

MIRA INFORM REPORT

Report No. :	526798
Report Date :	04.09.2018

IDENTIFICATION DETAILS

Name :	ARIHANT POLYPACKS LTD
Registered Office :	Sonapur Sunsari
Country :	Nepal
Financials (as on) :	31.03.2017
Date of Incorporation :	23.07.1997
Com. Reg. No.:	1055
Legal Form :	Private Limited
Line of Business :	Subject is fabric manufacturing company
No. of Employees :	Not Available

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 : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Nepal	B1	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

NEPAL - ECONOMIC OVERVIEW

Nepal is among the least developed countries in the world, with about one-quarter of its population living below the poverty line. Nepal is heavily dependent on remittances, which amount to as much as 30% of GDP. Agriculture is the mainstay of the economy, providing a livelihood for almost two-thirds of the population but accounting for less than a third of GDP. Industrial activity mainly involves the processing of agricultural products, including pulses, jute, sugarcane, tobacco, and grain.

Nepal has considerable scope for exploiting its potential in hydropower, with an estimated 42,000 MW of commercially feasible capacity. Nepal has signed trade and investment agreements with India, China, and other countries, but political uncertainty and a difficult business climate have hampered foreign investment. The United States and Nepal signed a \$500 million Millennium Challenge Corporation Compact in September 2017 which will expand Nepal's electricity infrastructure and help maintain transportation infrastructure.

Massive earthquakes struck Nepal in early 2015, which damaged or destroyed infrastructure and homes and set back economic development. Although political gridlock and lack of capacity have hindered post-earthquake recovery, government-led reconstruction efforts have progressively picked up speed, although many hard hit areas still have seen little assistance. Additional challenges to Nepal's growth include its landlocked geographic location, inconsistent electricity supply, and underdeveloped transportation infrastructure.

Source : CIA

COMPANY NAME AND ADDRESS

Arihant Polypacks Ltd

Sonapur Sunsari , Nepal

Phone:+977 (0)21 531317/18 | +977 9852024791

Email:arihantpolypacks@gmail.com

COMPANY SUMMERY

Years Established : 23.07.1997

Type of Concern : Pvt. Ltd

Reg No : 1055

Auditors : B.R.Srestha & Co., Nepal

Bankers : Nepal Grindlays Bank Ltd., Kathmandum, Nepal
Bank of Kathmandu, Nepal, Nepal Banijya Bank Ltd.,

Business :

Arihant Polypacks is a fabric manufacturing company in Nepal and takes pride in offering its clients a range of impeccable products and personalized service. A well-organized production method is followed at Arihant Polypacks to guarantee that all the products are reliable, and consistent in their physical and chemical characteristics. We use good quality raw materials that are procured and evaluated by experienced hands. We are an ISO Certified company and follow highest national standards in producing each product. Our in-house quality control department conducts a series of quality tests for every batch ensuring that our customers avail the best products. Additionally, we also offer after sales support to answer any queries or provide support. We proudly boast of enormous client bases that have appreciated our quality products and services time and again. Arihant Polypacks uses the most advanced and sophisticated technology in its production process. With our cutting edge machinery and innovative processes, we have a capacity to produce 5000 MT of woven fabric and 1500 MT of non-woven fabric per annum. This makes us the most reliable exporter and seller of woven fabrics, non woven fabrics, leno fabrics, hdpe tarpaulin in Nepal.

Name of Directors

Mr. Raj Kumar Golchha , Managing Director

Mr. Amit Jain , Group Vice President

Mr.Kamal Bohara , Commercial Manager

Mr.Jagjit Singh , Production Manager

Capitalization Structure

Authorised Capital	:	10,000,000/-
Paid-up Capital	:	10,000,000/-
<u>FACE VALUE</u>	:	Rs. 10/- each.
<u>LAST AGM</u>	:	July 19, 2017

FINANCIALS

Balance Sheet
(Amount in Rupees Mln.)

BALANCE SHEET AS AT 31.03.2017

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Paid up Capital	10,000,000	Fixed Assets	10,947
Reserve & Surplus	10,618,987	Investments	13,000,000
Deferred Tax	8,944	Loans & Advances	15,348,954
Current Liabilities & Prov.	13,481,829	Cash & Bank	6,749,859
Total	<u>25,109,760</u>		<u>25,109,760</u>

	<u>Rs.</u>
Sales	21,036,920
Profit before Tax	10,382,600
Profit after Tax	6,568,911

INFORMATION DENIED

Management Non Co-Operative (Tel No.: 977 (0)21 531317/18)

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.77
UK Pound	1	INR 92.36
Euro	1	INR 82.14
NPR	1	INR 0.62

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

INFORMATION DETAILS

Information Gathered by :	SHA
Analysis Done by :	NIS
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)

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