

## MIRA INFORM REPORT

|               |            |
|---------------|------------|
| Report No. :  | 517558     |
| Report Date : | 28.06.2018 |

### IDENTIFICATION DETAILS

|                         |  |
|-------------------------|--|
| Name :                  | DYNAMIC INTERNATIONAL  |
| Registered Office :     | Room 901, 9/F., Heng Ngai Jewelry Centre, 4 Hok Yuen Street East, Hunghom, Kowloon |
| Country :               | Hong Kong  |
| Date of Incorporation : | 02.06.1987   |
| Com. Reg. No.:          | 11054391-000-06  |
| Legal Form :            | Sole Proprietorship  |
| Line of Business :      | Importer, exporter and wholesaler of all kinds of diamonds, gemstones.             |
| No. of Employees :      | 3  |

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> 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](mailto:infodept@mirainform.com) while quoting report number, name and date.

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**ECGC Country Risk Classification List**

| Country Name | Previous Rating<br>(31.12.2017) | Current Rating<br>(01.04.2018) |
|--------------|---------------------------------|--------------------------------|
| Hong Kong    | A1                              | A1                             |

| Risk Category        | ECGC<br>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, hydrocarbon 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.

Hong Kong's open economy left it exposed to the global economic slowdown that began in 2008. Although increasing integration with China through trade, tourism, and financial links aided a more rapid initial recovery than many observers anticipated, its continued reliance on foreign trade and investment leaves it vulnerable to renewed global financial market volatility or a slowdown in the global economy.

The Hong Kong Government is promoting the Special Administrative Region (SAR) as the site for Chinese 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; and RMB trade settlement is allowed. The territory far exceeded the RMB conversion quota set by Beijing for trade settlements in 2010 due to the growth of earnings from exports to the mainland. RMB deposits grew to roughly 9.4% of total system deposits in Hong Kong by the end of 2015. The government is pursuing efforts to introduce additional use of RMB in Hong Kong financial markets and is seeking to expand the RMB quota.

The mainland 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 has surged from 4.5 million in 2001 to 47.3 million in 2014, outnumbering visitors from all other countries combined. Mainland visitors to Hong Kong declined 3% in 2015 to approximately 45.7 million, reflecting an overall drop of 2.5% in total visitors to Hong Kong. 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 51% of the firms listed on the Hong Kong Stock Exchange and accounted for about 62.1% 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, 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, and will improve access to the mainland's service sector for Hong Kong-based companies. Credit expansion and a tight housing supply have caused Hong Kong property prices to rise rapidly; consumer prices increased 2.6% in 2016, but slowed to 2.0% in 2017. Lower- and middle-income segments of the population are increasingly unable to afford adequate housing.

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 Mutual Recognition of Funds, and The Hong Kong Shanghai Gold Connect are all important steps towards opening up the Mainland's capital markets and has reinforced Hong Kong's leading role as China's offshore RMB market. Additional connect schemes from bonds to commodities and other investment products are also under exploration by Hong Kong authorities. In 2017, Chief Executive 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 & ADDRESS***

### **DYNAMIC INTERNATIONAL**

ADDRESS: Room 901, 9/F., Heng Ngai Jewelry Centre, 4 Hok Yuen Street East, Hunghom, Kowloon, Hong Kong.

PHONE: 852-2722 6651, 2312 0826

FAX: 852-2367 6755

E-MAIL: [sales@dynamicinternational.biz](mailto:sales@dynamicinternational.biz)  
[ashu@dynamicinternational.biz](mailto:ashu@dynamicinternational.biz)  
[dynamicintl@hotmail.com](mailto:dynamicintl@hotmail.com)

## ***MANAGEMENT***

Manager: Mr. Ashwani Kumar Malpani

## ***SUMMARY***

Establishment: 2nd June, 1987.

Organization: Sole Proprietorship.

Capital: Not disclosed.

Business Category: Jewellery Trader.

Annual Turnover: US\$3.0~5.0 million.

Employees: 3.

Main Dealing Banker: Wing Lung Bank Ltd., Hong Kong.

Banking Relation: Satisfactory.

## ***ADDRESS***

### **Head Office:-**

Room 901, 9/F., Heng Ngai Jewelry Centre, 4 Hok Yuen Street East, Hunghom, Kowloon, Hong Kong.

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**Affiliated Companies:-**

Dynamic International (Japan) Inc., Japan.  
Malpani, Hong Kong. (Same address)  
Raja's Empire Co. Ltd., Taiwan.

## ***BUSINESS REGISTRATION NUMBER***

11054391-000-06

## ***MANAGEMENT***

Manager: Mr. Ashwani Kumar Malpani  
Contact Person: Ms. Ashu-Ashu

## ***SOLE PROPRIETOR***

Name: Mr. Ashwani Kumar MALPANI  
Residential Address: Flat B, 18/F., Star Mansion, 3 Minden Row, Tsimshatsui, Kowloon, Hong Kong.

## ***HISTORY***

The subject was established on 2nd June, 1987 as a sole proprietorship concern owned by Mr. Ashwani Kumar Malpani under the Hong Kong Business Registration Regulations.

Initially the subject was located at Flat B, 18/F., Star Mansion, 3 Minden Row, Tsimshatsui, Kowloon, Hong Kong, moved to Flat D, 9/F., Beauty Mansion, 69-71A Kimberley Road, Tsimshatsui, Kowloon, Hong Kong in June 1988; to Flat C3, 8/F., Block C, Hankow Centre, 1C Middle Road, Tsimshatsui, Kowloon, Hong Kong in August 2002; to 'Flat C2, 12/F., Block C, Hankow Centre, 1 Middle Road, Tsimshatsui, Kowloon, Hong Kong' in February 2006, and further moved to the present address in May 2017.

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, gemstones.

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Employees: 3.  
Commodities Imported: India, Thailand, Europe, etc.  
Markets: Japan, South Africa, Thailand, US, Europe, Taiwan, etc.  
Annual Turnover: US\$3.0~5.0 million.  
Terms/Sales: CAD, L/C, T/T, O/A, etc.  
Terms/Buying: L/C, T/T, D/P, etc.

## ***MEMBERSHIP***

Hong Kong Gemstone Manufacturers' Association Ltd., Hong Kong.

## ***FINANCIAL INFORMATION***

Capital: Not disclosed.  
Profit or Loss: Made small profits in past years.  
Condition: Keeping in a steady manner.  
Facilities: Making active use of general banking facilities.  
Payment: Slow but correct .  
Commercial Morality: Satisfactory.  
Banker: Wing Lung Bank Ltd., Hong Kong.  
Standing: Normal.

## ***GENERAL***

Dynamic International is a sole proprietorship set up and owned by Mr. Ashwani Kumar Malpani [A K Malpani] who is an India merchant. He is also manager of the subject. The subject is a family business of the Malpanis which was originated in the city of Jaipur, India. The Malpanis have been in this family business since the foundation of the city Jaipur. Mr. Girirajdasji Malpani ventured out of Jaipur in 1959 by establishing a diamond company in Bombay, India.

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A K Malpani started business of gemstones in Hong Kong in 1987 by setting up the subject and was soon joined by his brother Rajesh Kumar Malpani in 1989.

The Malpanis in Hong Kong can be reached at their Hong Kong mobile phone number 852-9016 0540 and 852-9079 1701 respectively.

Besides, the subject has had an associated company known as Malpani, a Hong Kong-registered company located at the same address. Malpani is also operated by Mr. A K Malpani. Malpani is chiefly trading in jewels, fancy diamonds, etc.

The subject is a loose diamond and 18K gold jewellery importer, exporter and wholesaler. It has got an affiliated company in Kofu, Japan, which was set up in 1990, followed by another firm in Taipei, Taiwan in 1994.

Currently, the subject is manufacturing the following commodities

Diamonds, Gemstones & Jade, Sapphire, Ruby, Emerald, Semi-precious Stones, etc.

Products are imported from or exported to Thailand, India, Burma, other European countries, etc.

Besides, the subject also trades in Rings, Diamond Earrings, 18K Gold and Diamond Bangles, Flat Cut Diamond Rings, Diamond Gold Rings, Flat Cut Diamond Brooches, Diamond Gold Brooches, Flat Cut Diamond Necklaces, Flat Diamond Rings, etc.

The subject's prime markets are Japan, South Korea, South Africa, Thailand, the United States, Europe, Taiwan, the Middle East, etc. Business is rather active.

The annual sales turnover of the subject ranges from US\$3.0 to 5.0 million. Making a small profit every year.

In order to penetrate the international market further, the subject has taken part in fairs and exhibitions held in Hong Kong and other foreign countries such as Japan, the United States, Switzerland, etc.

For instance, it is going to take part in "HKTDC Hong Kong International Diamond, Gem & Pearl Show 2018" which will be held in Hong Kong AsiaWorld-Expo, Lantau, Hong Kong during the period of 27th February to 3rd March, 2018. Its booth No. is AWE 5-J02.

The business of the subject is chiefly handled by A K Malpani.

On the whole, since the history of the subject in Hong Kong is over 30 years and eight months, consider it good for normal business engagements.

**FOREIGN EXCHANGE RATES**

| Currency  | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1    | INR 68.52     |
| UK Pound  | 1    | INR 90.60     |
| Euro      | 1    | INR 78.87     |
| HKD       | 1    | INR 8.78      |

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

**INFORMATION DETAILS**

|                             |     |
|-----------------------------|-----|
| <b>Analysis Done by :</b>   | VIV |
| <b>Report Prepared by :</b> | 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)