan, the other Asian countries, Europe, etc. Business is active.

The subject has penetrated the China market by setting up a company known as Sparkling Diam (Shanghai) Ltd. [Sparkling] which is in Shanghai, China. Incorporated on 11th February, 2014, Sparkling is a joint venture of the subject and a China company. Its registered capital was US\$200,000.00. Its legal representative is Mr. Vaibhav Kamleshkumar Shah. Sparkling is a member of Shanghai Diamond Exchange bearing membership number 0386.

The subject's registered address in Hong Kong is also the corresponding address of Sparkling.

In order to penetrate the international market further, the subject has taken part in fairs and exhibitions held in Hong Kong and other foreign large cities. For instance, it took part in "HKTDC Hong Kong International Diamond, Gem & Pearl Show 2018" which had been held in Hong Kong AsiaWorld-Expo, Lantau, Hong Kong during the period of 27th February to 3rd March, 2018. Its booth No. was AWE 7-C19. It is going to take part in the same show in 2019.

The history of the subject in Hong Kong is over thirteen years and two months. It is solely operated by the Shah family.

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

## ***MORTGAGE OR CHARGE***

<b>Date</b>	<b>Description of Instrument</b>	<b>Mortgagee</b>
13-08-2007	Assignment of Receivables – General with Notice of Assignment	The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
22-04-2010	Assignment of Life Insurance	The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
20-08-2015	Assignment of Life Insurance	The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.80
UK Pound	1	INR 89.14
Euro	1	INR 79.56
HKD	1	INR 8.74

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

**INFORMATION DETAILS**

Analysis Done by :	VIV
Report Prepared by :	TRU

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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)