

MIRA INFORM REPORT

Report No. :	545260
Report Date :	21.12.2018

IDENTIFICATION DETAILS

Name :	SYNERGY DIAMONDS LTD.
Registered Office :	3 Jabotinsky Street Ramat Gan 5252005
Country :	Israel
Date of Incorporation :	29.05.2006
Legal Form :	Private limited company
Line of Business :	Subject dealers, importers, exporters and marketers of diamonds.
No. of Employees :	Not Available

RATING & COMMENTS

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

MIRA's Rating :	C
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Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

Status :	Undetermined
Payment Behaviour :	--
Litigation :	--

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

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Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Israel	B1	B1

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

ISRAEL - ECONOMIC OVERVIEW

Israel has a technologically advanced free market economy. Cut diamonds, high-technology equipment, and pharmaceuticals are among its leading exports. Its major imports include crude oil, grains, raw materials, and military equipment. Israel usually posts sizable trade deficits, which are offset by tourism and other service exports, as well as significant foreign investment inflows.

Between 2004 and 2013, growth averaged nearly 5% per year, led by exports. The global financial crisis of 2008-09 spurred a brief recession in Israel, but the country entered the crisis with solid fundamentals, following years of prudent fiscal policy and a resilient banking sector. Israel's economy also weathered the 2011 Arab Spring because strong trade ties outside the Middle East insulated the economy from spillover effects.

Slowing domestic and international demand and decreased investment resulting from Israel's uncertain security situation reduced GDP growth to an average of roughly 2.8% per year during the period 2014-17. Natural gas fields discovered off Israel's coast since 2009 have brightened Israel's energy security outlook. The Tamar and Leviathan fields were some of the world's largest offshore natural gas finds in the last decade. Political and regulatory issues have delayed the development of the massive Leviathan field, but production from Tamar provided a 0.8% boost to Israel's GDP in 2013 and a 0.3% boost in 2014. One of the most carbon intense OECD countries, Israel generates about 57% of its power from coal and only 2.6% from renewable sources.

Income inequality and high housing and commodity prices continue to be a concern for many Israelis. Israel's income inequality and poverty rates are among the highest of OECD countries, and there is a broad perception among the public that a small number of "tycoons" have a cartel-like grip over the major parts of the economy. Government officials have called for reforms to boost the housing supply and to increase competition in the banking sector to address these public grievances. Despite calls for reforms, the restricted housing supply continues to impact younger Israelis seeking to purchase homes. Tariffs and non-tariff barriers, coupled with guaranteed prices and customs tariffs for farmers kept food prices high in 2016. Private consumption is expected to drive growth through 2018, with consumers benefitting from low inflation and a strong currency.

In the long term, Israel faces structural issues including low labor participation rates for its fastest growing social segments - the ultraorthodox and Arab-Israeli communities. Also, Israel's progressive, globally competitive, knowledge-based technology sector employs only about 8% of the workforce, with the rest mostly employed in manufacturing and services - sectors which face downward wage pressures from global competition. Expenditures on educational institutions remain low compared to most other OECD countries with similar GDP per capita.

Source : CIA

COMPANY NAME AND ADDRESS

SYNERGY DIAMONDS LTD.

Registered Address:

3 Jabotinsky Street
RAMAT GAN 5252005 ISRAEL

HISTORY & LEGAL FORMATION

A private limited company, incorporated as per file No. 51-383634-6 on the 29.05.2006.

Subject was continuing part of the activities of a company RAFAELI- STASHEK LTD., which was established in 1977 with the partnership of Rafaeli Family and Gershon Stashek, and partnership which was later dissolved due to a business conflict, and each party continued separately.

Based on our checks, we doubt if the company is presently active businesswise, as there are indicators pointing out that the company is inactive. According to the Registrar of Companies' files, subject's legal status is "Active".

SHARE CAPITAL

Authorized share capital of NIS 30,000.00 divided into:
30,000 ordinary shares of NIS 1.00 each,
of which shares amounting to NIS 100.00 were issued.

SHAREHOLDERS

Subject is fully owned by R T SOLITAIRS, of India.

Until mid-2008, 30% of subject's shares were held by Ms. Yael Harel, then Mr. Gershon Stashek became the sole shareholder. According to the Registrar of Companies', during 2009 – 2010 a change in ownership is recorded, we assume that shares moved from Mr. Stashek to the present shareholder.

SOLE DIRECTOR

Nethan Shah.

Name of general manager, if at all, unavailable.

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BUSINESS

Were dealers, importers, exporters and marketers of diamonds.

As noted, we do not know if subject is presently active commercially. We have been unable to reach any of its officials, and the company does not appear neither in the Diamond Exchange Directory, not in other local trade directories.

From our past records (last interview in 2009), were operating from office premises in 21 Tuval Street Diamond Exchange, Yahalom Building (20th Floor), Ramat Gan. Current place of activity, if at all, unavailable. We called the cellular phone number we had of the former shareholder Gershon Stashek (972 54 3975300), a person answered and said he has no relation to subject. We called the office telephone number we had (972 3 6120663), we reached NISAY DIAMONDS LTD. and the secretary said she can tell us that subject is an inactive company.

Number of employees, if at all, not forthcoming.

MEANS

Financial data not forthcoming.

There are no charges registered on the company's assets.

REVENUES

Sales figures not forthcoming.

BANKERS

Banks data not forthcoming.

CHARACTER AND REPUTATION

According to the Registrar of Companies subject has a "Law Violating Company" Status. Date of status registration 13.11.2012, due certain violation by the subject company for not meeting the Registrar of Companies regulations promptly, mainly for not paying Registrar fees, and/or not submitting annual reports on time (last annual report submitted in October 2012 based on the Registrar's records). Subject accumulated debts to the Registrar, and the debt has also been passed for collection at the Fines Collection Center.

As noted above, we do not know if the company is active businesswise, as we did not find evidence for such (rather the opposite, as the secretary of NISAY DIAMONDS told us that subject is inactive). From the Tax Authority database, the company has VAT file, but no Income Tax approvals.

We did not trace telephone numbers for subject.

Otherwise, no other detrimental data (bankruptcy, lawsuits, etc.) traced.

SUMMARY

In view of the above, dealings, if any, are recommended on cash in advance basis.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.28
UK Pound	1	INR 88.85
Euro	1	INR 80.05
ILS	1	INR 18.61

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	TRU

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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)