

MIRA INFORM REPORT

Report No. :	525138
Report Date :	14.08.2018

IDENTIFICATION DETAILS

Name :	KIWA CHEMICAL INDUSTRY CO LTD
Registered Office :	33 Minamitanabe-Cho, Wakayama-Shi 6408254, Wakayama
Country :	Japan
Financials (as on) :	31.12.2017
Date of Incorporation :	27.12.1954
Com. Reg. No.:	1700-01-000993
Legal Form :	Limited Company
Line of Business :	Manufacturer of Chemicals.
No. of Employees :	160

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

NOTES:

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

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ECGC Country Risk Classification List

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

JAPAN - ECONOMIC OVERVIEW

Over the past 70 years, government-industry cooperation, a strong work ethic, mastery of high technology, and a comparatively small defense allocation (slightly less than 1% of GDP) have helped Japan develop an advanced economy. Two notable characteristics of the post-World War II economy were the close interlocking structures of manufacturers, suppliers, and distributors, known as keiretsu, and the guarantee of lifetime employment for a substantial portion of the urban labor force. Both features have significantly eroded under the dual pressures of global competition and domestic demographic change.

Measured on a purchasing power parity basis that adjusts for price differences, Japan in 2017 stood as the fourth-largest economy in the world after first-place China, which surpassed Japan in 2001, and third-place India, which edged out Japan in 2012. For three postwar decades, overall real economic growth was impressive - averaging 10% in the 1960s, 5% in the 1970s, and 4% in the 1980s. Growth slowed markedly in the 1990s, averaging just 1.7%, largely because of the aftereffects of inefficient investment and the collapse of an asset price bubble in the late 1980s, which resulted in several years of economic stagnation as firms sought to reduce excess debt, capital, and labor. Modest economic growth continued after 2000, but the economy has fallen into recession four times since 2008.

Japan enjoyed an uptick in growth since 2013, supported by Prime Minister Shinzo ABE's "Three Arrows" economic revitalization agenda - dubbed "Abenomics" - of monetary easing, "flexible" fiscal policy, and structural reform. Led by the Bank of Japan's aggressive monetary easing, Japan is making modest progress in ending deflation, but demographic decline - a low birthrate and an aging, shrinking population - poses a major long-term challenge for the economy. The government currently faces the quandary of balancing its efforts to stimulate growth and institute economic reforms with the need to address its sizable public debt, which stands at 235% of GDP. To help raise government revenue, Japan adopted legislation in 2012 to gradually raise the consumption tax rate. However, the first such increase, in April 2014, led to a sharp contraction, so Prime Minister ABE has twice postponed the next increase, which is now scheduled for October 2019. Structural reforms to unlock productivity are seen as central to strengthening the economy in the long-run.

Scarce in critical natural resources, Japan has long been dependent on imported energy and raw materials. After the complete shutdown of Japan's nuclear reactors following the earthquake and tsunami disaster in 2011, Japan's industrial sector has become even more dependent than before on imported fossil fuels. However, ABE's government is seeking to restart nuclear power plants that meet strict new safety standards and is emphasizing nuclear energy's importance as a base-load electricity source. In August 2015, Japan successfully restarted one nuclear reactor at the Sendai Nuclear Power Plant in Kagoshima prefecture, and several other reactors around the country have since resumed operations; however, opposition from local governments has delayed several more restarts that remain pending. Reforms of the electricity and gas sectors, including full liberalization of Japan's energy market in April 2016 and gas market in April 2017, constitute an important part of Prime Minister Abe's economic program.

Under the Abe Administration, Japan's government sought to open the country's economy to greater foreign competition and create new export opportunities for Japanese businesses, including by joining 11 trading partners in the Trans-Pacific Partnership (TPP). Japan became the first country to ratify the TPP in December 2016, but the United States signaled its withdrawal from the agreement in January 2017. In November 2017 the remaining 11 countries agreed on the core elements of a modified agreement, which they renamed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Japan also reached agreement with the European Union on an Economic Partnership Agreement in July 2017, and is likely seek to ratify both agreements in the Diet this year.

Source : CIA

COMPANY NAME AND SUMMARY

KIWA CHEMICAL INDUSTRY CO LTD

Country : Japan
Business Entity Name : KIWA CHEMICAL INDUSTRY CO LTD ⁽¹⁾
Primary Business Activity : Manufacturer
Key Industry : Chemicals

Office Contact Details

Operating Address : 33 Minamitanabe-cho
Zip : 6408254
City : Wakayama-shi
State : Wakayama
Telephone : 81-7-34233211
Fax : 81-7-34259338
Email : info@kiwa-chemical.co.jp
Web Site : http://www.kiwa-chemical.co.jp

Factory Contact Details

Address : 196-1 Kishigawa Cho Kita
Zip : 6400421
City : Kinokawa-shi
State : Wakayama

Note:

⁽¹⁾ Legal status of the English corporate name

The English name of the Subject Business Entity (SBE) is a randomly selected translation / transliteration made by the owners of the SBE. It is not a registered English corporate name, but simply a translation / transliteration of the local language name.

SIC PRODUCT CLASSIFICATION & ACTIVITY

Product/Service Description	Code	Activity
Chemical preparations, nspf	2899	Manufacturing
Chemicals and Allied Products	2800	Manufacturing
Inorganic pigments	2816	Manufacturing

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Plastics film, strips, and sheets, unsupported	3081	Manufacturing
Printing inks	2893	Manufacturing

HARMONIZED PRODUCT CLASSIFICATION & ACTIVITY

Product/Service Description	Code	Activity
Disperse dyes	3204115000	Manufacturing
Film, strip & sheets, noncellular, not reinforced, etc, of other plastics, flexible, nesoi	3920992000	Manufacturing
Ink, nesoi	3215905000	Manufacturing
Pigments nonaq liquid etc for paint; st foil; dye etc	3212	Manufacturing
Reflectorized sheeting	3919905010	Manufacturing

DETAILED PRODUCT CLASSIFICATION & ACTIVITY

Products / Materials / Services Description	Ranking	Activity
Dyes	Primary	Manufacturing
Pigments	Primary	Manufacturing
Functional films	Primary	Manufacturing
Inks	Primary	Manufacturing
Reflective sheetings	Primary	Manufacturing, Exporting

COMPANY REGISTRATION

License Number	:	1700-01-000993
Date of Registration	:	27 Dec, 1954
Issuing Authority	:	LEGAL AFFAIRS BUREAU, MINISTRY OF JUSTICE
No. of Employees	:	160

COMPANY MANAGEMENT

	Name	Nationality	Job Description	Dept. / Division
1	Mr. Noboru Etio	Japanese	Chairman	-
2	Mr. Masanori Furuta	Japanese	Managing Director	-
3	Mr. Syuichi Maeda	Japanese	Auditor	-
4	Mr. Shunji Maekawa	Japanese	President	-
5	Mr. Yasuyori Nakashiba	Japanese	Senior Managing Director	-
6	Mr. Kazushige Shoji	Japanese	Managing Director	-
7	Ms. Mikiko Takimoto	Japanese	Auditor	-
8	Mr. Tatsuzo Tsuno	Japanese	Director	Sales
9	Mr. Shigeo Yukawa	Japanese	Managing Director	-

FINANCES

(In Million Yen)

Terms Ending:	31/12/2017	31/12/2016	31/12/2015	31/12/2014
Annual Sales	6,050	5,872	6,538	6,767
Recur. Profit	575	568	777	694
Net Profit	330	319	478	391
Total Assets		11,046	11,420	11,414
Net Worth		7,200	6,883	6,414
Capital, Paid-Up		20	20	20
Div.Ttl in Million (¥)		2	10	2
<Analytical Data>	(%)	(%)	(%)	(%)
S.Growth Rate	3.03	-10.19	-3.38	26.23
Current Ratio	
N.Worth Ratio		65.18	60.27	56.19
N.Profit/Sales	5.45	5.43	7.31	5.78

Notes: Forecast (or estimated) figures for the 31/12/2017 fiscal term.

PAYMENT TERMS

Selling

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Type Terms
Local Cash on delivery (COD)
Credit - Unsecured 30~60 days

Purchasing

Type Terms
Local Credit - Unsecured 30~60 days
Cash on delivery (COD)

BANK DETAILS

Bank Name : JAPAN FINANCE CORP
SWIFT Code : This bank does not have a SWIFT Code

Bank Name : KIYO BANK LTD, THE
SWIFT Code : KIYOJPJT

Bank Name : MUFG BANK LTD
Branch : BANK OF TOKYO-MITSUBISHI UFJ LTD , THE, WAKAYAMA
Branch Address : Wakayama
SWIFT Code : BOTKJPJT

Bank Name : RESONA BANK LTD
Branch : WAKAYAMA
SWIFT Code : DIWAJPJT

Bank Name : SHOKO CHUKIN BANK, THE
Branch : SHOKO CHUKIN BANK , THE, WAKAYAMA
Branch Address : Wakayama
SWIFT Code : SKCKJPJT

Bank Name : SUMITOMO MITSUI BANKING CORP
Branch : SUMITOMO MITSUI BANKING CORP - WAKAYAMA-SHI, WAKAYAMA
Branch Address : Wakayama-shi, Wakayama-shi, Wakayama
SWIFT Code : SMBCJPJT

LOCAL BRANCHES & MANAGEMENT

Branch : **KIWA CHEMICAL INDUSTRY CO LTD - OMATSU-CHO, WAKAYAMA-SHI**
Branch Address : 6-15-4, Omatsu-cho, Wakayama-shi, Wakayam 6408124
Branch Tel : 81-73-4351722
Branch Fax : 81-73-4351723

Branch : **KIWA CHEMICAL INDUSTRY CO LTD - KINOKAWA-SHI, WAKAYAMA**
Branch Address : 186 Kishigawa Cho Kita, Kinokawa-shi, Wakayama 6400421
Branch Tel : 81-73-6644010
Branch Fax : 81-73-6644088

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.47
UK Pound	1	INR 88.63
Euro	1	INR 79.19
Yen	1	INR 0.63

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	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)