

MIRA INFORM REPORT

Report No. :	542889
Report Date :	06.12.2018

IDENTIFICATION DETAILS

Name :	AMBICA INTERNATIONAL CORPORATION
Formerly Known As :	AMBICA INTERNATIONAL TRADING CORP.
Registered Office :	# 9 Amsterdam Extension Street, Merville Park Subdivision, Paranaque City, NCR
Country :	Philippines
Financials (as on) :	2015
Date of Incorporation :	07.08.2003
Legal Form :	Private Limited Liability Company
Line of Business :	Trading of various goods, import & export activities for products such as but not limited to pharmaceutical, food, cosmetic products, consumer goods, medical device, molecular diagnostic, household products and other items related thereon.
No. of Employees :	Not available

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 (30.06.2018)	Current Rating (30.09.2018)
Philippines	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

PHILIPPINES - ECONOMIC OVERVIEW

The economy has been relatively resilient to global economic shocks due to less exposure to troubled international securities, lower dependence on exports, relatively resilient domestic consumption, large remittances from about 10 million overseas Filipino workers and migrants, and a rapidly expanding services industry. During 2017, the current account balance fell into the negative range, the first time since the 2008 global financial crisis, in part due to an ambitious new infrastructure spending program announced this year. However, international reserves remain at comfortable levels and the banking system is stable.

Efforts to improve tax administration and expenditures management have helped ease the Philippines' debt burden and tight fiscal situation. The Philippines received investment-grade credit ratings on its sovereign debt under the former AQUINO administration and has had little difficulty financing its budget deficits. However, weak absorptive capacity and implementation bottlenecks have prevented the government from maximizing its expenditure plans. Although it has improved, the low tax-to-GDP ratio remains a constraint to supporting increasingly higher spending levels and sustaining high and inclusive growth over the longer term.

Economic growth has accelerated, averaging over 6% per year from 2011 to 2017, compared with 4.5% under the MACAPAGAL-ARROYO government; and competitiveness rankings have improved. Although 2017 saw a new record year for net foreign direct investment inflows, FDI to the Philippines has continued to lag regional peers, in part because the Philippine constitution and other laws limit foreign investment and restrict foreign ownership in important activities/sectors - such as land ownership and public utilities.

Although the economy grew at a rapid pace under the AQUINO government, challenges to achieving more inclusive growth remain. Wealth is concentrated in the hands of the rich. The unemployment rate declined from 7.3% to 5.7% between 2010 and 2017; while there has been some improvement, underemployment remains high at around 17% to 18% of the employed population. At least 40% of the employed work in the informal sector. Poverty afflicts more than a fifth of the total population but is as high as 75% in some areas of the southern Philippines. More than 60% of the poor reside in rural areas, where the incidence of poverty (about 30%) is more severe - a challenge to raising rural farm and non-farm incomes. Continued efforts are needed to improve governance, the judicial system, the regulatory environment, the infrastructure, and the overall ease of doing business.

2016 saw the election of President Rodrigo DUTERTE, who has pledged to make inclusive growth and poverty reduction his top priority. DUTERTE believes that illegal drug use, crime and corruption are key barriers to economic development. The administration wants to reduce the poverty rate to 17% and graduate the economy to upper-middle income status by the end of President DUTERTE's term in 2022. Key themes under the government's Ten-Point Socioeconomic Agenda include continuity of macroeconomic policy, tax reform, higher investments in infrastructure and human capital development, and improving competitiveness and the overall ease of doing business. The administration sees infrastructure shortcomings as a key barrier to sustained economic growth and has pledged to spend \$165 billion on infrastructure by 2022. Although the final outcome has yet to be seen, the current administration is shepherding legislation for a comprehensive tax reform program to raise revenues for its ambitious infrastructure spending plan and to promote a more equitable and efficient tax system. However, the need to finance rehabilitation and reconstruction efforts in the southern region of Mindanao following the 2017 Marawi City siege may compete with other spending on infrastructure.

Source : CIA

ANTECEDENT INFORMATION

Company: AMBICA INTERNATIONAL CORPORATION
Address: # 9 Amsterdam Extension, Merville Park Subdivision Paranaque City, Philippines 1700
Country: Philippines
Service Type: Normal

FINDINGS

We conducted research and investigation on AMBICA INTERNATIONAL CORPORATION and showed the following, viz:

VERIFICATION)WITH SECURITIES & EXCHANGE COMMISSION (SEC): AMBICA INTERNATIONAL CORPORATION

Legal Entity - PRIVATE. Limited Liability company

REGISTRATION

(Per General Information Sheet (GIS) for Year 2016)

Certificate No. : CS200317457
Date : August 07, 2003
Term : Fifty (50) years
Company Type : Stock Corporation
Telephone No. : (632) 828 6617
Fax No. : (632) 851 2755
Corp. Tax ID No. : 225 961 785

Address: # 9 Amsterdam Extension Street, Merville Park Subdivision, Paranaque City, NCR

(Note: Currency in Philippine Peso, unless otherwise specified)

CAPITALIZATION

(As of 2016)

Authorized Capital Stock	<u>101,000,000.</u>	1,010,000 Shares Common
Amount Subscribed & Paid-Up	<u>63,500,000.</u>	635,000. Shares Common
Par value per Share	<u>100.</u>	

PRIMARY PURPOSE

To engage in the business of trading of various goods, import & export activities for products such as but not limited to pharmaceutical, food, cosmetic products, consumer goods, medical device, molecular diagnostic, household products and other items related thereon.

STOCKHOLDERS/DIRECTORS/OFFICERS

(August 04, 2016)

Name / Nationality	Position	Amount Paid Up
Kamal K. Abichandani, Indian	Chairman	12,700,000.
Joaquin L. Jordana, Pilipino	President	100.
Hersh Kamal K. Abichandani, Indian	Treasurer	38,099,800.
Rosario G. Jordana, Pilipino	Director	100.
Reshma K. Abichandani, Indian	Director	12,700,000.
Elpidio C. Jamora, Jr., Pilipino	Corporate Secretary	NIL
Emelou Cruzin	Asst. Corp. Secretary	<u>NIL</u>
	TOTAL	<u>63,500,000.</u>

BUSINESS ACTIVITY

Ambica International Corporation was originally known as Ambica International Trading Corp. In August 2003, Ambica International Trading Corporation was conceived & started operation by Mr. Kamal Abichandani and Mr. Deepu Bathia in a 20 by 25 square meters room in Merville Subdivision in Paranaque City, assisted by 5 personnel. In 2007, the company name was changed to Ambica International Corporation. With the opening of its office in Vietnam and more than a decade of experience in the Philippines, Ambica has etched its name in the local pharmaceutical industry. It now represents products of manufacturers from 31 countries and has more than 250 products available in all leading drugstores. Within that same year, it partnered with J.B.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Chemicals and Pharmaceuticals Ltd and Wockhardt, which are top pharmaceutical manufacturers in India. In 2005, it was approved as a local importer of pharmaceutical products by the Bureau of Food and Drugs. Ambica was the first to launch the Recombinant Insulin and generic Amlodipine in the Philippines. Ambica launched four divisions for marketing namely: Cardiovascular, Dermatology, Central Nervous System and Biotechnology divisions.

Address : #9 Amsterdam Extension, Merville Park, Paranaque City, Philippines
Tel. No. : (+63) 2-828-6617 / 18 | (+63) 2-828-6542 | (+63) 2-347-0555 | (+63) 2-211-6690
Mobile : (+63) 922-839-7430 | (+63) 917-839-7430 | (+63) 918-839-7430
Email : ambica@pltdsl.net | info@ambicaglobal.com
<http://www.ambicapharmaceuticals.com/>

FINANCIAL CONDITION

(Audited Financial Statement for years 2015 & 2014, as compiled)

BALANCE SHEET

	2015	2014
Current Asset		
Cash on Hand & in Bank	4,147,475.	3,463,104.
Trade & Other Receivables	20,239,847.	15,400,125.
Inventory	115,479,309.	66,422,120.
Advances	3,342,928.	NIL
Other Current Assets	<u>1,064,011.</u>	<u>NIL</u>
Total Current Assets	<u>144,273,570.</u>	<u>85,285,349.</u>
Non Current Assets		
Property & Equipment, net	36,476,767.	15,976,777.
Investment Property	NIL	3,300,000.
Intangible Assets	13,600.	15,300.
Other Assets	<u>NIL</u>	<u>125,815.</u>
Total Non Current Assets	<u>36,490,367.</u>	<u>19,417,892.</u>
Total Assets	<u>180,763,937.</u>	<u>104,703,241.</u>
Current Liabilities		
Trade & Other Payables	74,426,316.	69,257,120.
Other Current Tax Liabilities	<u>1,084,174.</u>	<u>551,785.</u>
Total Current Liabilities	<u>75,510,490.</u>	<u>69,808,905.</u>
Non Current Liabilities		
Loan Payable	71,489,143.	8,894,108.
Advances from Related Parties	<u>4,000,000.</u>	<u>2,000,000.</u>
Total Non Current Liabilities	<u>75,489,143.</u>	<u>10,894,108.</u>
Total Liabilities	<u>150,999,633.</u>	<u>80,703,013.</u>

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Stockholder's Equity		
Share Capital	13,500,000.	13,500,000.
Accumulated Earnings	<u>16,264,304.</u>	<u>10,500,228.</u>
Total Stockholder's Equity	<u>29,764,304.</u>	<u>24,000,228.</u>
TOTAL LIABILITIES & EQUITY	<u>180,763,937.</u>	<u>104,703,241.</u>

INCOME STATEMENT

SALES	<u>703,513,219.</u>	<u>583,999,214.</u>
Gross Profit	82,895,942.	75,087,868.
Operating Expenses	<u>(72,829,820.)</u>	<u>(64,817,523.)</u>
Net Income before Tax	<u>10,066,122.</u>	<u>10,270,345.</u>
NET INCOME FOR THE YEAR	<u>7,764,143.</u>	<u>7,189,241.</u>

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.52
UK Pound	1	INR 89.45
Euro	1	INR 79.84
PHP	1	INR 1.34

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

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	SYL

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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)