

MIRA INFORM REPORT

Report No. :	535854
Report Date :	23.10.2018

IDENTIFICATION DETAILS

Name :	KALPATARU (HK) LIMITED
Registered Office :	Room 701, 7/F., Hart Avenue Plaza, 5-9 Hart Avenue, Tsimshatsui, Kowloon
Country :	Hongkong
Date of Incorporation :	22.05.2007
Com. Reg. No.:	37993151
Legal Form :	Private Limited Company.
Line of Business :	Importer, exporter and wholesaler of all kinds of diamonds.
No. of Employees :	3

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

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.

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.

ECGC Country Risk Classification List

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

HONGKONG - ECONOMIC OVERVIEW

Hong Kong has a free market economy, highly dependent on international trade and finance - the value of goods and services trade, including the sizable share of reexports, is about four times GDP. Hong Kong has no tariffs on imported goods, and it levies excise duties on only four commodities, whether imported or produced locally: hard alcohol, tobacco, oil, and methyl alcohol. There are no quotas or dumping laws. Hong Kong continues to link its currency closely to the US dollar, maintaining an arrangement established in 1983.

Excess liquidity, low interest rates and a tight housing supply have caused Hong Kong property prices to rise rapidly. The lower and middle-income segments of the population increasingly find housing unaffordable.

Hong Kong's open economy has left it exposed to the global economic situation. Its continued reliance on foreign trade and investment makes it vulnerable to renewed global financial market volatility or a slowdown in the global economy.

Mainland China has long been Hong Kong's largest trading partner, accounting for about half of Hong Kong's total trade by value. Hong Kong's natural resources are limited, and food and raw materials must be imported. As a result of China's easing of travel restrictions, the number of mainland tourists to the territory surged from 4.5 million in 2001 to 47.3 million in 2014, outnumbering visitors from all other countries combined. After peaking in 2014, overall tourist arrivals dropped 2.5% in 2015 and 4.5% in 2016. The tourism sector rebounded in 2017, with visitor arrivals rising 3.2% to 58.47 million. Travelers from Mainland China totaled 44.45 million, accounting for 76% of the total.

The Hong Kong Government is promoting the Special Administrative Region (SAR) as the preferred business hub for renminbi (RMB) internationalization. Hong Kong residents are allowed to establish RMB-denominated savings accounts, RMB-denominated corporate and Chinese government bonds have been issued in Hong Kong, RMB trade settlement is allowed, and investment schemes such as the Renminbi Qualified Foreign Institutional Investor (RQFII) Program was first launched in Hong Kong. Offshore RMB activities experienced a setback, however, after the People's Bank of China changed the way it set the central parity rate in August 2015. RMB deposits in Hong Kong fell from 1.0 trillion RMB at the end of 2014 to 559 billion RMB at the end of 2017, while RMB trade settlement handled by banks in Hong Kong also shrank from 6.8 trillion RMB in 2015 to 3.9 trillion RMB in 2017.

Hong Kong has also established itself as the premier stock market for Chinese firms seeking to list abroad. In 2015, mainland Chinese companies constituted about 50% of the firms listed on the Hong Kong Stock Exchange and accounted for about 66% of the exchange's market capitalization.

During the past decade, as Hong Kong's manufacturing industry moved to the mainland, its service industry has grown rapidly. In 2014, Hong Kong and China signed a new agreement on achieving basic liberalization of trade in services in Guangdong Province under the Closer Economic Partnership Agreement (CEPA), adopted in 2003 to forge closer ties between Hong Kong and the mainland. The new measures, which took effect in March 2015, cover a negative list and a most-favored treatment provision. On the basis of the Guangdong Agreement, the Agreement on Trade in Services signed in November 2015 further enhanced liberalization, including extending the implementation of the majority of Guangdong pilot liberalization measures to the whole Mainland, reducing the restrictive measures in the negative list, and adding measures in the positive lists for cross-border services as well as cultural and telecommunications services. In June 2017, the Investment Agreement and the Agreement on Economic and Technical Cooperation (Ecotech Agreement) were signed under the framework of CEPA.

Hong Kong's economic integration with the mainland continues to be most evident in the banking and finance sector. Initiatives like the Hong Kong-Shanghai Stock Connect, the Hong Kong- Shenzhen Stock Connect the Mutual Recognition of Funds, and the Bond Connect scheme are all important steps towards opening up the Mainland's capital markets and have reinforced Hong Kong's role as China's leading offshore RMB market. Additional connect schemes such as ETF Connect (for exchange-traded fund products) are also under exploration by Hong Kong authorities. In 2017, Chief Executive Carrie LAM announced plans to increase



MIRA INFORM PRIVATE LIMITED
605, Palmspring, Near D'Mart, Link Road,
Malad (West), Mumbai - 400 064. INDIA
Tel : 91-22-40448000 (44 lines)
Fax : 91-22-40448045 / 40448046
E-mail : mira@mirainform.com
info@mirainform.com
Website : <http://www.mirainform.com>
<http://www.miraglobalcheck.com>
<http://www.miraglobalcollections.com>

KALPATARU (HK) LIMITED - 535854

PAGE NO. : 4

government spending on research and development, education, and technological innovation with the aim of spurring continued economic growth through greater sector diversification.

Source : CIA

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.

COMPANY NAME AND ADDRESS

KALPATARU (HK) LIMITED

ADDRESS: Room 701, 7/F., Hart Avenue Plaza, 5-9 Hart Avenue, Tsimshatsui, Kowloon, Hong Kong.

PHONE: 852-2723 8114

FAX: 852-2723 8115

E-MAIL: kalpataru.hk@gmail.com

MANAGEMENT

Managing Director: Mr. Mithil Mukeshkumar Mehta

SUMMARY

Incorporated on: 22nd May, 2007.

Organization: Private Limited Company.

Issued Share Capital: HK\$7,000,000.00

Business Category: Jewellery Trader.

Employees: 3.

Main Dealing Banker: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

Banking Relation: Satisfactory.

ADDRESS

Registered Head Office:-

Room 701, 7/F., Hart Avenue Plaza, 5-9 Hart Avenue, Tsimshatsui, Kowloon, Hong Kong.

Associated/Affiliated Companies:-

Araska Diamond, India.
D.S.M. Diamonds Pte. Ltd., Singapore.

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.

Dia-Veer B.V.B.A., Belgium.
DSM (Pacific) Pty. Ltd., Australia.
DSM Jewellers LLC, UAE.
Kalpataru B.V.B.A., Belgium.

BUSINESS REGISTRATION NUMBER

37993151

COMPANY FILE NUMBER

1134829

MANAGEMENT

Managing Director: Mr. Mithil Mukeshkumar Mehta
(Hong Kong Mobile Phone No.: 852-6897 1514)

ISSUED SHARE CAPITAL

HK\$7,000,000.00

SHAREHOLDERS

(As per registry dated 22-05-2018)

Name	No. of shares
Mithil Mukeshkumar MEHTA	5,500,000
Praful Rasiklal PAREKH	1,500,000
Total:	<u>7,000,000</u> =====

DIRECTOR

(As per registry dated 22-05-2018)

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.

Name (Nationality) Mithil Mukeshkumar MEHTA	Address Flat C, 4/F., Pacific Building, 65-67 Kimberly Road, Tsimshatsui, Kowloon, Hong Kong.
---	---

SECRETARY

(As per registry dated 22-05-2018)

Name Ponce & Co. Ltd.	Address Unit 324, 3/F., Hankow Centre, 5-15 Hankow Road, Tsimshatsui, Kowloon, Hong Kong.	Co. No. 1121248
--------------------------	---	--------------------

HISTORY

The subject was incorporated on 22nd May, 2007 as a private limited liability company under the Hong Kong Companies Ordinance.

Formerly the subject was located at Flat C, 5/F., Wing Lock House, 1-3A Lock Road, Tsimshatsui, Kowloon, Hong Kong, moved to Flat F, 12/F., Kimberley Mansion, 15 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong in August 2009; to Room 10, Unit D2, 12/F., Hang Fung Industrial Building, Phase 2, 2G Hok Yuen Street, Hungghom, Kowloon, Hong Kong in December 2009; to Room 1608, 16/F., Workingport Commercial Building, 3 Hau Fook Street, Tsimshatsui, Kowloon, Hong Kong in late 2010, and further moved to the present address in May 2013.

Apart from these, neither material change nor amendment has been ever traced and noted.

OPERATIONS

Activities: Importer, Exporter and Wholesaler.

Lines: All kinds of diamonds.

Employees: 3.

Commodities Imported: India, Belgium, other European countries, etc.

Markets: Japan, Southeast Asia, Europe, Turkey, Middle East, etc.

Terms/Sales: CAD, L/C, T/T, etc.

Terms/Buying: L/C, T/T, D/P, O/A, etc.

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.

FINANCIAL INFORMATION

Issued Share Capital:	HK\$7,000,000.00
Indebtedness:	HK\$3,234,005.00 (Total amount outstanding on all mortgages and charges as per last Annual Return dated 22-05-2018)
Profit or Loss:	Making a small profit every year.
Condition:	Business is normal and steady.
Facilities:	Making rather active use of general banking facilities.
Payment:	Slow but correct
Commercial Morality:	Satisfactory.
Banker:	The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
Standing:	Normal.

GENERAL

Formerly Kalpataru (HK) Limited had just issued 3 million ordinary shares which were wholly owned by Mr. Mithil Mukeshkumar Mehta [M M Mehta]. Now, the subject has increased its issued share capital to HK\$7 million. Formerly the subject was jointly owned by M M Mehta, holding 57.14% interests; Bahri Agaoglu, holding 21.43%, and Praful Rasiklal Parekh, also 21.43%. On 1st December, 2016, Bahri Agaoglu transferred all his shares to M M Mehta who is currently holding 78.57% interests, the balance 21.43% is still held by Praful Rasiklal Parekh. M M Mehta and Praful Rasiklal Parekh are India merchants. The former is a Hong Kong ID holder and has got the right to reside in Hong Kong.

The subject has increased its registered capital from HK\$10,000.00 to HK\$3 million in July 2011 and further to the present amount in 2015. Its financial position seems good.

The subject moved to the present address in May 2013.

The subject's associates Kalpataru B.V.B.A. and Dia-Veer B.V.B.A. are Belgium-based firms.

The subject is a diamond and jewellery trader. It is trading in carat diamonds and diamond stones.

The customers of the subject are in Hong Kong, China, South Korea, etc. It keeps Certified Diamonds such as GIA, IGI, and HRD from 0.30 to 5.00 ct. Its diamonds are in Rounds and all Fancy Shapes like Princess, Emerald, Cushion, Pear, Heart, Radiant, Oval, Asscher, Trilliant, Marquise, etc. From D to L Colour and Clarity from IF to I1. It also sells non certified goods in 1.00 ct to 5.00 ct or above. It also has a wide range of parcel goods size from 0.005 to 0.80, clarity from VVS to SI. The subject's business operations span the world of diamonds from Rough stone to finished goods.

The subject is the flagship company of the Kalpataru Group.

Headquartered in Belgium, with global presence around the world including customers in United States, Europe, the Middle-east and Asia Pacific region, Kalpataru Group now has associated companies in India, Dubai, Belgium, Singapore, Australia apart from the subject.

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.

The subject's business is chiefly handled by Mr. M M Mehta himself. He can be reached at his Hong Kong mobile phone number 852-6897 1514.

The history of the subject in Hong Kong is over eleven years and five months.

On the whole, consider it good for normal business engagements.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.30
UK Pound	1	INR 95.93
Euro	1	INR 84.57
HKD	1	INR 9.42

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

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	NIT

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)