

MIRA INFORM REPORT

Report No. :	524817
Report Date :	16.08.2018

IDENTIFICATION DETAILS

Name :	KOTHARI TRADING CO. (L.L.C)
Registered Office :	Abdullah Assamawi Bldg., Shop No. 05, Al Souq Al Kabeer, Bur Dubai PO Box: 32649, Dubai
Country :	United Arab Emirates
Date of Incorporation :	03.07.1997
Com. Reg. No.:	247361
Legal Form :	Limited Liability Company
Line of Business :	Agents involved in the sale of textiles, clothing, fur, footwear and leather goods;
No. of Employees :	15

RATING & COMMENTS

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

MIRA's Rating :	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 :	Unknown
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.

ECGC Country Risk Classification List

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Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
United Arab Emirates	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

UNITED ARAB EMIRATES - ECONOMIC OVERVIEW

The UAE has an open economy with a high per capita income and a sizable annual trade surplus. Successful efforts at economic diversification have reduced the portion of GDP from the oil and gas sector to 30%.

Since the discovery of oil in the UAE nearly 60 years ago, the country has undergone a profound transformation from an impoverished region of small desert principalities to a modern state with a high standard of living. The government has increased spending on job creation and infrastructure expansion and is opening up utilities to greater private sector involvement. The country's free trade zones - offering 100% foreign ownership and zero taxes - are helping to attract foreign investors.

The global financial crisis of 2008-09, tight international credit, and deflated asset prices constricted the economy in 2009. UAE authorities tried to blunt the crisis by increasing spending and boosting liquidity in the banking sector. The crisis hit Dubai hardest, as it was heavily exposed to depressed real estate prices. Dubai lacked sufficient cash to meet its debt obligations, prompting global concern about its solvency and ultimately a \$20 billion bailout from the UAE Central Bank and Abu Dhabi Government that was refinanced in March 2014.

The UAE's dependence on oil is a significant long-term challenge, although the UAE is one of the most diversified countries in the Gulf Cooperation Council. Low oil prices have prompted the UAE to cut expenditures, including on some social programs, but the UAE has sufficient assets in its sovereign investment funds to cover its deficits. The government reduced fuel subsidies in August 2015, and introduced excise taxes (50% on sweetened carbonated beverages and 100% on energy drinks and tobacco) in October 2017. A five-percent value-added tax was introduced in January 2018. The UAE's strategic plan for the next few years focuses on economic diversification, promoting the UAE as a global trade and tourism hub, developing industry, and creating more job opportunities for nationals through improved education and increased private sector employment.

Source : CIA

COMPANY SUMMARY

<u>COMPANY NAME</u>	KOTHARI TRADING CO. (L.L.C)			
<u>ADDRESS</u>	Building	Area	Town	PO Box
	Abdullah	Al Souq Al	Dubai	32649
	Assamawi Bldg.,	Kabeer, Bur		Dubai
	Shop No. 05	Dubai		
<u>TEL/FAX</u>	Verified Phones: (+971 4) 353 7170 / Fax: (+971 4) 353 7868			
<u>EMAIL/WEBSITE</u>	Email: lkothari@emirates.net.ae / Website: N/A			
<u>ACTIVITY</u>	NACE 4616 - Agents involved in the sale of textiles, clothing, fur, footwear and leather goods;			
<u>PRINCIPAL</u>	Lalit Kothari		Workforce	
	Managing Director		15	
<u>LEGAL INFO</u>	Date Of Est.	Reg. No.	Legal Form	Status
	03/07/1997	247361	LLC	Active
<u>CAPITAL</u>	CURRENCY	AMOUNT		
	AED	800,000		

BUSINESS INFORMATION

IDENTIFICATION

<u>CO. NAME</u>	KOTHARI TRADING CO. (L.L.C)		
<u>BUILDING</u>	Abdullah Assamawi Bldg., Shop No. 05		
<u>AREA</u>	Al Souq Al Kabeer, Bur Dubai		
<u>POSTAL ADDRESS</u>	32649 Dubai		
<u>TOWN</u>	Dubai		
<u>COUNTRY</u>	United Arab Emirates		
<u>TELEPHONE</u>	(+971 4) 353 7170 / Mobiles (+971 50) 650 4738 (Lalit Kothari) / (+971 55) 504 0525 (Lalit Kothari)		
<u>FAX</u>	(+971 4) 353 7868		
<u>VERIFIED EMAIL</u>	lkothari@emirates.net.ae		
<u>BUSINESS HOURS</u>	DAYS	OFFICE HOURS	BREAK TIME
	Sun-Thu	10:00-21:00	14:00-16:30
<u>REGISTERED ADDRESS</u>	Abdullah Assamawi Bldg., Shop No. 05 Al Souq Al Kabeer, Bur Dubai PO Box: 32649 Dubai		

SENIOR PERSONNEL

MANAGEMENT	NAME	POSITION
	Lalit Kothari	Managing Director
WORKFORCE	NO. OF EMPLOYEES	PERIOD
	15	08.2018

FINANCIAL SUMMARY

NOTES

Private companies in UAE are not required to publish or disclose balance sheets. Balance sheets are not available from other sources, and the subject interviewed declined to give any financial information, which the company regards as strictly confidential.

LEGAL STATUS

INCORPORATION REGISTRATION NO.

03/07/1997
C.R. NUMBER
Trade License No.: 247361 (expiry date:
02/07/2019)

ISSUED BY
Dubai
Department of
Economic
Development

OTHER REGISTRATION NO. AUTHORISED CAPITAL

DCCI Membership No.: 44533

CURRENCY
AED
CURRENCY
AED

PAID-UP CAPITAL

AMOUNT
800,000

BUSINESS HISTORY

The Company was incorporated in Dubai on 3 July 1997.

LEGAL FORM

Limited Liability Company

STATUS

Active

SHAREHOLDERS

NAME	PERCENTAGE
1. Lalit Kothari Nationality: Indian	49.00%
2. Undisclosed local Emirati sponsor *	51.00%

* The local sponsor, according to UAE laws must hold a minimum of 51% of the capital, however, in practice and unofficially the local

sponsor gets a fixed annual percentage of the profit and a sponsorship fee without any investment in the company.

OPERATION

BANKERS

Subject declined to name its bankers details.

ACTIVITY CODE (NACE)

4616 - Agents involved in the sale of textiles, clothing, fur, footwear and leather goods;

LINE OF BUSINESS

Trading as importers, wholesalers and retailers of readymade garments, textile products, fabrics and related accessories. India and China.

IMPORT FROM

Subject does not export, all sales are domestic.

EXPORT TO

Rented premises comprising administrative offices and a store located at the heading address as well as 5 stores/registered branch offices located in Dubai, Sharjah and Abu Dhabi.

FACILITIES

BRANCH OFFICES

1. KOTHARI TRADING CO. LLC – BRANCH

Dubai

Est.: 20/09/2011

Trade License No.: 659038

2. KOTHARI TRADING CO. LLC – BRANCH

Dubai

Est.: 20/12/2012

Trade License No.: 680707

3. KOTHARI TRADING CO. LLC – BRANCH

Dubai

Est.: 17/07/2014

Trade License No.: 714189

4. KOTHARI TRADING LLC-SHJ.BR.

Sharjah

Est.: 20/09/2012

Trade License No.: 624632

5. KOTHARI TRADING CO LLC - BRANCH OF ABU DHABI

Abu Dhabi

Est.: 27/01/2015

Trade License No.: CN-1887804

PAYMENT RECORDS

CREDIT OPINION

We consider it is acceptable to deal with subject

SPECIAL REMARKS

INTERVIEWED

Lalit Kothari (Managing Director).

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.47
UK Pound	1	INR 88.63
Euro	1	INR 79.19
UAE DH	1	INR 19.16

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	KET

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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)