

## MIRA INFORM REPORT

<b>Report No. :</b>	529754
<b>Report Date :</b>	17.09.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	STARGEMS LLC
<b>Registered Office :</b>	Property owned by Ibrahim Mohammed Obaid, Gold Souq, Deira, PO Box: 181330, Dubai
<b>Country :</b>	United Arab Emirates
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	28.08.2004
<b>Com. Reg. No.:</b>	554040
<b>Legal Form :</b>	Limited Liability Company
<b>Line of Business :</b>	Trading as importers, retailers and wholesalers of cut & polished diamonds as well as diamonds jewellery.
<b>No. of Employees :</b>	15

**RATING & COMMENTS**

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

**MIRA's Rating :**

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	No Complaints
<b>Litigation :</b>	Clear

**NOTES :**

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto: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)
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

## **BRIEF SUMMARY**

<b>COMPANY NAME</b>	STARGEMS LLC			
<b>ADDRESS</b>	<b>Building</b>	<b>Area</b>	<b>Town</b>	<b>PO Box</b>
	Al Shammal Building, Office 103	Gold Souq, Deira	Dubai	181330 Dubai
<b>TEL/FAX</b>	Verified Phones: (+971 4) 432 2112 / (+971 4) 235 1841 / Fax: (+971 4) 235 1842			
<b>EMAIL/WEBSITE</b>	Email: dubai@stargemsgroup.com / Website: www.stargemsgroup.com			
<b>ACTIVITY</b>	NACE 4648 - Wholesale of watches and jewellery; NACE 4777 - Retail sale of watches and jewellery in specialised stores;			
<b>PRINCIPAL</b>	Shailesh Javeri Group Chairman			<b>Workforce</b> 15
<b>LEGAL INFO</b>	<b>Date Of Est.</b>	<b>Reg. No.</b>	<b>Legal Form</b>	<b>Status</b>
	28/02/2004	554040	LLC	Active
<b>CAPITAL</b>	<b>CURRENCY</b>		<b>AMOUNT</b>	
	AED		300,000	

## **IDENTIFICATION**

<b>CO. NAME</b>	STARGEMS LLC		
<b>BUILDING</b>	Al Shammal Building, Office 103		
<b>AREA</b>	Gold Souq, Deira		
<b>POSTAL ADDRESS</b>	181330 Dubai		
<b>TOWN</b>	Dubai		
<b>COUNTRY</b>	United Arab Emirates		
<b>TELEPHONE</b>	(+971 4) 432 2112 / (+971 4) 235 1841 / Mobile (+971 50) 654 4679 (Bhadresh Shah)		
<b>FAX</b>	(+971 4) 235 1842		
<b>VERIFIED EMAIL</b>	dubai@stargemsgroup.com / karan@stargemsgroup.com / bhavesh@stargemsgroup.com / jewellery@stargemsgroup.com		
<b>WEBSITE</b>	www.stargemsgroup.com		
<b>BUSINESS HOURS</b>	<b>DAYS</b>	<b>OFFICE HOURS</b>	<b>BREAK TIME</b>
	Sun-Thu	10:00-20:00	14:00-16:00
<b>REGISTERED ADDRESS</b>	Property owned by Ibrahim Mohammed Obaid Gold Souq, Deira PO Box: 181330 Dubai		
<b>ADDITIONAL ADDRESS</b>	Unit No: ALMAS-15-C1 ALMAS Tower Plot No: JLT-PH1-A0 Jumeirah Lakes Towers		

**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.

Dubai

## **SENIOR PERSONNEL**

<b>MANAGEMENT</b>	<b>NAME</b>	<b>POSITION</b>
	Shailesh Javeri	Group Chairman
	Karan Javeri	Managing Director
	Bhavesh Deepak Javeri	Director
	Bhadresh Shah	Head of Accounts
	Ashish Madhwani	Head of Polish Department
	Ajay J.	HR Executive
<b>WORKFORCE</b>	<b>NO. OF EMPLOYEES</b>	<b>PERIOD</b>
	15	09.2018
	35 (Stargems DMCC)	09.2018
	60 (Stargems Group in UAE)	09.2018

## **FINANCIAL SUMMARY**

<b>TURNOVER</b>	<b>31/12/2017</b>	<b>31/12/2016</b>
	USD 110,000,000	USD 106,000,000
<b>NET PROFIT / (LOSS)</b>	Not given but stated to be 5% of the sales	
<b>TURNOVER (PROJECTED)</b>	USD 100,000,000 – 2018	
<b>NOTES</b>	The following financial information applies to subject's affiliated company, Stargems DMCC *:	
	Sales turnover : USD 60,000,000 - 2013	
	: USD 80,000,000 – 2014	
	: USD 97,925,000 – 2015	
	: USD 178,340,000 – 2016	
	: USD 275,000,000 – 2017	
	Net Profit : not given but stated to be profitable	
	Equity : USD 30,877,000 – 2016	
	* Trading and distribution of rough diamonds.	
	Financial year ends 31 December.	

**FISCAL YEAR-END** 31 December.

## **LEGAL STATUS**

<b>INCORPORATION REGISTRATION NO.</b>	28/02/2004 <b>LICENSE NUMBER</b> Trade License No.: 554040 (expiry date: 27/02/2019)	<b>ISSUED BY</b> Dubai Department of Economic Development
<b>OTHER REGISTRATION NO. AUTHORISED CAPITAL</b>	C.R. No.: 66243 / CBLs No.: 10817827 <b>AMOUNT</b> 300,000	<b>CURRENCY</b> AED
<b>PAID-UP CAPITAL</b>	<b>AMOUNT</b> 300,000	<b>CURRENCY</b> AED
<b>BUSINESS HISTORY LEGAL FORM STATUS</b>	The Company was incorporated in Dubai on 28 February 2004. Limited Liability Company Active	
<b>SHAREHOLDERS</b>	<b>NAME</b>	<b>PERCENTAGE</b>
	1. Stargems Hong Kong Limited Hong Kong	49.00%
	2. Abdulla Al Farzan * Nationality: Emirati	51.00%

\* The local sponsor, according to UAE laws must hold a minimum of 51% of the capital, however, in practice and unofficially the local sponsor gets a fixed annual percentage of the profit and a sponsorship fee without any investment in the company.

## **OPERATION**

<b>BANKERS</b>	1. RAK Bank (National Bank Of Ras Al Khaimah) Al Maktoum Street PO Box 1531 Dubai Telephone: (+971 4) 224 8000 Fax : (+971 4) 222 3738
----------------	---

**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.

<b>ACTIVITY CODE (NACE)</b>	2. National Bank of Fujairah (NBF) Main Branch PO Box 2979 Dubai Telephone: (+971 4) 397 1700 Fax : (+971 4) 397 9100
<b>LINE OF BUSINESS</b>	4648 - Wholesale of watches and jewellery; 4777 - Retail sale of watches and jewellery in specialised stores; Trading as importers, retailers and wholesalers of cut & polished diamonds as well as diamonds jewellery.
<b>IMPORT FROM</b>	India and Hong Kong.
<b>EXPORT TO</b>	GCC countries and Hong Kong.
<b>FACILITIES</b>	Owned premises comprising administrative offices located at the heading address as well as 4 retail outlets located throughout in Dubai.
<b>RELATED COMPANIES</b>	Associates  1. Stargems DMCC PO Box 181330 Dubai Telephone: (971 4) 432 2112 Est.: 06/05/2012 Trade License No.: DMCC-32244 C.R. No.: DMCC-0276  2. Stargems BVBA. Hoveniersstraat 30 Bureel 334, Antwerp-2018 Belgium. Telephone: (+323) 233 6804 Fax : (+323) 233 4450  3. Stargems Exports Pvt Ltd. Bharat Diamond Bourse, DW 5011/12, BKC, Mumbai India Telephone: (+91 22) 4023 2270 Fax : (+91 22) 2675 4750  4. Stargems Inc. 245 east 58th street, Suite 10 D, New York NY 10022. USA Telephone : (+1 646) 250 4562  5. Stargems Pty Ltd. 225 Main Street.SA Jewellery Center, Suite 426F, 2001 Johannesburg

South Africa

6. Stargems (HK) Holding Ltd.  
1007 Hart Avenue Plaza,  
Kowloon  
Hong Kong  
Telephone : (+852) 2724 8488  
Fax : (+852) 2724 3988

7. Le Paris Diamonds LLC  
UAE

8. Stargems Diamonds LLC  
Dubai  
UAE  
Est.: 25/10/2017  
Trade License No.: 793038

9. Stargems FZCO  
UAE

10. Stargems Diamonds & Jewellery LLC  
UAE

## ***SPECIAL REMARKS***

**INTERVIEWED**

Bhadresh Shah (Head of Accounts).

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.81
UK Pound	1	INR 94.15
Euro	1	INR 83.97
AED	1	INR 19.75

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

**INFORMATION DETAILS**

Analysis Done by :	DIV
Report Prepared by :	SDA

**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)