

## MIRA INFORM REPORT

|               |            |
|---------------|------------|
| Report No. :  | 526721     |
| Report Date : | 29.08.2018 |

### IDENTIFICATION DETAILS

|                         |  |
|-------------------------|--|
| Name :                  | KARIBU PHARMACEUTICAL LTD                                |
| Registered Office :     | Plot No.2414, Katunjia Rd, P. O. Box FW310, Lusaka       |
| Country :               | Zambia   |
| Financials (as on) :    | 2017 (Summarized)  |
| Date of Incorporation : | 03.03.2009   |
| Legal Form :            | Limited Corporation                                      |
| Line of Business :      | Dealers in pharmaceutical products and related products. |
| No. of Employees :      | 30   |

### RATING & COMMENTS

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

|                 |   |
|-----------------|---|
| MIRA's Rating : | B |
|-----------------|---|

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

|                     |               |
|---------------------|---------------|
| Status :            | Moderate      |
| Payment Behaviour : | No Complaints |
| Litigation :        | Clear         |

#### NOTES:

Any query related to this report can be made on e-mail: 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) |
|--------------|---------------------------------|--------------------------------|
| Zambia       | B1                              | B1                             |

| 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                      |

**ZAMBIA - ECONOMIC OVERVIEW**

Zambia had one of the world's fastest growing economies for the ten years up to 2014, with real GDP growth averaging roughly 6.7% per annum, though growth slowed during the period 2015 to 2017, due to falling copper prices, reduced power generation, and depreciation of the kwacha. Zambia's lack of economic diversification and dependency on copper as its sole major export makes it vulnerable to fluctuations in the world commodities market and prices turned downward in 2015 due to declining demand from China; Zambia was overtaken by the Democratic Republic of Congo as Africa's largest copper producer. GDP growth picked up in 2017 as mineral prices rose.

Despite recent strong economic growth and its status as a lower middle-income country, widespread and extreme rural poverty and high unemployment levels remain significant problems, made worse by a high birth rate, a relatively high HIV/AIDS burden, by market-distorting agricultural and energy policies, and growing government debt. Zambia raised \$7 billion from international investors by issuing separate sovereign bonds in 2012, 2014, and 2015. Concurrently, it issued over \$4 billion in domestic debt and agreed to Chinese-financed infrastructure projects, significantly increasing the country's public debt burden to more than 60% of GDP. The government has considered refinancing \$3 billion worth of Eurobonds and significant Chinese loans to cut debt servicing costs.

Source : CIA

## **SUBJECT'S NAME**

Registered Name: **KARIBU PHARMACEUTICAL LTD**  
Requested Name: **KARIBU PHARMACEUTICAL LTD**  
Other Names: **None**

## **ADDRESS AND TELECOMMUNICATION**

Physical Address: Plot No.2414, Katunjia Rd,  
Postal Address: P. o. Box FW310  
Lusaka,  
Country: Zambia  
Phone: 260-211-372738  
Fax: 260-211-372738  
Email: None  
Website: None

## **CREDIT OPINION**

Financial Index as of December 2017 shows subject firm with a medium risk of credit.

## **LEGAL**

Legal Form: Limited Corporation  
Date Incorporated: 03-March-2009  
Reg. Number: --  
Nominal Capital: ZMW. 100,000  
Subscribed Capital: ZMW. 100,000  
Subscribed Capital is Subscribed in the following form:

|               | <b>Position</b> | <b>Shares</b> |      |
|---------------|-----------------|---------------|------|
| Swapnil Patel | MD              |               | 100% |

## **RELATED COMPANIES**

None Parent company.  
None Subsidiary company.

|               |                              |
|---------------|------------------------------|
| None          | Affiliated company.          |
| Swapnil Patel | Shareholder of subject firm. |
| None          | Branches of the firm         |

## **OPERATIONS**

|   |  |
|---|--|
| Registered to operate as dealers in pharmaceutical products and related products. |  |
| Imports:  | Asia                                       |
| Exports:  | None                                       |
| Trademarks:   | None                                       |
| Terms of sale:  | Cash (40%) and 25-90 days (60%), invoices. |
| Main Customers:   | Medical stores, firms and organizations    |
| Employees:  | 30 employees.                              |
| Vehicles:   | Several motor vehicles.                    |
| Territory of sales:   | Zambia                                     |
| Location:   | Leased premises, 5,000 square feet,        |

## **AUDITORS AND INSURANCE**

|                    |                            |
|--------------------|----------------------------|
| Auditors:          | Information not available. |
| Insurance Brokers: | Information not available. |

## **FINANCE**

|                    |                                    |
|--------------------|------------------------------------|
| Currency Reported: | Zambian Kwacha (ZMW.)              |
| Approx. Ex. Rate:  | 1 US Dollar = 10.19 Zambian Kwacha |
| Fiscal Year End:   | December 31, 2017                  |

|            |   |
|------------|---|
| Inflation: | According to information given by independent sources, the inflation at December 31st, 2017 was of 13%. |
|------------|---|

Financial Information not Submitted

Profit and Loss (expressed in ZMW.)

|       |                           |
|-------|---------------------------|
| Sales | <b>2017</b><br>45,000,000 |
|-------|---------------------------|

## **BANK**

|            |              |
|------------|--------------|
| Bank Name: | Stanbic Bank |
| Branch:    | Zambia       |
| Comments:  | None         |

## **COMMENTS/ ADDITIONAL INFORMATION**

This information was obtained from outside sources other than the subject company itself and confirmed the above subject.

**FOREIGN EXCHANGE RATES**

| Currency  | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1    | INR 70.17     |
| UK Pound  | 1    | INR 90.33     |
| Euro      | 1    | INR 81.93     |
| ZMW       | 1    | INR 6.94      |

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

**INFORMATION DETAILS**

|                             |      |
|-----------------------------|------|
| <b>Analysis Done by :</b>   | VIVR |
| <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)