

## MIRA INFORM REPORT

Report No. :	517057
Report Date :	04.07.2018

### IDENTIFICATION DETAILS

Name :	DEV ENERGY LIMITED
Registered Office :	c/o Akin Professionals Ltd., 20/F., Champion Building, 287-291 Des Voeux Road Central, Sheung Wan
Country :	Hong Kong
Date of Incorporation :	20.05.2013
Com. Reg. No.:	61452923
Legal Form :	Private Limited Liability Company
Line of Business :	The subject is trading in materials and machinery of coal.
No. of Employees :	The subject has no employees in Hong Kong.  <b>NOTE:</b> It is to be noted that the company does not have its own operating office in Hong Kong. The company uses the address of its secretariat as its correspondence address only. Subject operates from some other country and does not have a base in Hong Kong. Such companies are registered in Hong Kong just to tax benefit purpose and due to the strict privacy laws prevailing in the country. In such cases, the companies are not required to have any employees in Hong Kong nor do have an office there.

### RATING & COMMENTS

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

MIRA's Rating :	C
-----------------	---

Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

Status :	No operating office in Hong Kong
Payment Behaviour :	Unknown

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

<b>Litigation :</b>	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.

**ECGC Country Risk Classification List**

<b>Country Name</b>	<b>Previous Rating (31.12.2017)</b>	<b>Current Rating (01.04.2018)</b>
Hong Kong	A1	A1

<b>Risk Category</b>	<b>ECGC Classification</b>
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.

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.

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 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 ADDRESS**

### **DEV ENERGY LIMITED**

#### **ADDRESS:**

#### **Registered Office:-**

c/o Akin Professionals Ltd.

20/F., Champion Building, 287-291 Des Voeux Road Central, Sheung Wan, Hong Kong.

#### **Associated Companies:-**

Dev Energy Equipments Pvt. Ltd., India.

Dev Technofab Ltd., India.

Jyoti Stainless Pvt. Ltd., India.

Moorti Investments Ltd., India.

Shandong Yisheng Environmental Protection Equipment Co. Ltd., China.

## **BUSINESS REGISTRATION NUMBER**

61452923

## **COMPANY FILE NUMBER**

1909081

## **DATE OF INCORPORATION**

20th May, 2013.

## **ISSUED SHARE CAPITAL**

HK\$1,001.00

## **SHAREHOLDERS**

(As per registry dated 20-05-2018)

Name

No. of share

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Varun KUMAR 67 Engineers Enclave, Pitam Pura, Delhi, 110034 India.	1,000
WAN Baitao Apartment No. 101, 1 <sup>st</sup> Unit, 11 <sup>th</sup> Building, 12 <sup>th</sup> Residential Area, North West Fifth Road, Zhang Dian, Zibo, Shandong Province, China.	1
Total:	<u>1,001</u> =====

## **DIRECTORS**

(As per registry dated 20-05-2018)

<u>Name</u> (Nationality)	<u>Address</u>
Varun KUMAR	67 Engineers Enclave, Pitam Pura, Delhi 110034, India.
WAN Baitao	Apartment No. 101, 1st Unit, 11th Building, 12th Residential Area, North West Fifth Road, Zhang Dian, Zibo, Shandong Province, China.

## **SECRETARY**

(As per registry dated 20-05-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
Akin Professionals Ltd.	20/F., Champion Building, 287-291 Des Voeux Road Central, Sheung Wan, Hong Kong	1273165

## **HISTORY**

The company was incorporated on 20th May, 2013 as a private limited liability company under the Hong Kong Companies Ordinance.

Formerly the subject's registered address was located at 'Suite 605, 6/F., China Insurance Group Building, 141 Des Voeux Road, Central, Hong Kong' where was the operating address of a commercial service provider known as Prima Group Ltd. The subject's registered office moved to the present address in November 2016 as it has changed its commercial service provider since then.

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

## **GENERAL**

Dev Energy Limited was incorporated on 20th May, 2013 as a private limited liability company. The subject does not have its own operating office. Its registered office is in a commercial service firm located at '20/F., Champion Building, 287-291 Des Voeux Road Central, Sheung Wan, Hong Kong' known as 'Akin Professionals Ltd.' which is handling its correspondences and documents. This secretarial company is also the corporate secretary of the subject.

The subject has no employees in Hong Kong. According to the Companies Registry of Hong Kong, the subject has issued 1,001 ordinary share of HK\$1.00 of which 1,000 are owned by Mr. Varun Kumar while 1 share is owned by Mr. Wan Baitao. The latter is a China merchant.

The shareholders of the subject are also directors of the subject. Varun Kumar is an India passport holder while Wan Baitao is a China passport holder. Both do not have the right to reside in Hong Kong permanently. Their registered addresses are in Delhi, India and Zibo City, Shandong Province, China respectively. The subject is trading in materials and machinery of coal.

The subject has had an associated company in India known as Dev Technofab Ltd. which was incorporated on 5th July, 2000 in India. This company is located at the registered address of Mr. Varun Kumar. The main office of the subject is also in India [Dev Energy].

Dev Energy is a leading supplier and consultant for the all gasification needs of the industry. It is engaged in designing, installing coal Gasifiers in ceramics, steel, aluminium, copper, fertilizer and glass industries. Dev Energy has partnered with Shandong Yisheng Environmental Protection Equipment Co. Ltd. [Yisheng] in China which is one of the largest and specialized coal gasification equipment manufacturers. Mr. Wan Baitao is the Sales Manager of Yisheng.

Its brief information is as follow:

Name: Yisheng

Address: Changguo Road, Fengshui Town, Zhangdian District, Zibo City, Shandong Province, China.

Date of Incorporation: 8th April, 2003.

Legal Status: Limited Liability Company (owned by natural person)

Registered Capital: RMB25 million Yuan

Duration: 8th April, 2003 to 8th April, 2023 (20 years)

United Social Credit Code: 91370303748974252

Registration No.: 370300228097104

Legal Representative: Mr. Bu Hongfu

Yisheng has got the certificate of manufacturing pressure vessels, integrated manufacturing system and advanced detecting method products.

The two parties have got a large group of experienced and technical experts working both in India and china. Dev Energy's professional team is capable of supplying the services of design, manufacture, installation, training and technical consultation, in the complete process in the field of gasification.

According to Dev Energy, it has supplied more than one thousands of coal Gasifier systems for both China and the other Asian countries. It has wide experience in the construction materials such as ceramics, glassware, chemical, fire-resistance, steel metallurgy and machinery industry applications.

In India, Dev Energy has had experience for more than 9 years in implementing gasification technology. Its systems have been running successfully since 2003. The air cooling technology, where coal gas does not come in contact with the water, was first installed by it in India.

Yisheng is a professional gasification equipment manufacturer in coal gasification equipment. Yisheng has got one two three types of pressure vessel design and manufacturing qualification, GC2, GC3 level pressure piping and pressure piping installation permit design license. It also has got ISO9001 international quality system certification and ISO14001 international protection system certification. The brand-name of its product bearing the trademark "CG3Q-3.6M coal gas furnace" has been listed as 'National Torch Plan Project' of China.

In China, Yisheng's factory covers an area of 80,000 square meters, and currently employing more than 500 employees. Its products are marketed in China and exported to the other Asian countries such as Vietnam, India, Indonesia, South Korea, Iran, etc.

Now, the annual sales of the subject ranged from US\$5.0 to 15.0 million while its net profit was about US\$150,000.00 to US\$250,000.00.

The subject made small profits in past years.

The subject's history in Hong Kong is over five years and a month.

Since the subject does not have its own operating office and has no employees in Hong Kong, consider it good for business engagements on L/C basis or in small credit amounts.

**NOTE:**

It is to be noted that the company does not have its own operating office in Hong Kong. The company uses the address of its secretariat as its correspondence address only. Subject operates from some other country and does not have a base in Hong Kong. Such companies are registered in Hong Kong just to tax benefit purpose and due to the strict privacy laws prevailing in the country. In such cases, the companies are not required to have any employees in Hong Kong nor do have an office there.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.69
UK Pound	1	INR 90.35
Euro	1	INR 80.02
HKD	1	INR 8.75

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

**INFORMATION DETAILS**

Analysis Done by :	VIV
Report Prepared by :	SYL

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**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)