

MIRA INFORM REPORT

Report No. :	516831
Report Date :	05.07.2018

IDENTIFICATION DETAILS

Name :	UNITED MOTORS LTD
Registered Office :	Motorway M1, Pallies
Country :	Mauritius
Financials (as on) :	30.06.2017
Date of Incorporation :	11.04.1984
Com. Reg. No.:	C4279
Legal Form :	Limited Corporation
Line of Business :	Subject operate as distributors of automotives, spare parts and related accessories
No. of Employees :	200 employees

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 :	Good
Payment Behaviour :	No Complaints
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 (31.12.2017)	Current Rating (01.04.2018)
Mauritius	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

MAURITIUS - ECONOMIC OVERVIEW

Since independence in 1968, Mauritius has undergone a remarkable economic transformation from a low-income, agriculturally-based economy to a diversified, upper middle-income economy with growing industrial, financial, and tourist sectors. Mauritius has achieved steady growth over the last several decades, resulting in more equitable income distribution, increased life expectancy, lowered infant mortality, and a much-improved infrastructure.

The economy currently depends on sugar, tourism, textiles and apparel, and financial services, but is expanding into fish processing, information and communications technology, education, and hospitality and property development. Sugarcane is grown on about 90% of the cultivated land area but sugar makes up only around 3-4% of national GDP. Authorities plan to emphasize services and innovation in the coming years. After several years of slow growth, government policies now seek to stimulate economic growth in five areas: serving as a gateway for international investment into Africa; increasing the use of renewable energy; developing smart cities; growing the ocean economy; and upgrading and modernizing infrastructure, including public transportation, the port, and the airport.

Mauritius has attracted more than 32,000 offshore entities, many aimed at commerce in India, South Africa, and China. The Mauritius International Financial Center is under scrutiny by international bodies promoting fair tax competition and Mauritius has been cooperating with the European Union and the United States in the automatic exchange of account information. Mauritius is also a member of the OECD/G20's Inclusive Framework on Base Erosion and Profit Shifting and is under pressure to review its Double Taxation Avoidance Agreements. The offshore sector is vulnerable to changes in the tax framework and authorities have been working on a Financial Services Sector Blueprint to enable Mauritius to transition to a jurisdiction of higher value added. Mauritius' textile sector has taken advantage of the Africa Growth and Opportunity Act, a preferential trade program that allows duty free access to the US market, with Mauritian exports to the US growing by 35.6 % from 2000 to 2014. However, lack of local labor as well as rising labor costs eroding the competitiveness of textile firms in Mauritius.

Mauritius' sound economic policies and prudent banking practices helped mitigate negative effects of the global financial crisis in 2008-09. GDP grew in the 3-4% per year range in 2010-17, and the country continues to expand its trade and investment outreach around the globe. Growth in the US and Europe fostered goods and services exports, including tourism, while lower oil prices kept inflation low. Mauritius continues to rank as one of the most business-friendly environments on the continent and passed a Business Facilitation Act to improve competitiveness and long-term growth prospects. A new National Economic Development Board was set up in 2017-2018 to spearhead efforts to promote exports and attract inward investment.

Source : CIA

SUBJECT'S NAME

Registered Name: **UNITED MOTORS LTD**
Requested Name: **UNITED MOTORS LTD**
Other Names: **UNITED MOTORS LTD (UML)**

ADDRESS AND TELECOMMUNICATION

Physical Address: Motorway M1, Pallies,
Country: Mauritius
Phone: 230-2028800
Fax: 230-2028800
Email: uml@uml.lealgroup.com
Website: www.kia.mu

CREDIT OPINION

Financial Index as of December 2017 shows subject firm with a medium risk of credit. However, bank and credit information obtained reveal a history of prompt payments.

LEGAL

Legal Form: Limited Corporation
Date Incorporated: 11-April-1984
Reg. Number: C4279
Nominal Capital: MUR. 57,016,700
Subscribed Capital: MUR. 57,016,700
Subscribed Capital is Subscribed in the following form:

	Position	Shares
Leal Eric Michel Georges	Chairman/MD	
Collet Serret Joseph Jacques Vivian	Deputy MD	
Sapan Etwaroo	COO	
Gregoire Jean Marie Eugene	Director	
Rehmally Mohamed Yousouf	Director	
Rochecouste Collet Bernard Aime Jacques	Director	
LEAL & CO LTD	Holding Co.	100%

RELATED COMPANIES

LEAL & CO LTD	Parent company.
None	Subsidiary company.
Leal Réunion, LEAL IT, Leal Communications & Informatics Ltd (LCI), Solinfo (Reunion), Elytis, CiSOLVE International Ltd, LEAL Energie, Leal Equipements Cie Ltée (LEC), Europcar, Xcellence Prestige Car, PNL (Pharmacie Nouvelle Ltd), Ariva.	Affiliated companies.
None	Shareholder of subject firm.
None	Branches of the firm

OPERATIONS

Registered to operate as distributors of automotives, spare parts and related accessories	
Imports:	Asia
Exports:	None
Trademarks:	None
Terms of sale:	Cash (40%) and 25-90 days (60%), invoices.
Main Customers:	firms and organizations
Employees:	200 employees.
Vehicles:	Several motor vehicles.
Territory of sales:	Mauritius
Location:	Owned premises, 100,000 square feet,

AUDITORS AND INSURANCE

Auditors:	Information not available.
Insurance Brokers:	Information not available.

FINANCE

Currency Reported: Mauritius Rupee (MUR.)
Fiscal Year End: December 31, 2017
Inflation: According to information given by independent sources, the inflation at December 31st, 2017 was of 13%.

Financial Information Submitted

BANK

Bank Name: MCB BANK
Branch: Mauritius
Comments: None

TRADE REFERENCES

Experiences: Good

NOTARIAL BONDS None

COMMENTS / ADDITIONAL INFORMATION

This information was obtained from outside sources other than the subject company itself and confirmed the above subject.

PROFIT AND LOSS STATEMENT

Financial Year Ended: 30/06/2017 Date Approved: 21/11/2017
Currency: Mauritius Rupee
Unit: 1

Turnover	1033504580
Less cost of Sales	875386718
Gross Profit	158117862
Other Income	24507205
Less distribution Costs	0
Administration Costs	83098927
Other Expenses	21599034
Finance Costs	18327118
Profit/Loss Before Tax	59599988
Tax Expense	10049038
Profit/Loss for the period	49550950

BALANCE SHEET

Financial Year Ended: 30/06/2017
Currency: Mauritius Rupee
Unit: 1

Non Current Assets	
Prop, Plant & Equip.	131771702
Invest. Properties	50680
Intangible Assets	53234
Invest in Subsidiaries	0
Others	0
Total	131875616
Current Assets	
Inventories	343701836
Trade & Other recv.	119484574
Cash & cash eqiv.	3224562
Others	0
Total	466410972
Total Assets	598286588

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Equity & Liabilities	
Share Capital	57016700
Other reserves	10924147
Retained Earnings	28094959
Total	96035806
Non Current Liabilities	
Long term Borrowings	0
Deferred Tax	3895432
Long term Provisions	46919110
Others	0
Total	50814542
Current Liabilities	
Trade and other Payables	335970788
Short Term Borrowings	112793439
Current Tax payable	2672013
Short Term Provisions	0
Others	0
Total Current Liabilities	451436240
Total Liabilities	502250782
Total Equity & liabilities	598286588

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.53
UK Pound	1	INR 90.52
Euro	1	INR 80.02
MUR	1	INR 2.00

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	SDA

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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)