

MIRA INFORM REPORT

Report No. :	529191
Report Date :	08.09.2018

Tel No.:	21420069
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IDENTIFICATION DETAILS

Name :	S. B. GEMS LIMITED
Registered Office :	Room 904, 9/F., Guardforce Centre, 3 Hok Yuen Street East, Hunghom, Kowloon
Country :	Hongkong
Date of Incorporation :	28.07.2009
Com. Reg. No.:	50936956
Legal Form :	Private Limited Company
Line of Business :	Importer, Exporter and Wholesaler of all kinds of Diamonds.
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

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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)
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, hydrocarbon 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.

Hong Kong's open economy left it exposed to the global economic slowdown that began in 2008. Although increasing integration with China through trade, tourism, and financial links aided a more rapid initial recovery than many observers anticipated, its continued reliance on foreign trade and investment leaves it vulnerable to renewed global financial market volatility or a slowdown in the global economy.

The Hong Kong Government is promoting the Special Administrative Region (SAR) as the site for Chinese 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; and RMB trade settlement is allowed. The territory far exceeded the RMB conversion quota set by Beijing for trade settlements in 2010 due to the growth of earnings from exports to the mainland. RMB deposits grew to roughly 9.4% of total system deposits in Hong Kong by the end of 2015. The government is pursuing efforts to introduce additional use of RMB in Hong Kong financial markets and is seeking to expand the RMB quota.

The mainland 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 has surged from 4.5 million in 2001 to 47.3 million in 2014, outnumbering visitors from all other countries combined. Mainland visitors to Hong Kong declined 3% in 2015 to approximately 45.7 million, reflecting an overall drop of 2.5% in total visitors to Hong Kong. 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 51% of the firms listed on the Hong Kong Stock Exchange and accounted for about 62.1% 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, 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, and will improve access to the mainland's service sector for Hong Kong-based companies.

Credit expansion and a tight housing supply have caused Hong Kong property prices to rise rapidly; consumer prices increased 2.6% in 2016, but slowed to 2.0% in 2017. Lower- and middle-income segments of the population are increasingly unable to afford adequate housing.

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 Mutual Recognition of Funds, and The Hong Kong Shanghai Gold Connect are all important steps towards opening up the Mainland's capital markets and has reinforced Hong Kong's leading role as China's offshore RMB market. Additional connect schemes from bonds to commodities and other investment products are also under exploration by Hong Kong authorities. In 2017, Chief Executive Lam announced plans to increase government spending on research and development, education, and technological innovation with the aim of spurring continued economic growth through greater sector diversification.

Source : CIA

COMPANY NAME AND ADDRESS

S. B. GEMS LIMITED

ADDRESS: Room 904, 9/F., Guardforce Centre, 3 Hok Yuen Street East, Hunghom, Kowloon, Hong Kong.

PHONE: 852-2142 0069, 6299 4125, 2142 0016

FAX: 852-2142 0100, 2142 0108

E-MAIL: sbgems@hotmail.com

MANAGEMENT

Managing Director: Mr. Sanjay Padamshibhai Vithani

SUMMARY

Incorporated on: 28th July, 2009.

Organization: Private Limited Company.

Issued Share Capital: HK\$1,000,000.00

Business Category: Diamond and Gem Trader.

Employees: 4.

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

Banking Relation: Satisfactory.

ADDRESS

Registered Head Office:-

Room 904, 9/F., Guardforce Centre, 3 Hok Yuen Street East, Hunghom, Kowloon, Hong Kong.

Associated/Affiliated Companies:-

Parul Diamond, India.
S. B. Gems Ltd., India.

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Sanjay Brothers, India.

BUSINESS REGISTRATION NUMBER

50936956

COMPANY FILE NUMBER

1355366

MANAGEMENT

Managing Director: Mr. Sanjay Padamshibhai Vithani

ISSUED SHARE CAPITAL

HK\$1,000,000.00

SHAREHOLDER

(As per registry dated 28-07-2017)

Name	No. of shares
Sanjay Padamshibhai VITHANI	1,000,000
	=====

DIRECTOR

(As per registry dated 28-07-2017)

Name (Nationality)	Address
Sanjay Padamshibhai VITHANI	Flat A, 17/F., Tower 23A, Laguna Verde, Hungghom, Kowloon, Hong Kong.

SECRETARY

(As per registry dated 28-07-2017)

Name	Address	Co. No.
Fiscal Consultants Ltd.	Unit 13, 16/F., Asia Trade Centre, 79 Lei Muk Road, Kwai Chung, New Territories, Hong Kong.	2005661

HISTORY

The subject was incorporated on 28th July, 2009 as a private limited liability company under the Hong Kong Companies Ordinance.

Formerly the subject was located at 'Room 306, 3/F., Block A102, Harbour Centre, Tower 1, 1 Hok Cheung Street, Hungghom, Kowloon, Hong Kong', moved to the present address with effect from 7th March, 2018.

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: 4.

Commodities Imported: India, Europe, other Asian countries, etc.

Markets: Hong Kong, India, China, United States, Europe, etc.

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

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

MEMBERSHIP

Hong Kong Watch Manufacturers Association Ltd., Hong Kong.

FINANCIAL INFORMATION

Issued Share Capital:	HK\$1,000,000.00
Profit or Loss:	Made small profits in past years.
Condition:	Business is normal.
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

Having issued 1 million ordinary shares of HK\$1.00 each, S. B. Gems Limited is wholly owned by Mr. Sanjay Padamshibhai Vithani who is an India merchant. Formerly the subject had just issued 1 ordinary share of HK\$1.00, increased to 10,000 shares of the same value each on 1st November, 2010 and further to the present number in July 2011.

S P Vithani is also the only director of the subject. He is a Hong Kong ID Card holder and has got the right to reside in Hong Kong.

The subject is a jewellery, gem and diamond trader. It is engaged in manufacturing single cut and full cut diamonds. According to the subject, it is the "largest supplier of single cut diamonds". It has got an associated company in Mumbai, India which is also operated by Vithani.

Vithani can be reached at his mobile phone number 852-6299 4125 in Hong Kong.

To our knowledge, the subject's associate in India is also known as S. B. Gems Ltd. which has been put into operation since 1965. This firm is a diamond manufacturer and trader.

The subject has another affiliate in India known as Sanjay Brothers which is also a diamond trader.

The subject's main products are polished white diamonds, full cut diamonds, 8/8 cut diamonds, round-cut diamonds, loose diamond - G colour, colour diamonds, diamonds from 0.65 mm to 1.8 mm. Most of its loose diamonds are for jewellery and watch manufacturing.

Most of the subject's products are provided by its associated companies in India. It also imports diamonds from Europe and the other Asian countries. The major markets are Hong Kong, India, China, the United States, Australia, the Middle East, etc. Business is normal.

In order to penetrate the international market further, the subject has taken part in fairs and exhibitions held in Hong Kong and other foreign large cities. For instance, it took part in "HKTDC Hong Kong International Jewellery Show 2017" which had been held in Hong Kong Convention and Exhibition Centre, Wanchai, Hong Kong during the period of 4th to 8th March, 2017. Its booth number was 1DD6.

Besides, it also took part in "HKTDC Hong Kong International Diamond, Gem & Pearl Show 2018" which had been held in Hong Kong AsiaWorld-Expo, Lantau, Hong Kong during the period of 27th February to 3rd March, 2018.

As the history of the subject in Hong Kong is over eight years and eight months, on the whole, consider it good for normal business engagements.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.90
UK Pound	1	INR 93.04
Euro	1	INR 83.67
HKD	1	INR 9.18

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

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	TPT

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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)