

MIRA INFORM REPORT

Report No. :	537447
Report Date :	03.11.2018

IDENTIFICATION DETAILS

Name :	PEPSI-COLA INTERNATIONAL (PVT) LIMITED
Registered Office :	37-C-I, Gulberg III, Lahore
Country :	Pakistan
Financials (as on) :	2017 (Summarized)
Date of Incorporation :	1992
Com. Reg. No.:	0028338
Legal Form :	Private Limited Company
Line of Business :	Subject engaged in the manufacture of Beverages
No. of Employees :	2,130

RATING & COMMENTS

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

MIRA's Rating : A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Maximum Credit Limit :	USD 13278023.02
Status :	Satisfactory
Payment Behaviour :	Slow and delayed
Litigation :	Clear

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.

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Pakistan	B1	B1

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

PAKISTAN - ECONOMIC OVERVIEW

Decades of internal political disputes and low levels of foreign investment have led to underdevelopment in Pakistan. Pakistan has a large English-speaking population, with English-language skills less prevalent outside urban centers. Despite some progress in recent years in both security and energy, a challenging security environment, electricity shortages, and a burdensome investment climate have traditionally deterred investors. Agriculture accounts for one-fifth of output and two-fifths of employment. Textiles and apparel account for more than half of Pakistan's export earnings; Pakistan's failure to diversify its exports has left the country vulnerable to shifts in world demand. Pakistan's GDP growth has gradually increased since 2012, and was 5.3% in 2017. Official unemployment was 6% in 2017, but this fails to capture the true picture, because much of the economy is informal and underemployment remains high. Human development continues to lag behind most of the region.

In 2013, Pakistan embarked on a \$6.3 billion IMF Extended Fund Facility, which focused on reducing energy shortages, stabilizing public finances, increasing revenue collection, and improving its balance of payments position. The program concluded in September 2016. Although Pakistan missed several structural reform criteria, it restored macroeconomic stability, improved its credit rating, and boosted growth. The Pakistani rupee has remained relatively stable against the US dollar since 2015, though it declined about 10% between November 2017 and March 2018. Balance of payments concerns have reemerged, however, as a result of a significant increase in imports and weak export and remittance growth.

Pakistan must continue to address several longstanding issues, including expanding investment in education, healthcare, and sanitation; adapting to the effects of climate change and natural disasters; improving the country's business environment; and widening the country's tax base. Given demographic challenges, Pakistan's leadership will be pressed to implement economic reforms, promote further development of the energy sector, and attract foreign investment to support sufficient economic growth necessary to employ its growing and rapidly urbanizing population, much of which is under the age of 25.

In an effort to boost development, Pakistan and China are implementing the "China-Pakistan Economic Corridor" (CPEC) with \$60 billion in investments targeted towards energy and other infrastructure projects. Pakistan believes CPEC investments will enable growth rates of over 6% of GDP by laying the groundwork for increased exports. CPEC-related obligations, however, have raised IMF concern about Pakistan's capital outflows and external financing needs over the medium term.

Source : CIA

COMPANY NAME

PEPSI-COLA INTERNATIONAL (PVT) LIMITED

FULL ADDRESS

Registered Address
37-C-I, Gulberg III, Lahore, Pakistan

Tel # 92 (42) 111-724-725, 35753303, 35743303
Fax # 92 (42) 35743303

SHORT DESCRIPTION OF BUSINESS

- | | | |
|----|--------------------|--|
| a. | Nature of Business | Engaged in the manufacture of Beverages with the brand name of "PEPSI" |
| b. | Year Established | 1992 |
| c. | Registration # | 0028338 |

FACTORY LOCATION

Address Plot 57/58, Phase IV, Hattar Industrial Estate, Hattar, Pakistan
Tel # 92 (995) 617091, 617094
Fax # 92 (995) 617094

AUDITORS

KPMG Taseer Hadi & Co.
(Chartered Accountants)

LEGAL STATUS

Subject Company was established as a Private Limited Company in 1992

CAPITAL

Authorized Capital Rs. 418,000,000/- divided into 4,180,000 shares of Rs. 100/- each
Issued & Paid up Capital Rs. 371,491,900/- divided into 3,714,919 shares of Rs. 100/- each

DETAILS OF DIRECTORS

Names	Designation
Mr. Furqan Ahmed Syed	Chief Executive
Mr. Mohammed Amir Javed	Director
Mr. Omer Malik	Director

SHAREHOLDERS

PepsiCo INV Europe (IBV) is a major shareholder of Pepsi-Cola International (Pvt) Ltd (Held 99% shareholding of the Company)

HOLDING COMPANY

PepsiCo INV Europe (IBV) is a major shareholder of Pepsi-Cola International (Pvt) Ltd

BUSINESS ACTIVITIES

Engaged in the manufacture of Beverages with the brand name of "PEPSI"

NUMBER OF EMPLOYEES

2,130

ANNUAL PRODUCTION VOLUME

The capacity and production of the Company's plant is indeterminable as it is multi-products and involves various process of manufacturing

ANNUAL SALES VOLUME

Years	In Pak Rupees
2016	34,010,202,349/-
2017	35,500,120,300/-

TRADE SUPPLIERS (FOREIGN)

Subject import globally from Companies belongs to China, Japan, Korea, Taiwan & European Countries. Its global trade suppliers are Companies related to Machineries, Beverages Raw Materials & Food Chemicals

DISTRIBUTORS NETWORK

Mainly exist at major cities of Pakistan

BANKERS

- (1) Habib Bank Limited, Pakistan.
- (2) Standard Chartered Bank, Pakistan.
- (3) MCB Bank Limited, Pakistan.
- (4) Citibank N.A., Pakistan.
- (5) Bank Alfalah Limited, Pakistan.

MEMBERSHIPS

Federation Pakistan Chamber of Commerce & Industry.
Lahore Chamber of Commerce & Industry.

COMMENTS

Subject is a well established company enjoying satisfactory share of its market products. Directors are reported as resourceful and experienced businessmen. Financial position of the Company is sound and has enough resources to meet the financial obligations. Payments are Slow and delayed. In view of current disturbed economic and political situation, we would advise to deal with all the business in Pakistan with some caution.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.88
UK Pound	1	INR 94.75
Euro	1	INR 83.23
PKR	1	INR 0.55

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	TRU

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)

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.