

MIRA INFORM REPORT

Report No. :	545212
Report Date :	20.12.2018

IDENTIFICATION DETAILS

Name :	SHINE STONE (HK) LIMITED
Registered Office :	Unit 805, 8/F., Chevalier House, 45-51 Chatham Road South, Tsimshatsui, Kowloon.
Country :	Hong Kong
Date of Incorporation :	19.05.2006
Com. Reg. No.:	36766082
Legal Form :	Private Limited Company
Line of Business :	Importer, Exporter and Wholesaler of all kinds of diamonds and jewellery products, emerald, precious stones
No. of Employees :	7

RATING & COMMENTS

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

MIRA's Rating :

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
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)
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

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, 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.

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

Source : CIA

COMPANY NAME AND DRESS

SHINE STONE (HK) LIMITED

ADDRESS: Unit 805, 8/F., Chevalier House, 45-51 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong.

PHONE: 852-3521 1444, 2127 4740

FAX: 852-3521 1441, 3747 4694

E-MAIL: info@shine-stone.net
shinestoneld@yahoo.com
shinestone@in.com

MANAGEMENT

Managing Director: Mr. Chirag Narshibhai Dhameliya

SUMMARY

Incorporated on: 19th May, 2006.

Organization: Private Limited Company.

Issued Share Capital: HK\$25,000,000.00

Business Category: Diamond Trader.

Employees: 7.

Main Dealing Banker: Standard Chartered Bank (Hong Kong) Ltd., Hong Kong.

Banking Relation: Satisfactory.

ADDRESS

Registered Head Office:-
Unit 805, 8/F., Chevalier House, 45-51 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong.

BUSINESS REGISTRATION NUMBER

36766082

COMPANY FILE NUMBER

1046366

MANAGEMENT

Managing Director: Mr. Chirag Narshibhai Dhameliya

ISSUED SHARE CAPITAL

HK\$25,000,000.00

SHAREHOLDERS

(As per registry dated 19-05-2018)

<u>Name</u>	<u>No. of shares</u>
Shamishtha Chirag DHAMELIYA	2,500,000
Chirag Narshihai DHAMELIYA	22,500,000
Total:	25,000,000 =====

DIRECTOR

(As per registry dated 19-05-2018)

<u>Name</u>	<u>Address</u>
Chirag Narshibhai DHAMELIYA	Unit A, 29/F., Tower 23A, Laguna Verde, Hunghom, Kowloon, Hong Kong.

SECRETARY

(As per registry dated 19-05-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
Champion Corporate Ltd.	Unit 907, 9/F., Silvercord Tower 2, 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong.	0657221

HISTORY

The subject was incorporated on 19th May, 2006 as a private limited liability company under the Hong Kong Companies Ordinance.
Formerly the subject was located at 'Room 707, 7/F., Heng Ngai Jewelry Centre, 4 Hok Yuen Street, Hunghom, Kowloon, Hong Kong', moved to the present address in July 2018.
Apart from these, neither material change nor amendment has been ever traced and noted.

OPERATIONS

Activities: Importer, Exporter and Wholesaler.
Lines: All kinds of diamonds and jewellery products, emerald, precious stones
Brand Name: *Shine Stone*.
Employees: 7.
Commodities
Imported: India, Belgium, other European countries, etc.
Markets: Japan, other Asian countries, Middle East, etc.
Terms/Sales: CAD, L/C, T/T, etc.
Terms/Buying: L/C, T/T, D/P, etc.

MEMBERSHIP: Hong Kong Watch Manufacturers Association Ltd., Hong Kong.
Hong Kong Jewelry Manufacturers' Association, Hong Kong.

FINANCIAL INFORMATION

Issued Share Capital: HK\$25,000,000.00

Mortgage or Charge:-

Date of Mortgage: 23-09-2009

Amount: All moneys

Property: 20/4,978th parts or shares of and in Section D of Kowloon Marine Lot No. 113 [Workshop 7 on 7/F. of Heng Ngai Jewelry Centre (formerly known as Regent Centre), 4 Hok Yuen Street East, Hunghom, Kowloon, Hong Kong.]

Mortgagee: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

Profit or Loss: Made small profits in past years.

Condition: Business is active.

Facilities: Adequate for current running.

Payment: Slow but Correct.

Commercial

Morality: Satisfactory.

Bankers:-

Standard Chartered Bank (Hong Kong) Ltd., Hong Kong.

The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

Standing: Good.

GENERAL

Formerly had issued 1.5 million ordinary shares of HK\$1.00 each, Shine Stone (HK) Limited was jointly owned by three India merchants.

Now, the subject has increased its ordinary shares to 25 million.

The shareholders have been reshuffled. The subject is jointly owned by Shamishtha Chirag Dhameliya [S C Dhameliya], holding 10%, and Mr. Chirag Narshibhai Dhameliya [C N Dhameliya], holding 90%. This is the current shareholding structure.

C N Dhameliya is the only director of the subject. Now, he is a Hong Kong ID holder and has got the right to reside in Hong Kong. He is also managing director of the subject.

The subject is a diamond importer, exporter and wholesaler. It is trading in all kinds of loose diamonds, full cut diamonds, single cut diamonds and fancy diamonds. Some of the real single cut and full cut diamonds are for watches. The size of full cut and single cut diamond ranges from 0.7 mm to 1.8 mm, colours include white, Ow, TTLB, TTLC, black, etc.

The other main products of the subject are the following watches:-

Diamond Analog Watch;

Ladies' Diamond Watch.

Most of its products bear the brand name *Shine Stone*. Products are marketed in Hong Kong and China, and exported to Taiwan, Japan, the other Asian countries, Europe, the United States, etc.

The subject also trades in wristwatches for ladies and men. Most of the commodities are imported from India and Europe. Prime markets are Hong Kong, Japan and the other Asian countries.

In order to penetrate the international market further, the subject has taken part in fairs and exhibitions held in Hong Kong and other foreign large cities.

For instance, it took part in "HKTDC Hong Kong International Diamond, Gem & Pearl Show 2018" which had been held in Hong Kong AsiaWorld-Expo, Lantau, Hong Kong during the period of 27th February to 3rd March, 2018.

Besides, it also took part in "Hong Kong International Jewelry Manufacturers' Show 2018" which had been held in Hong Kong Convention & Exhibition Centre, Wanchai, Hong Kong during the period of 29th November to 2nd December, 2018. Its booth No. was 1ED37.

The subject's business is chiefly handled by the two shareholders of the subject. History of the subject is over twelve years and seven months in Hong Kong. Overall business is active.

On the whole, consider it good for normal business engagements.

REMARK

Property information of the company:-

Property Location: Workshop 7 on 7/F., Heng Ngai Jewelry Centre,
4 Hok Yuen Street East, Kowloon, Hong Kong.

Owner: Shine Stone (HK) Ltd.

Date of Purchase: n.a.

Purchased Price: n.a.

Incumbrances:-

Date of Mortgage	Amount Consideration	Mortgagee	Nature
23-09-2009	-	The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.	Mortgage to secure general banking facilities

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.11
UK Pound	1	INR 88.74
Euro	1	INR 79.82
HKD	1	INR 9.01

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

INFORMATION DETAILS

Analysis Done by :	NIS
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)