

MIRA INFORM REPORT

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| Report No. : | 532816.2 |
| Report Date : | 30.11.2018 |

IDENTIFICATION DETAILS

| | |
|--------------------------------|---|
| Name : | BACHA BIDI WORKS |
| Registered Office : | Shahi Bazar, Sarwar Qubi Lane, Hyderabad, Sindh, Pakistan |
| Country : | Pakistan |
| Financials (as on) : | 2016 (Summarized) |
| Date of Incorporation : | 2008 |
| Legal Form : | Proprietorship |
| Line of Business : | Subject engaged in import & trading of Tendu Leaves |
| No. of Employees : | 3 |

RATING & COMMENTS

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

MIRA's Rating :

C

| Credit Rating | Explanation | Rating Comments |
|---------------|------------------|---|
| C | Medium High Risk | Business dealings permissible preferably on secured basis |

| | |
|----------------------------|----------|
| Status : | Moderate |
| Payment Behaviour : | Unknown |
| 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 BACHA BIDI WORKS

FULL ADDRESS

Registered Address

Shahi Bazar, Sarwar Qubi Lane, Hyderabad, Sindh, Pakistan

Tel # +923332603492, +923213617712

Fax # ---

SHORT DESCRIPTION OF BUSINESS

a. Nature of Business Engaged in import & trading of Tendu Leaves

b. Year Established 2008

BRANCHES

None

LEGAL STATUS

Subject Company was established as a Proprietorship business in 2008

DETAILS OF MANAGEMENT

| Names | Nationality | Address | Occupation | Designation |
|-----------------------|--------------------|---|-------------------|--------------------|
| Mr. Muhammad Aadil | Pakistani | Shahi Bazar, Sarwar Qubi Lane, Hyderabad, Sindh | Business | CEO / Proprietor |

ASSOCIATED COMPANIES

None

BUSINESS ACTIVITIES

Subject Company is engaged in import & trading of Tendu Leaves.

It purchases against D/A basis to its trade suppliers globally.

It sells against cash / credit term basis to its domestic customers.

Subject import globally from Companies belongs to India, Bangladesh & Srilanka.

Its major customers are Private Companies, Traders etc.

Subject operates from caption leased shop premises situated at commercial market of Hyderabad, Sindh.

Subject employs about 3 persons in its set up.

ANNUAL SALES VOLUME

| Year | In Pak Rupees |
|------|-------------------------|
| 2016 | 7,000,000/- (Estimated) |

TRADE SUPPLIERS (FOREIGN)

Subject import globally from Companies belongs to India, Bangladesh & Srilanka

BANKERS

Allied Bank Limited, Pakistan.

United Bank Limited, Pakistan.

MCB Bank Limited, Pakistan.

COMMENTS

Subject Company was established in 2008 and is engaged in import & trading of Tendu Leaves. Trade relations are not known. Such as conducting business activity with the subject is considered to be a trade risk. In view of current disturbed economic and political situation, we would advise to deal with all the business in Pakistan at safe and secured trade terms and conditions

FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 69.92 |
| UK Pound | 1 | INR 89.74 |
| Euro | 1 | INR 79.58 |
| PKR | 1 | INR 0.52 |

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

INFORMATION DETAILS

| | |
|-----------------------------|-----|
| Analysis Done by : | niy |
| Report Prepared by : | KET |

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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)