

MIRA INFORM REPORT

Report No. :	539531.2
Report Date :	21.11.2018

IDENTIFICATION DETAILS

Name :	DIVINE JEWELS LLC
Registered Office :	Mariam Building, Office No. 201, Deira, P O Box: 75999 & 14008 & 3321, Dubai
Country :	United Arab Emirates
Date of Incorporation :	06.03.2010
Com. Reg. No.:	1055647
Legal Form :	Limited Liability Company - LLC
Line of Business :	Import and export of jewellery, precious stones and watches.
No. of Employees :	4

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 :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES:

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

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ECGC Country Risk Classification List

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

SUMMARY

Company Name	: DIVINE JEWELS LLC
Country of Origin	: Dubai, United Arab Emirates
Legal Form	: Limited Liability Company - LLC
Registration Date	: 6 th March 2010
Commercial Registration Number	: 1055647, Dubai
Trade Licence Number	: 635800
Chamber Membership Number	: 180666
Issued Capital	: UAE Dh 300,000
Paid up Capital	: UAE Dh 300,000
Total Workforce	: 4
Activities	: Import and export of jewellery, precious stones and watches
Financial Condition	: Undetermined
Payments	: Slow but correct
Person Interviewed	: Kunal Gosalia, Sales Manager

COMPANY NAME

DIVINE JEWELS LLC

ADDRESS

REGISTERED & PHYSICAL ADDRESS

Building : Mariam Building, Office No. 201
Area : Deira

PO Box : 75999 & 14008 & 3321

Town : Dubai
Country : United Arab Emirates

Telephone : (971-4) 2264632 / 2260073
Facsimile : (971-4) 2260074

Mobile : (971-56) 8818170 / (971-50) 8461595 / 4526789 / (971-55) 8506344 / 2558051 / (98-20) 590929
Email : divinejewelsllc@gmail.com / sales.divinejewels@gmail.com

Premises

Subject operates from a small suite of offices that are rented and located in the Central Business Area of Dubai.

KEY PRINCIPALS

<u>Name</u>	<u>Nationality</u>	<u>Position</u>
• Sameer Bin Talib	Saudi	Managing Director
• Jenan Fardan Abdul Fardan Al Fardan	Emirati	Director
• Kunal Gosalia	-	Sales Manager
• Bhavesh Nagindas Kamani	Indian	Sales Manager
• Jigish Meghani	-	Commercial Manager

LEGAL FORM & OWNERS

Date of Establishment : 6th March 2010

Legal Form : Limited Liability Company - LLC

Commercial Reg. No. : 1055647, Dubai

Trade Licence No. : 635800 (Expires 03/03/2019)

Chamber Member No. : 180666

Issued Capital : UAE Dh 300,000

Paid up Capital : UAE Dh 300,000

Name of Shareholder (s)	Percentage
• Jenan Fardan Abdul Fardan Al Fardan	51%
• Sameer Bin Talib	49%

Notes to the legal Form

The LLC requires a minimum of two and a maximum of 50 members. The minimum share capital required is UAE Dh 300,000. Shareholders are only liable up to the extent of the value of their shares. This type of company may engage in any form of legitimate business, with the exception of insurance, banking and investment of funds. The company is not obliged to publish its accounts. The participation of non-Emirati in a trade or business in the United Arab Emirates is governed by the Foreign Business Investment Law, which sets capital requirements and requires 51 percent Emirati participation in capital and profits. It is common for the 51 percent to be held by the UAE national on paper only with the foreign partner(s) providing all the capital requirements for the company and paying an annual fee to the local partner.

OPERATIONS

Activities: Engaged in the import and export of jewellery, precious stones and watches.

Import Countries: Europe and the Far East

Local Suppliers:

- Divine Grace LLC

Export Countries: Russia and GCC countries

Subject has a workforce of 4 employees.

FINANCIAL DATA

Companies registered in Dubai, United Arab Emirates are not legally required to make their accounts public and no financial information was released by the company or submitted by outside sources.

BANKERS

- Bank of Baroda
PO Box: 3162
Dubai
Tel: (971-4) 5531955
Fax: (971-4) 5536962

PAYMENT HISTORY

Subject's payments have been reported to be slow but correct

GENERAL COMMENTS

During the course of this investigation the following sources were consulted:

- Internal database
- Journals, directories, media & web searches
- Local Registry office
- Interview with Mr Kunal Gosalia, Sales Manager

Please note that local correspondents spoke to Mr Kunal Gosalia, Sales Manager who refused to divulge any financial details.

The subject and its shareholders/owners have been searched in the following databases; Office of Foreign Assets Control (OFAC), United Nations Security Council Sanctions, Australian Sanctions List, US Consolidated Sanctions List, EU Financial Sanctions List and UK Financial Sanctions List and nothing adverse could be found on the exact names listed within the report.

During the course of this investigation nothing detrimental was uncovered regarding subject's operating history or the manner in which payments are fulfilled. As such the company is considered to be a fair trade risk.

COUNTRY OUTLOOK

The economy continues to experience a slowdown in economic growth as a result of low oil prices. Real GDP achieved sustained growth of over 6 % per year in recent decades, with oil surpluses invested into the non-oil economy. In particular, the country has managed to develop the Dubai financial and real-estate centres, international airline hubs in Dubai and Abu Dhabi, and sports-tourism in a number of Emirates as well as light manufacturing and transport and retail trade services. However, since June 2014, it has been affected by the plummeting of global oil prices which has resulted in a drop-in hydrocarbon exports and revenues. While it managed to sustain growth rates of 4.6% in 2014, growth in 2015 is estimated to have declined to 3.4%.

Fiscal and external balances are deteriorating and macro-financial risks are increasing. A drop-in hydrocarbon revenues coupled with expansionary fiscal policy has pushed the fiscal balance down from a surplus of 10.4% of GDP in 2013 to a 5% surplus in 2014 and to an estimated deficit of -4.3% of GDP by end-2015. The fiscal deficit of 2015 is the first since the financial crisis of 2009 when the real estate bubble in Dubai burst. The current account surplus fell from 18.4% of GDP in 2013 to 13.7% of GDP in 2014 and to a mere 0.2% of GDP by end-2015.

Monetary policy is tightening, as is liquidity in the banking system. The Central Bank raised the interest rate on its certificates of deposit by 25 basis points in December 2015 in response to the United States' Federal Reserve rate increase. It is expected to continue mirroring the Fed's interest rate hikes. At the same time, reduced government deposits are resulting in reduced liquidity in the banking sector.

The growth outlook is one of slow recovery, averaging 2.5 % between 2016 and 2018. Oil production will increase as a result of investment in oilfield development. Non-hydrocarbon growth will rise as megaproject implementation ramps up ahead of Dubai's hosting of Expo 2020, and as the lifting of sanctions on Iran translates into increased commerce, trade, and investment between Iran and the UAE (particularly Dubai). These developments will jointly help to narrow the current account deficit from an estimated deficit of -1.7% of GDP in 2016 to a forecasted deficit of -0.2% of GDP in 2018.

Fiscal policy will continue to tighten, but ensuring fiscal sustainability will require additional policy measures to cut spending, develop new revenue streams, and manage fiscal risks. The UAE government has reported that it will be implementing a value-added tax (VAT) at the latest by 2018, along with other GCC countries. It is also considering the introduction of a corporate tax. This will help improve the fiscal balance. Other consolidation measures are needed, including a reduction in electricity and water subsidies and a gradual slowdown in the implementation of GRE's (Government Related Entities) megaprojects.

Key Economic Indicators	2014	2015	2016*	2017*
Real GDP Growth (%)	4.6	3.4	2.0	2.4
Inflation Rate (%)	2.3	4.1	3.1	3.4
Fiscal Balance (% of GDP)	5.0	-4.3	-5.2	-2.1
Current Account Balance (% of GDP)	13.7	0.2	-1.7	-0.4

* forecast

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.33
UK Pound	1	INR 91.72
Euro	1	INR 81.69
UAE Dh	1	INR 19.39

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

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	NIT

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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)