

MIRA INFORM REPORT

Report No. :	540411
Report Date :	21.12.2018

IDENTIFICATION DETAILS

Name :	YUENDRUNG CONSTRUCTION PVT LTD
Registered Office :	Pemako High-End Tented Hotel Project Punakha
Country :	Bhutan
Financials (as on) :	31.03.2017
Date of Incorporation :	09.07.2001
Legal Form :	Private Limited Company
Line of Business :	Subject is engaged in Road and Building Construction.
No. of Employees :	150

RATING & COMMENTS

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

MIRA's Rating :	A
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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.

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Bhutan	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

BHUTAN - ECONOMIC OVERVIEW

Bhutan's small economy is based largely on hydropower, agriculture, and forestry, which provide the main livelihood for more than half the population. Because rugged mountains dominate the terrain and make the building of roads and other infrastructure difficult and expensive, industrial production is primarily of the cottage industry type. The economy is closely aligned with India's through strong trade and monetary links and is dependent on India for financial assistance and migrant laborers for development projects, especially for road construction. Bhutan signed a pact in December 2014 to expand duty-free trade with Bangladesh.

Multilateral development organizations administer most educational, social, and environment programs, and take into account the government's desire to protect the country's environment and cultural traditions. For example, the government is cautious in its expansion of the tourist sector, restricting visits to environmentally conscientious tourists. Complicated controls and uncertain policies in areas such as industrial licensing, trade, labor, and finance continue to hamper foreign investment.

Bhutan's largest export - hydropower to India - could spur sustainable growth in the coming years if Bhutan resolves chronic delays in construction. Bhutan's hydropower exports comprise 40% of total exports and 25% of the government's total revenue. Bhutan currently taps only 6.5% of its 24,000-megawatt hydropower potential and is behind schedule in building 12 new hydropower dams with a combined capacity of 10,000 megawatts by 2020 in accordance with a deal signed in 2008 with India. The high volume of imported materials to build hydropower plants has expanded Bhutan's trade and current account deficits. Bhutan also signed a memorandum of understanding with Bangladesh and India in July 2017 to jointly construct a new hydropower plant for exporting electricity to Bangladesh.

Source : CIA

COMPANY IDENTIFICATION DETAILS

Enquired Name : YUENDRUNG CONSTRUCTION PVT LTD
Correct Name of Company : YUENDRUNG CONSTRUCTION PVT LTD
Registered Office : Pemako High-End Tented Hotel Project Punakha Bhutan
Telephone No. : 77101234/77600936
Industry : Construction
Nature of Activity : They are engage in Road and Building Construction.

OFFICIAL COMPANY DATA

Legal Form : Private Limited Company
Corporate Identity Number (CIN) : B4142 of 09-07-2001
Employee : 150
Auditor : AUDITORS
B. K. Bhandari, Bhutan
Bankers : Bank of Bhutan (Bhutan)

BOARD OF DIRECTORS

Name	Designation
Achyut Bhabari	Chairman
Deepak Adhikari,	Director
Rajesh Bhandari	Director
Ashoke Shrestha	Director

SHAREHOLDERS

Achyut Bhabari - 25%
Deepak Adhikari - 25%
Rajesh Bhandari - 25%
Ashoke Shrestha - 25%

CAPITALIZATION STRUCTURE

Authorized Share Capital : 30,000,000/- (3,000,000./ Equity Shares of Rs.10/- each)
Issued, Subscribed & Paid Up : Paidup : 14,672,000/- (14,672,00/- of Rs.10/- each)
Capital

FINANCIAL

BALANCE SHEET AS AT 31.03.2017

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Paid Up Capital	14,672,000	Fixed Assest	5848248
Secured Loan	27,721,697	Investments	4,731,477
Unsecured Loan	3,676,994	Inventories	30,000,000
		Cash & Bank	5,103,766
		Sundry Debtors	387,200
Total	<u>46,070,691</u>		<u>46,070,691</u>

	<u>Rs.</u>
Sales	28,863,138
Expenditure	2,007,910
Profit Before Tax	21,763
Profit After Tax	17,125.00

INFORMATION DENIED

Management non-co-operative [00975-77101234]

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.11
UK Pound	1	INR 88.74
Euro	1	INR 79.82
BTN	1	INR 1.00

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

INFORMATION DETAILS

Information Gathered by :	KMN
Analysis Done by :	VIVR
Report Prepared by :	TPT

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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)