

MIRA INFORM REPORT

Report No. :	539106
Report Date :	12.11.2018

IDENTIFICATION DETAILS

Name :	TAKII & CO LTD
Registered Office :	180 Inokuma-Higashi-Iru Umekoji-Dori Shimogyoku Kyoto 600-86866
Country :	Japan
Financials (as on) :	30.04.2018
Date of Incorporation :	May, 1920
Com. Reg. No.:	1300-01-017950
Legal Form :	Limited Company
Line of Business :	Manufacturer of seeds, seedlings, bulbs, gardening materials, fertilizer
No. of Employees :	765

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+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES:

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

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Japan	A1	A1

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

JAPAN - ECONOMIC OVERVIEW

Over the past 70 years, government-industry cooperation, a strong work ethic, mastery of high technology, and a comparatively small defense allocation (slightly less than 1% of GDP) have helped Japan develop an advanced economy. Two notable characteristics of the post-World War II economy were the close interlocking structures of manufacturers, suppliers, and distributors, known as keiretsu, and the guarantee of lifetime employment for a substantial portion of the urban labor force. Both features have significantly eroded under the dual pressures of global competition and domestic demographic change.

Measured on a purchasing power parity basis that adjusts for price differences, Japan in 2017 stood as the fourth-largest economy in the world after first-place China, which surpassed Japan in 2001, and third-place India, which edged out Japan in 2012. For three postwar decades, overall real economic growth was impressive - averaging 10% in the 1960s, 5% in the 1970s, and 4% in the 1980s. Growth slowed markedly in the 1990s, averaging just 1.7%, largely because of the aftereffects of inefficient investment and the collapse of an asset price bubble in the late 1980s, which resulted in several years of economic stagnation as firms sought to reduce excess debt, capital, and labor. Modest economic growth continued after 2000, but the economy has fallen into recession four times since 2008.

Japan enjoyed an uptick in growth since 2013, supported by Prime Minister Shinzo ABE's "Three Arrows" economic revitalization agenda - dubbed "Abenomics" - of monetary easing, "flexible" fiscal policy, and structural reform. Led by the Bank of Japan's aggressive monetary easing, Japan is making modest progress in ending deflation, but demographic decline - a low birthrate and an aging, shrinking population - poses a major long-term challenge for the economy. The government currently faces the quandary of balancing its efforts to stimulate growth and institute economic reforms with the need to address its sizable public debt, which stands at 235% of GDP. To help raise government revenue, Japan adopted legislation in 2012 to gradually raise the consumption tax rate. However, the first such increase, in April 2014, led to a sharp contraction, so Prime Minister ABE has twice postponed the next increase, which is now scheduled for October 2019. Structural reforms to unlock productivity are seen as central to strengthening the economy in the long-run.

Scarce in critical natural resources, Japan has long been dependent on imported energy and raw materials. After the complete shutdown of Japan's nuclear reactors following the earthquake and tsunami disaster in 2011, Japan's industrial sector has become even more dependent than before on imported fossil fuels. However, ABE's government is seeking to restart nuclear power plants that meet strict new safety standards and is emphasizing nuclear energy's importance as a base-load electricity source. In August 2015, Japan successfully restarted one nuclear reactor at the Sendai Nuclear Power Plant in Kagoshima prefecture, and several other reactors around the country have since resumed operations; however, opposition from local governments has delayed several more restarts that remain pending. Reforms of the electricity and gas sectors, including full liberalization of Japan's energy market in April 2016 and gas market in April 2017, constitute an important part of Prime Minister Abe's economic program.

Under the Abe Administration, Japan's government sought to open the country's economy to greater foreign competition and create new export opportunities for Japanese businesses, including by joining 11 trading partners in the Trans-Pacific Partnership (TPP). Japan became the first country to ratify the TPP in December 2016, but the United States signaled its withdrawal from the agreement in January 2017. In November 2017 the remaining 11 countries agreed on the core elements of a modified agreement, which they renamed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Japan also reached agreement with the European Union on an Economic Partnership Agreement in July 2017, and is likely seek to ratify both agreements in the Diet this year.

Source : CIA

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COMPANY NAME AND ADDRESS

TAKII & CO LTD

REGD NAME: Takii Shubyo KK (shubyo means seeds & seedlings)
MAIN OFFICE: 180 Inokuma-Higashi-Iru Umekoji-dori Shimogyoku Kyoto 600-86866 JAPAN
Tel: 075-365-0123 Fax: 075-365-0150
URL: http://www.takii.co.jp
E-mail: (thru the URL)

ACTIVITIES

Mfg of seeds, seedlings, bulbs, gardening materials, fertilizer

BRANCHES

Sapporo, Sendai, Ibaraki, Fukuoka, other (Tot 14)

OVERSEAM

USA, Brazil, Chile, Netherlands, France, Denmark, Spain, Turkey, Indonesia India, Thailand, China, Korea, Vietnam (--subsidiaries)

FACTORIES

Sapporo, Ibaraki, Nagano, Shiga, Wakayama (--farms)

OFFICER(S)

DENICHI TAKII, PRES	Kazuo Hatsuda, s/mgn dir
Tatsuya Takahashi, mgn dir	Ryuji Kaya, mgn dir
Wataru Sugimura, mgn dir	Takaharu Kawase, dir

Yen Amount: In million Yen, unless otherwise stated

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SUMMARY

FINANCES	FAIR	A/SALES	Yen 51,446 M
PAYMENTS	REGULAR	CAPITAL	Yen 200 M
TREND	STEADY	WORTH	Yen 135,875 M
STARTED	1920	EMPLOYES	765

COMMENT

MFR OF SEEDS & SEEDLINGS, BULBS, GARDENING MATERIALS

FINANCIAL SITUATION CONSIDERED FAIR AND GOOD FOR ORDINARY BUSINESS ENGAGEMENTS

HIGHLIGHTS

This is a leading mfr of seeds & seedling, bulbs, gardening material, and the related. Owns 5 farms in Japan. Overseas operates 14 subsidiaries. Products are widely exported thru these subsidiary firms. Aggressively expanding into China and other S/E Asian markets.

FINANCIAL INFORMATION

The sales volume for Apr/2018 fiscal term amounted to Yen 51,446 million, a 0.5% up from Yen 51,185 million in the previous term. The recurring profit was posted at Yen 6,360 million and net profit at Yen 4,624 million, respectively, compared with Yen 6.601 million recurring profit and Yen 4,893 million net profit, respectively, a year ago.. .

For the current term ending Apr 2019 the recurring profit is projected at Yen 6,600 and the net profit at Yen 4,750 million, respectively, on a 3% rise in turnover, to Yen 52,820 million.

The financial situation is considered FAIR and good for ORDINARY business engagements.

REGISTRATION

Date Registered:	May 1920
Regd No.:	1300-01-017950 (Kyoto-Shimogyoku)
Legal Status:	Limited Company (Kabushiki Kaisha)
Authorized:	16 million shares
Issued:	4 million shares

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Sum: Yen 200 million
Major shareholders (%): Employees' S/Holding Assn (15.1), Seiryu Royal Bldg* (7.6), TS Shoji* (3.6). *
Owned by Takii group.
No. of shareholders: 805

Nothing detrimental is known as to the commercial morality of executives.

OPERATION

Activities: Manufactures seeds & seedlings for vegetables, buffalo grass, flowers, bulbs, gardening materials, fertilizer, offers landscape construction, other (--100%).

Clients: [Farms, seeds & seedling wholesalers]: Wholesalers (70%), Zen-Noh Corp; farm houses, seeds shops, other
Exports to USA, Europe, other
No. of accounts: 2,000 – 3,000
Domestic areas of activities: Nationwide

Suppliers: [Mfrs, wholesalers] Mitsubishi Plastic Agri Dream Co, Sekisui Jushi Corp, Okamoto, Hyponex Japan Corp, Suntory, Agricultural Cooperatives Nationwide, other
Imports from overseas partners

Payment record: Regular

Location: Business area in Kyoto. Office premises at the caption address are owned and maintained satisfactorily.

Bank References:
MUFG (Kyoto-Chuo)
Bank of Kyoto (H/O)
Relations: Satisfactory

FINANCES

(In Million Yen)

Terms Ending:	30/04/2019	30/04/2018	30/04/2017	30/04/2016
Annual Sales	52,820	51,446	51,185	51,037
Recur. Profit	6,600	6,360	6,601	7,536
Net Profit	4,750	4,624	4,893	5,079
Total Assets		151,603	147,293	142,086
Current Assets		86,822	83,374	82,622

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Current Liabs		14,392	14,429	13,849
Net Worth		135,875	131,530	126,917
Capital, Paid-Up		200	200	200
Div.Ttl in Million (₹)		280.00	280.00	280.00
<Analytical Data>	(%)	(%)	(%)	(%)
S.Growth Rate	2.67	0.51	0.29	3.62
Current Ratio	..	603.27	577.82	596.59
N.Worth Ratio	..	89.63	89.30	89.32
R.Profit/Sales	12.50	12.36	12.90	14.77
N.Profit/Sales	8.99	8.99	9.56	9.95
Return On Equity	..	3.40	3.72	4.00

Notes: Forecast (or estimated) figures for the 30/04/2019 fiscal term.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.73
UK Pound	1	INR 94.87
Euro	1	INR 82.52
Yen	1	INR 0.64

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

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	TRU

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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)