

MIRA INFORM REPORT

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| Report No. : | 537458 |
| Report Date : | 03.11.2018 |

IDENTIFICATION DETAILS

| | |
|-------------------------|--|
| Name : | SAIGAL PACKAGES INDUSTRIES (PRIVATE) LIMITED |
| Registered Office : | Office No. 8, 2 nd Floor, Business Chamber, B-17, Estate Avenue, S.I.T.E., Karachi, |
| Country : | Pakistan |
| Financials (as on) : | 2017 (Summarized) |
| Date of Incorporation : | 03.08.2007 |
| Com. Reg. No.: | 0062416 |
| Legal Form : | Private Limited Company |
| Line of Business : | Subject is engaged in manufacture & marketing of self adhesive packaging tapes, tin containers & woven polypropylene bags. |
| No. of Employees : | 95 |

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 82591.421 |
| Status : | Satisfactory |
| Payment Behaviour : | Slow and Delayed |
| 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.

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

Business Name SAIGAL PACKAGES INDUSTRIES (PRIVATE) LIMITED

FULL ADDRESS

Registered Address

Office No. 8, 2nd Floor, Business Chamber, B-17, Estate Avenue, S.I.T.E., Karachi,
Pakistan

Tel No. 92 (21) 32550546, 32550547, 32550548, 32550549

Fax No. 92 (21) 32550548

SHORT DESCRIPTION OF BUSINESS

- | | | |
|----|--------------------|--|
| a. | Nature of Business | Engaged in manufacture & marketing of Self Adhesive Packaging Tapes, Tin Containers & Woven Polypropylene Bags |
| b. | Year Established | 3 rd August, 2007 |
| c. | Registration No. | 0062416 |

FACTORY LOCATION

D-124, S.I.T.E., Karachi,
Pakistan

AUDITORS

Raza Siddiqui & Co.
(Chartered Accountants)

LEGAL STATUS

Subject Company was established as a Private Limited Company on 3rd August, 2007

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| | |
|--------------------------|---|
| 6. AUTHORIZED CAPITAL | Rs. 20,000,000/- divided into 2,000,000 shares of Rs. 10/- each |
| ISSUED & PAID UP CAPITAL | Rs. 7,000,000/- divided into 700,000 shares of Rs. 10/- each |

DETAILS OF MANAGEMENT

| Names | Designation |
|-------------------|-----------------|
| Mr. Tauseef Ahmed | Chief Executive |
| Mr. Riaz Ahmed | Director |
| Mr. Tanveer Riaz | Director |
| Mrs. Amna Tauseef | Director |

SHAREHOLDERS

| Names | No. of Shares |
|-------------------|---------------|
| Mr. Tauseef Ahmed | 594,990 |
| Mr. Riaz Ahmed | 35,000 |
| Mr. Tanveer Riaz | 35,000 |
| Mrs. Amna Tauseef | 35,000 |
| Mrs. Nasira Begum | 10 |

ASSOCIATED COMPANIES

(1) A.J. Containers, Pakistan.

BUSINESS ACTIVITIES

Engaged in manufacture & marketing of Self Adhesive Packaging Tapes, Tin Containers & Woven Polypropylene Bags

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NUMBER OF EMPLOYEES

95

CAPACITY & PRODUCTION

The Production Capacity of the plant cannot be determined as its mainly depends on the demand / requirements from their domestic customers

TRADE SUPPLIERS (FOREIGN)

Subject import globally from Companies belongs to Oman, U.A.E., China, Korea, Malaysia, Singapore & Japan. Its global trade suppliers are Companies related to Raw Materials, Machineries

ANNUAL SALES VOLUME

| Years | In Pak Rupees |
|-------|---------------------------|
| 2016 | 180,000,000/- (Estimated) |
| 2017 | 220,000,000/- (Estimated) |

CUSTOMERS

Major customers are Food Manufacturing Companies, Industrial Organizations, Private Companies deal with cash term basis

BANKERS

- (1) Soneri Bank Limited, Pakistan.
- (2) Habib Metropolitan Bank Limited, Pakistan.
- (3) Bank Alfalah Limited, Pakistan.
- (4) United Bank Limited, Pakistan.
- (5) Meezan Bank Limited, Pakistan.

MEMBERSHIPS

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

COMMENTS

Subject Company was established in 3rd August, 2007 and is engaged in manufacture & marketing of Self Adhesive Packaging Tapes, Tin Containers & Woven Polypropylene Bags. Overall reputation is normal. Trade relations are reported as fair. 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 72.87 |
| 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 : | 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)