

MIRA INFORM REPORT

Report No. :	527502
Report Date :	01.09.2018

IDENTIFICATION DETAILS

Name :	ELEMENTS JEWELRY LIMITED
Registered Office :	Room B, 15/F., 8 Hart Avenue, Tsimshatsui, Kowloon
Country :	Hong Kong
Date of Incorporation :	27.03.2014
Com. Reg. No.:	63056507
Legal Form :	Private Limited Company
Line of Business :	Diamond & Jewellery Trader of All kinds of jewellery and diamonds
No. of Employees :	4

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd 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 :	Slow but Correct
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

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

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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 exploration by Hong Kong authorities. In 2017, Chief Executive Carrie LAM announced plans to increase



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government spending on research and development, education, and technological innovation with the aim of spurring continued economic growth through greater sector diversification.

Source : CIA

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COMPANY NAME AND ADDRESS

ELEMENTS JEWELRY LIMITED

ADDRESS: Room B, 15/F., 8 Hart Avenue, Tsimshatsui, Kowloon, Hong Kong.

PHONE: 852-3971 0849

FAX: 852-3971 0853

MANAGEMENT:

Managing Director: Mr. Amita Navlakha

SUMMARY

Incorporated on: 27th March, 2014.

Organization: Private Limited Company.

Issued Share Capital: HK\$10,000.00

Business Category: Diamond & Jewellery Trader.

Employees: 4. (Including associate)

Main Dealing Banker: Bank of India, Hong Kong Branch.

Banking Relation: Satisfactory.

ADDRESS

Registered Head Office:-
Room B, 15/F., 8 Hart Avenue, Tsimshatsui, Kowloon, Hong Kong.

Holding Company:-
Sitara Jewellery Pvt. Ltd., India.

Associated Companies:-

Anshumita Jewels Pvt. Ltd., India.
Sutra Jewels Inc., US.
Sutra Jewels Ltd., Hong Kong. (Same address)

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BUSINESS REGISTRATION NUMBER

63056507

COMPANY FILE NUMBER

2068247

MANAGEMENT

Managing Director: Mr. Amita Navlakha

ISSUED SHARE CAPITAL

HK\$10,000.00

SHAREHOLDER

(As per registry dated 27-03-2018)

<u>Name</u>	<u>No. of shares</u>
Sitara Jewellery Pvt. Ltd. Unit No. 303, 3/F., Block No. 1 Seepz++, Midc, Andheri (East), Mumbai-400096, India.	10,000 =====

DIRECTORS

(As per registry dated 27-03-2018)

<u>Name</u> <u>(Nationality)</u>	<u>Address</u>
Amita NAVLAKHA	A-5, Greater Kailash Part-1, Delhi Pin: 110048, Delhi India.
Divyanshu NAVLAKHA	A-5, Greater Kailash Part-1, Delhi Pin: 110048, Delhi India.

SECRETARY

(As per registry dated 27-03-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
Lodestar Secretaries Ltd.	13/F., Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong.	0113023

HISTORY

The subject was incorporated on 27th March, 2014 as a private limited liability company under the Hong Kong Companies Ordinance.

Formerly the subject was located at Room 601, 6/F., Guardforce Centre, 3 Hok Yuen Street East, Hunghom, Kowloon, Hong Kong where was the operating office of Excellent Diamond Ltd., moved to the present address with effect from 8th April, 2014.

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

OPERATIONS

Activities:	Diamond & Jewellery Trader.
Lines:	All kinds of jewellery and diamonds
Employees:	4. (Including associate)
Commodities Imported:	India, other Asian countries, etc.
Markets:	Hong Kong, China, other Asian countries, etc.
Terms/Sales:	As per contracted.
Terms/Buying:	Various terms.

FINANCIAL INFORMATION

Issued Share Capital:	HK\$10,000.00
Profit or Loss:	Made a small profit in 2016 & 2017.
Condition:	Business is improving.

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Facilities: Adequate for current running.
Payment: slow but correct
Commercial Morality: Satisfactory.
Banker: Bank of India, Hong Kong Branch.
Standing: Small.

GENERAL

Elements Jewelry Limited is a wholly-owned subsidiary of Sitara Jewellery Pvt. Ltd. [Sitara], an India-based company. Sitara was incorporated on 22nd March, 2006 in Maharashtra, Mumbai, India.

The directors of the subject are Amita Navlakha and Divyanshu Navlakha. Belonging to the same family, both are also directors of Sitara.

Your given phone number 852657142 is not a correct Hong Kong phone number.

The subject has had an associated company in the United States known as Sutra Jewels Inc. which is in Houston. Divyanshu Navlakha is a co-owner of this US Company.

The subject moved to the present address in April 2014. Formerly it had used the operating address of Excellent Diamond Ltd., a Hong Kong-registered company as its corresponding address.

The subject is trading in plain, studded, unstudded precious metal jewellery.

Most of the products of the subject, designed by Ms. Arpita Navlakha, are provided by Sitara. Prime markets are Hong Kong, China, and the other Asian countries. History in Hong Kong is just over four years and five months. Business keeps on improving.

The subject is fully supported by Sitara.

On the whole, consider the subject good for normal business engagements in small credit amounts.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.93
UK Pound	1	INR 92.35
Euro	1	INR 82.84
HKD	1	INR 9.03

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

INFORMATION DETAILS

Analysis Done by :	VIV
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)