

## MIRA INFORM REPORT

<b>Report No. :</b>	521400
<b>Report Date :</b>	26.07.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	KP SANGHVI MIDDLE EAST DMCC
<b>Registered Office :</b>	Unit No: Almas-29-J Almas Tower Plot No: JLT-PH1-A0 Jumeirah Lakes Towers Dubai
<b>Country :</b>	United Arab Emirates
<b>Financials (as on) :</b>	31.03.2017 (Approximately)
<b>Date of Incorporation :</b>	31.10.2011
<b>Com. Reg. No.:</b>	DMCC-31912
<b>Legal Form :</b>	DMCC Free Zone - Limited Liability Company
<b>Line of Business :</b>	Trading as importers, wholesalers and distributors of rough and polished diamonds as well as jewellery.
<b>No. of Employees :</b>	8 (07.2018)

**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

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	No Complaints
<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**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
United Arab Emirates	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

**UNITED ARAB EMIRATES - ECONOMIC OVERVIEW**

The UAE has an open economy with a high per capita income and a sizable annual trade surplus. Successful efforts at economic diversification have reduced the portion of GDP from the oil and gas sector to 30%.

Since the discovery of oil in the UAE nearly 60 years ago, the country has undergone a profound transformation from an impoverished region of small desert principalities to a modern state with a high standard of living. The government has increased spending on job creation and infrastructure expansion and is opening up utilities to greater private sector involvement. The country's free trade zones - offering 100% foreign ownership and zero taxes - are helping to attract foreign investors.

The global financial crisis of 2008-09, tight international credit, and deflated asset prices constricted the economy in 2009. UAE authorities tried to blunt the crisis by increasing spending and boosting liquidity in the banking sector. The crisis hit Dubai hardest, as it was heavily exposed to depressed real estate prices. Dubai lacked sufficient cash to meet its debt obligations, prompting global concern about its solvency and ultimately a \$20 billion bailout from the UAE Central Bank and Abu Dhabi Government that was refinanced in March 2014.

The UAE's dependence on oil is a significant long-term challenge, although the UAE is one of the most diversified countries in the Gulf Cooperation Council. Low oil prices have prompted the UAE to cut expenditures, including on some social programs, but the UAE has sufficient assets in its sovereign investment funds to cover its deficits. The government reduced fuel subsidies in August 2015, and introduced excise taxes (50% on sweetened carbonated beverages and 100% on energy drinks and tobacco) in October 2017. A five-percent value-added tax (VAT) was introduced in January 2018. The UAE's strategic plan for the next few years focuses on economic diversification, promoting the UAE as a global trade and tourism hub, developing industry, and creating more job opportunities for nationals through improved education and increased private sector employment.

Source : CIA

## **BRIEF SUMMARY**

<b>COMPANY NAME</b>	KP SANGHVI MIDDLE EAST DMCC			
<b>ADDRESS</b>	Building	Street	Area	PO Box
	Almas Tower, Unit No. 29-J	Lake Avenue	Jumeirah Lakes Towers	625845 Dubai
<b>TEL/FAX</b>	Verified Phones: (+971 4) 453 7380 / Fax: (+971 4) 453 7359			
<b>EMAIL/WEBSITE</b>	Email: ketan@kpsanghvi.ae / info@kpsanghvi.ae / Website: www.kpsanghvi.com			
<b>ACTIVITY</b>	NACE 4648 - Wholesale of watches and jewellery;			
<b>PRINCIPAL</b>	Ketan N. Shah Managing Director			Workforce 8
<b>LEGAL INFO</b>	Date Of Est. 31/10/2011	Reg. No. DMCC-31912	Legal Form DMCC Free Zone - Limited Liability Company	Status Active
<b>CAPITAL</b>	<b>CURRENCY</b> AED		<b>AMOUNT</b> 250,000	

## **IDENTIFICATION**

<b>CO. NAME</b>	KP SANGHVI MIDDLE EAST DMCC		
<b>BUILDING</b>	Almas Tower, Unit No. 29-J		
<b>STREET</b>	Lake Avenue		
<b>AREA</b>	Jumeirah Lakes Towers		
<b>POSTAL ADDRESS</b>	625845 Dubai		
<b>TOWN</b>	Dubai		
<b>COUNTRY</b>	United Arab Emirates		
<b>TELEPHONE</b>	(+971 4) 453 7380		
<b>FAX</b>	(+971 4) 453 7359		
<b>VERIFIED EMAIL</b>	dubai@kpsanghvi.ae / ketan@kpsanghvi.ae		
<b>WEBSITE</b>	www.kpsanghvi.com		
<b>BUSINESS HOURS</b>	<b>DAYS</b> Sun-Thu	<b>OFFICE HOURS</b> 10:00-19:00	<b>BREAK TIME</b> 13:00-14:00
<b>REGISTERED ADDRESS</b>	Unit No: ALMAS-29-J ALMAS Tower Plot No: JLT-PH1-A0 Jumeirah Lakes Towers Dubai		

## **SENIOR PERSONNEL**

MANAGEMENT	NAME	POSITION
	Ketan N. Shah	Managing Director
WORKFORCE	NO. OF EMPLOYEES	PERIOD
	8	07.2018

## **FINANCIAL SUMMARY**

Sales	31/03/2017 (approx) USD 150,000,000	31/03/2016 USD 130,000,000
NET PROFIT / (LOSS)	Not given but stated to be profitable	
NOTES	Historical Profit & Loss Account	
	Sales Turnover : US DLRS 99,000,000 - 2013 : US DLRS 100,000,000 - 2014 : US DLRS 110,000,000 – 2015	
FISCAL YEAR-END	Financial year ends 31 March. 31 March.	

## **LEGAL STATUS**

INCORPORATION	31/10/2011	
REGISTRATION NO.	<b>C.R. NUMBER</b> Trade License No.: DMCC-31912 (valid)	<b>ISSUED BY</b> Dubai Multi Commodities Centre
OTHER REGISTRATION NO.	Registration No.: DMCC-2755	
AUTHORISED CAPITAL	<b>AMOUNT</b> 250,000	<b>CURRENCY</b> AED
PAID-UP CAPITAL	<b>AMOUNT</b> 250,000	<b>CURRENCY</b> AED
BUSINESS HISTORY	The Company was incorporated in Dubai on 31 October 2011.	
LEGAL FORM	DMCC Free Zone - Limited Liability Company	
STATUS	Active	
SHAREHOLDERS	<b>NAME</b> 1. KP Sanghvi HK Ltd. 2001, Empress Plaza, 17-19, Chatham Road Tsim Sha Tsui, Kowloon Hong Kong	<b>PERCENTAGE</b> 80.00%

Telephone: (+852) 2316 2123  
Fax : (+852) 2125 8975

2. Kishore Hajarimal Sanghvi 20.00%  
Nationality: Indian

Subject is a member of the KP Sanghvi & Sons group established in 1965. KP Sanghvi is the largest specialist manufacturer and one-stop-shop supplier of smalls in Si to piqué clarities, across colours (white, grey, coloured, brown). It also distributes pointers and caraters in commercial colours, across clarities.

\* Dubai Multi Commodities Centre (DMCC) is a free zone authority offering 100% business ownership, a guaranteed 50 year tax holiday and freehold property options. Entities licensed by DMCC (Free Zone Establishment or Free Zone Companies / LLC) are not required to have a local sponsor.

DMCC is a strategic initiative of the Dubai government created to establish a commodity market place in Dubai. It provides industry specific market infrastructure and a range of facilities for the gold & precious metals, diamonds & coloured stones, energy and other commodities industries.

## **OPERATION**

### **BANKERS**

1. Emirates NBD (Fmly Emirates Bank International)  
Dubai Main Branch  
Baniyas Road  
P.O. Box : 2923  
Dubai  
Telephone: (+971 4) 225 6900  
Fax : (+971 4) 226 7718
2. Mashreq Bank  
Omer Bin Al Khattab Street

PO Box 1250  
Dubai  
Telephone: (+971 4) 222 9131  
Fax : (+971 4) 222 6061

Subject previously had an account with :

Standard Chartered Bank  
Khalid Bin Waleed Street  
PO Box 999  
Dubai  
Telephone: (+971 4) 352 0455  
Fax : (+971 4) 352 6679  
4648 - Wholesale of watches and jewellery;  
Trading as importers, wholesalers and distributors of rough and  
polished diamonds as well as jewellery.  
Botswana, India and Belgium.  
India, Turkey, Armenia and Belgium.  
Premises comprising administrative offices located at the heading  
address.  
Associates

**ACTIVITY CODE (NACE)**

**LINE OF BUSINESS**

**IMPORT FROM**

**EXPORT TO**

**FACILITIES**

**RELATED COMPANIES**

1. KP Sanghvi International Private Ltd.

Plot No. GJ 04, SEEPZ++  
SEEPZ-SEZ Andheri East,  
Mumbai – 400095  
India  
Telephone: (+91 22) 6780 0000  
Fax : (+91 22) 2829 1880

2. KP Sanghvi Jewels Pvt Ltd.

B-wing, 2nd Floor  
Plot No. X-2, X-2A, X-3  
Gems & Jewellery Park- DTA  
Ichchhapore, Surat  
394510, Gujarat  
India  
Telephone: (+91 261) 656 7891

3. KP Sanghvi Inc

589, 5th Avenue, Suite 1008  
New York, NY 10017  
USA  
Telephone: (+1 212) 575 2358  
Fax : (+1 212) 575 2359

4. Meru Gems LLC

309, Gold Land Building

PO Box 54312  
Dubai  
United Arab Emirates  
Telephone: (+971 4) 226 6196  
Fax : (+971 4) 225 7898

5. KP Sanghvi Europe BVBA  
Hoveniersstraat 30, Office 614  
Box 270 2018  
Antwerpen  
Belgium  
Telephone: (+32 3) 201 3000  
Fax : (+32 3) 201 3009

6. KP Sanghvi Jewellery BVBA  
Hoveniersstraat 30, Office 614,  
Box 270 2018  
Antwerpen  
Belgium  
Telephone: (+32 3) 201 3000  
Fax : (+32 3) 201 3009

## **PAYMENT RECORDS**

### **CREDIT OPINION**

We consider it is acceptable to deal with subject.

## **SPECIAL REMARKS**

### **INTERVIEWED**

Ketan N. Shah (Managing Director).

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.80
UK Pound	1	INR 90.58
Euro	1	INR 80.45
UAE DH	1	INR 18.70

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

**INFORMATION DETAILS**

Analysis Done by :	DIV
Report Prepared by :	POJ

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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)