

MIRA INFORM REPORT

Report No. :	545237
Report Date :	21.12.2018

IDENTIFICATION DETAILS

Name :	PENTA TRADES
Registered Office :	Flat 6, 5/F., Star Mansion, 3-5 Minden Row, Tsimshatsui, Kowloon
Country :	Hongkong
Date of Incorporation :	18.09.2001
Com. Reg. No.:	32073518-000-09
Legal Form :	Sole Proprietorship.
Line of Business :	Importer, exporter, commission agent of all kinds of diamonds, emerald, precious stones.
No. of Employees :	1

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 :	Slow but Correct
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 (30.06.2018)	Current Rating (30.09.2018)
Hongkong	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

HONGKONG- 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



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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

PENTA TRADES

ADDRESS: Flat 6, 5/F., Star Mansion, 3-5 Minden Row, Tsimshatsui, Kowloon, Hong Kong.

PHONE: 852-2724 4759

FAX: 852-2724 4766

MANAGEMENT

Manager: Mr. Abdul Razzak M. I. Hassan Riyash

SUMMARY

Establishment: 18th September, 2001.

Organization: Sole Proprietorship.

Capital: Not disclosed.

Business Category: Importer, Exporter, Commission Agent, etc.

Employee: 1.

Main Dealing Banker: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

Banking Relation: Satisfactory.

ADDRESS

Head Office:-

Flat 6, 5/F., Star Mansion, 3-5 Minden Row, Tsimshatsui, Kowloon, Hong Kong.

Associated Company:-

Orient HK, Hong Kong. (Same owner and address)

BUSINESS REGISTRATION NUMBER

32073518-000-09

MANAGEMENT

Manager: Mr. Abdul Razzak M. I. Hassan Riyash

SOLE PROPRIETOR

Name: Mr. Abdul Razzak M. I. HASSAN RIYASH
Residential Address: Flat B7, 11/F., Hankow Centre, 4A Ashley Road, Tsimshatsui, Kowloon, Hong Kong.

HISTORY

The subject was established on 18th September, 2001 as a sole proprietorship concern owned by Mr. Abdul Razzak M. I. Hassan Riyash under the Hong Kong Business Registration Regulations.

At the very beginning, the subject was located at Flat B7, 11/F., Hankow Centre, 4A Ashley Road, Tsimshatsui, Kowloon, Hong Kong, moved to Flat C2, 6/F. of the same building in July 2003; moved to Flat 8, 16/F., Star Mansion, 3-5 Minden Row, Tsimshatsui, Kowloon, Hong Kong in November 2005; and further moved to Room 6, 5/F. of the same building in October 2011.

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

OPERATIONS

Activities: Importer, Exporter, Commission Agent, etc.

Lines: All kinds of diamonds, emerald, precious stones.

Employee: 1.

Commodities Imported: India, European countries, other Asian countries, etc.

Markets: Hong Kong, Japan, Southeast Asia, Europe, Middle East, etc.

Terms/Sales: CAD, L/C, T/T, etc.

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Terms/Buying: L/C, T/T, D/P, etc.

FINANCIAL INFORMATION

Capital: Not disclosed.
Profit or Loss: Making a very small profit every year.
Condition: Keeping in a normal manner.
Facilities: Adequate for current running.
Payment: Met trade commitments as contracted.
Commercial Morality: Satisfactory.
Banker: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
Standing: Small.

GENERAL

Penta Trades is a sole proprietorship set up and owned by Mr. Abdul Razzak M. I. Hassan Riyash who is an Indian. He is a Hong Kong ID Card holder and has got the right to reside in Hong Kong.

The subject's registered address is located at Flat 6, 5/F., Star Mansion, 3-5 Minden Row, Tsimshatsui, Kowloon, Hong Kong. This office is not in a commercial building but a residential building. This is the new residential address of Hassan Riyash. He moved to this address in October 2011.

Business commenced in September 2001, the subject is a diamond importer, exporter and wholesaler. It is trading in single-cut diamond, fullcut loose diamond, carat size diamonds, etc. Most of the loose diamonds are polished and cut in its affiliated factories in India.

Business commenced in September 2001, the subject is also engaged in the following business scope besides trading in diamonds:-

- Remittance agent
- Money exchanger
- Commission agent

Importer, exporter and wholesaler of other commodities as entrusted by customers

Diamond products and jewellery are marketed in Hong Kong, and exported to Japan, Taiwan, China, India and the other Asian countries.

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The subject's business is chiefly handled by Hassan Riyash himself. It is able to make small profits in past years. The subject has got an associated company Orient HK located at its operating office. Established on 24th June, 2010, Orient HK is a Hong Kong-registered firm also owned by Mr. Abdul Razzak M. I. Hassan Riyash. Orient HK is also a diamond trader.

The history of the subject in Hong Kong is over 17 years and three months.

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

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.28
UK Pound	1	INR 88.85
Euro	1	INR 80.05
HKD	1	INR 8.94

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	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)