

MIRA INFORM REPORT

Report No. :	531219
Report Date :	21.09.2018

IDENTIFICATION DETAILS

Name :	SITARAM GEMS
Registered Office :	FC-3023, "F"-Tower Central Core, 3 rd Floor, Bharat Diamond Bourse Complex, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra
Mobile No.:	91-9374717434 (Mr. Vithhalbhai Ramjibhai Kevadia)
Country :	India
Financials (as on) :	31.03.2018
Year of Establishment:	1998
Capital Investment / Paid-up Capital :	Not Divulged
IEC No.: [Import-Export Code No.]	5201005845
PAN No.: [Permanent Account No.]	AAPFS1070F
GSTN : [Goods & Service Tax Registration No.]	27AAPFS1070F1Z5
Legal Form :	Partnership Concern with an Unlimited Liability of the Partners
Line of Business :	Manufacturer, exporter and importer of polished diamonds. [Confirmed by management]
No. of Employees :	830 (Approximately)

RATING & COMMENTS

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

MIRA's Rating : A

Credit Rating	Explanation	Rating Comments
---------------	-------------	-----------------

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.

A	Acceptable Risk	Business dealings permissible with moderate risk of default
---	-----------------	---

Maximum Credit Limit :	USD 860000
Status :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear
Comments :	<p>Subject is a partnership concern established in the year 1998.</p> <p>It is a manufacturer, exporter and importer of polished diamonds.</p> <p>Mr. Shailesh (Finance Manager) has claimed that the concern has achieved revenue of INR 3000.000 million for the year 2017 and FY 2018.</p> <p>Subject's banker (Karur Vysya Bank Limited) gave positive feedback and they are satisfied with subject's banking transactions.</p> <p>However, these rating strengths are partially offset by stretched working capital cycle and presence in a highly fragmented and competitive diamond industry.</p> <p>Payment seems to be slow but correct.</p> <p>In view of aforesaid, the concern can be considered for business dealings at usual trade terms and conditions.</p>

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)
India	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

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.

EXTERNAL AGENCY RATING

Rating Agency Name	India Rating
Rating	Long-term bank facilities = BB
Rating Explanation	Moderate risk of default
Date	21.05.2018

Rating Agency Name	India Rating
Rating	Short-term bank facilities = A4+
Rating Explanation	Minimal degree of safety and very high credit risk
Date	21.05.2018

RBI DEFAULTERS' LIST STATUS

Subject's name is not enlisted as a defaulter in the publicly available RBI Defaulters' list.

EPF (Employee Provident Fund) DEFAULTERS' LIST STATUS

Subject's name is not enlisted as a defaulter in the publicly available EPF (Employee Provident Fund) Defaulters' list as of 31-03-2018.

BIFR (Board for Industrial & Financial Reconstruction) LISTING STATUS

Subject's name is not listed as a Sick Unit in the publicly available BIFR (Board for Industrial & Financial Reconstruction) list as of 21.09.2018

IBBI (Insolvency and Bankruptcy Board of India) LISTING STATUS

Subject's name is not listed in the publicly available IBBI (Insolvency and Bankruptcy Board of India) list as of report date.

INFORMATION PARTED BY

Name :	Mr. Shailesh
Designation :	Finance Manager
Contact No.:	91-9374717434
Date :	20.09.2018

LOCATIONS

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.

Registered Office :	FC-3023, "F"-Tower Central Core, 3 rd Floor, Bharat Diamond Bourse Complex, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India
Tel. No.:	91-22-40236227
Mobile No.:	91-9374717434 (Mr. Vithhalbhai Ramjibhai Kevadia)
Fax No.:	Not Available
E-Mail :	shailesh@sitaramgems.in sitaramgems1812@gmail.com
Website :	http://www.sitaramgems.in
Location :	Rented
Head Office :	63, Popular Arcade, Mazanine Floor, Tata Road No.1, Opera House, Mumbai – 400004, Maharashtra, India
Branch Office / Factory:	114-117, Mkamal Park, Society-2, Behind Mahatma Industrial Estate, Kapodra Varachha Road, Surat – 395006, Gujarat, India
Tel. No.:	91-261-2572727 / 2572728 / 29
Fax No.:	91-261-2572730
Area :	9000 sq. ft.
Location :	Owned
Locality :	Industrial

PARTNERS

Name :	Mr. Vitthalbhai Ramjibhai Kevadia
Designation :	Partner
Address:	5, Sneh Milan Society Chikuwadi, Near Pani Ni Tanki, Varachha, Surat-395006, Gujarat, India
Name :	Mr. Manjibhai Ramjibha Kevadia
Designation :	Partner
Address:	5, Sneh Milan Society Chikuwadi, Near Pani Ni Tanki, Varachha, Surat-395006, Gujarat, India
Name :	Mr. Pravinbhai Ramjibhai Kevadia
Designation :	Partner
Address:	126, Surya Kiran Society Chikuwadi, Near Pani Ni Tanki, Varachha, Surat-395006, Gujarat, India
Name :	Mr. Vinubhai Purshrotambhai Miyani
Designation :	Partner
Address:	42, Surya Kiran Society, Chikuwadi, Near Pani Ni Tanki, Varachha, Surat-395006, Gujarat, India

BUSINESS DETAILS

Line of Business :	Manufacturer, exporter and importer of polished diamonds. [Confirmed by management]
Products :	Diamonds
Brand Names :	Not Available
Agencies Held :	Not Available
Exports :	
Products :	<ul style="list-style-type: none"> • Polished Diamonds
Countries :	<ul style="list-style-type: none"> • Israel • United States of America • Hong Kong • Bangkok
Imports :	
Products :	<ul style="list-style-type: none"> • Rough Diamonds
Countries :	<ul style="list-style-type: none"> • Belgium • Israel • Dubai
Terms :	
Selling :	Advance Payment, L/C, Cheque, Credit (30 Days)
Purchasing :	Advance Payment, L/C, Cheque, Credit (30 Days)

GENERAL INFORMATION

Suppliers :	Reference :	Not Divulged
	Name of the Person :	--
	Contact No.:	--
	Since How Long Known :	--
	Maximum Limit Dealt :	--
	Experience :	--
	Remark:	--
Customers :	Wholesalers, Retailers, End Users	
	Reference :	Not Divulged
	Name of the Person :	--
	Contact No.:	--
	Since How Long Known :	--
	Maximum Limit Dealt :	--

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.

	Experience :	--
	Remark:	--
No. of Employees :	830 (Approximately)	
Bankers :	Banker Name :	Karur Vysya Bank Limited
	Branch :	103-104, Belgium Squatre, Ring Road, Opposite Linear Bus Stand, Surat – 395002, Gujarat, India
	Person Name (With Designation) :	Mr. Vivek (Manager)
	Contact Number :	91-261-2422345
	Name of Account Holder :	SITARAM GEMS
	Account Number :	--
	Account Since (Date/Year of Account Opening) :	More than 5 years
	Average Balance Maintained :	--
	Credit Facilities Enjoyed (CC/OD/Term Loan) :	Cash Credit
	Account Operation :	Satisfactory
	Remark :	As claimed by Mr. Vivek (Manager) that they satisfied with the subject company transaction.
	<ul style="list-style-type: none"> Central Bank of India, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India 	

Auditors :	
Name :	C. G. Patwa and Company Chartered Accountants
Memberships :	Not Available
Collaborators :	Not Available
Sister Concern:	Not Available

CAPITAL STRUCTURE

Capital Investment :	
Owned :	Not Divulged
Borrowed :	Not Divulged
Total :	Not Divulged

FINANCIAL DATA
[all figures are in INR Million]

Particulars	31.03.2018	31.03.2017	31.03.2016
Sales Turnover (Approximately)	3000.000	3000.000	2850.000

Expected Sales (2018-2019): INR 3300.000 Million

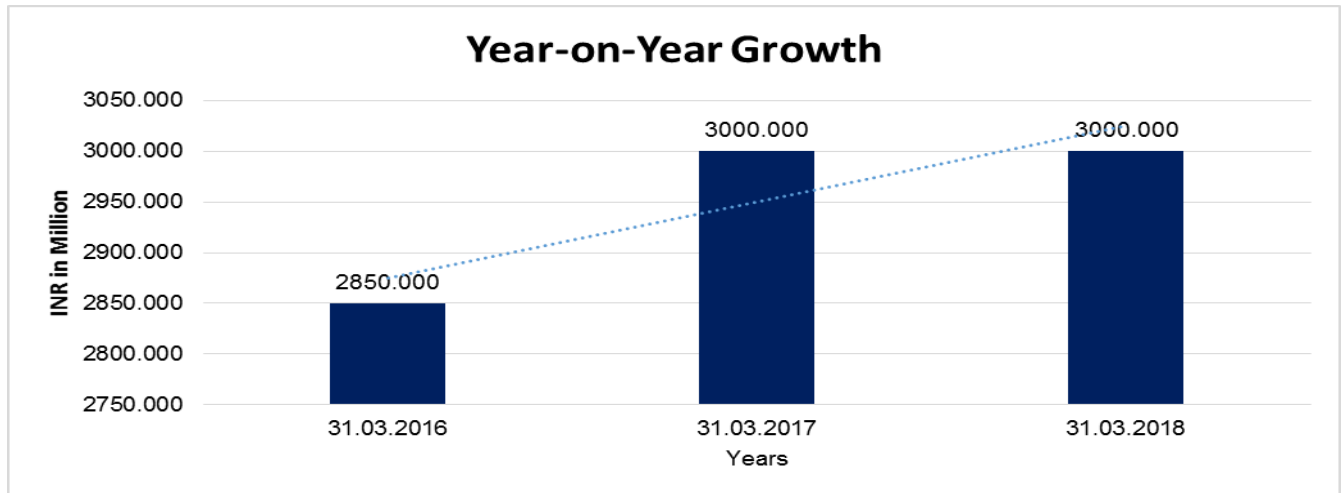
The above information has been parted by Mr. Shailesh (Finance Manager)

Note : Sole Proprietary and Partnership concerns are exempted from filing their financials with the Government Authorities or Registry Records.

FINANCIAL ANALYSIS
[all figures are in INR Million]

YEAR-ON-YEAR GROWTH

Year on Year Growth	31.03.2016	31.03.2017	31.03.2018
	INR In Million	INR In Million	INR In Million
Sales Turnover (Approximately)	2850.000	3000.000	3000.000
		5.263	0.000



LOCAL AGENCY FURTHER INFORMATION

Sr. No.	Check list by info agents	Available in Report (Yes/No)
1	Year of establishment	Yes
2	Constitution of the entity – Legal Form	Yes
3	Locality of the entity	Yes
4	Premises details	Yes
5	Buyer visit details	--
6	Contact numbers	Yes
7	Name of the person contacted	Yes
8	Designation of contact person	Yes
9	Promoter's background	No
10	Date of Birth of Proprietor / Partners / Directors	No
11	Pan Card No. of Proprietor / Partners	No
12	Voter Id Card No. of Proprietor / Partners	No
13	Type of business	Yes
14	Line of Business	Yes
15	Export/import details (if applicable)	Yes
16	No. of employees	Yes
17	Details of sister concerns	No
18	Major suppliers	No
19	Major customers	No
20	Banking Details	Yes
21	Banking facility details	No
22	Conduct of the banking account	--
23	Financials, if provided	Yes

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.

24	Capital in the business	No
25	Last accounts filed at ROC, if applicable	No
26	Turnover of firm for last three years	Yes
27	Reasons for variation <> 20%	--
28	Estimation for coming financial year	Yes
29	Profitability for last three years	No
30	Major shareholders, if available	No
31	External Agency Rating, if available	No
32	Litigations that the firm/promoter involved in	--
33	Market information	--
34	Payments terms	Yes
35	Negative Reporting by Auditors in the Annual Report	No

NOTE: As confirmed by the management that the registered address of the concern has been shifted from 114-117, Mkamal Park, Society-2, Behind Mahatma Industrial Estate, Kapodra Varachha Road, Surat – 395006, Gujarat, India to present address.

DIAMOND INDUSTRY – INDIA

- From time immemorial, India is well known in the world as the birthplace for diamonds. It is difficult to trace the origin of diamonds but history says that in the remote past, diamonds were mined only in India. Diamond production in India can be traced back to almost 8th Century B.C. India, in fact, remained undisputed leader till 18th Century when Brazilian fields were discovered in 1725 followed by emergence of S. Africa, Russia and Australia.
- The achievement of the Indian diamond industry was possible only due to combination of the manufacturing skills of the Indian workforce and the untiring and unflagging efforts of the Indian diamantaires, supported by progressive Government policies.
- The area of study of family owned diamond businesses derives its importance from the huge conglomerate of family run organizations which operate in the diamond industry since many generations.
- Some of the basic traits of family run business enterprises include spirit of entrepreneurship, mutual trust lowers transaction costs, small, nimble and quick to react, information as a source of advantage and philanthropy.
- Family owned diamond businesses need to improve on many fronts including higher standard of corporate governance, long-term performance – focused strategies, modern management and technology.
- Utmost caution is to be exercised while dealing with some medium and large diamond traders which are usually engaged in fictitious import – export, inter-company transactions, financially assisted by banks. In the process, several public sector banks lost several hundred million rupees. They mostly diverted borrowed money for diamond business into real estate and capital markets.
- Excerpts from Times of India dated 30th October 2010 is as under –
- Gem & Jewellery Export Promotion Council in its statistical data has shown the export of polished diamonds to have increase by 28 % in February 2013. Compared to \$ 1.4 bn worth of polished diamond export in February, 2012, India exported \$ 1.84 billion worth of polished diamonds in February 2013. A senior executive of GJEPC said, “Export of cut and polished diamonds started falling month-wise after the imposition of 2 % of import duty on the polished diamonds. But February, 2013 has given a new ray of hope

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.

to the industry as the export of polished diamonds has actually increased by 28 %. It means the industry is on the track of recovery and round tripping of diamonds has stopped completely.” Demand has started coming from the US, the UK, Japan and China. India’s polished diamond export is expected to cross \$ 21 bn in 2013-14.

- The banking sector has started exercising restraint while following prudent risk management norms when lending money to gems and jewellery sector. This follows the implementation of Basel III accord – a global voluntary regulatory standard on bank capital adequacy, stress testing and market liquidity.

CMT REPORT (Corruption, Money Laundering & Terrorism]

The Public Notice information has been collected from various sources including but not limited to: **The Courts, India Prisons Service, Interpol, etc.**

1] INFORMATION ON DESIGNATED PARTY

No records exist designating subject or any of its beneficial owners, controlling shareholders or senior officers as terrorist or terrorist organization or whom notice had been received that all financial transactions involving their assets have been blocked or convicted, found guilty or against whom a judgement or order had been entered in a proceedings for violating money-laundering, anti-corruption or bribery or international economic or anti-terrorism sanction laws or whose assets were seized, blocked, frozen or ordered forfeited for violation of money laundering or international anti-terrorism laws.

2] Court Declaration :

No records exist to suggest that subject is or was the subject of any formal or informal allegations, prosecutions or other official proceeding for making any prohibited payments or other improper payments to government officials for engaging in prohibited transactions or with designated parties.

3] Asset Declaration :

No records exist to suggest that the property or assets of the subject are derived from criminal conduct or a prohibited transaction.

4] Record on Financial Crime :

Charges or conviction registered against subject: **None**

5] Records on Violation of Anti-Corruption Laws :

Charges or investigation registered against subject: **None**

6] Records on Int'l Anti-Money Laundering Laws/Standards :

Charges or investigation registered against subject: **None**

7] Criminal Records

No available information exist that suggest that subject or any of its principals have been formally charged or convicted by a competent governmental authority for any financial crime or under any formal investigation by a competent government authority for any violation of anti-corruption laws or international anti-money laundering laws or standard.

8] Affiliation with Government :

No record exists to suggest that any director or indirect owners, controlling shareholders, director, officer or employee of the company is a government official or a family member or close business associate of a Government official.

9] Compensation Package :

Our market survey revealed that the amount of compensation sought by the subject is fair and reasonable and comparable to compensation paid to others for similar services.

10] Press Report :

No press reports / filings exists on the subject.

CORPORATE GOVERNANCE

MIRA INFORM as part of its Due Diligence do provide comments on Corporate Governance to identify management and governance. These factors often have been predictive and in some cases have created vulnerabilities to credit deterioration.

Our Governance Assessment focuses principally on the interactions between a company's management, its Board of Directors, Shareholders and other financial stakeholders.

CONTRAVENTION

Subject is not known to have contravened any existing local laws, regulations or policies that prohibit, restrict or otherwise affect the terms and conditions that could be included in the agreement with the subject.

FOREIGN EXCHANGE RATES

Currency	Unit	INR
US Dollar	1	INR 72.68
UK Pound	1	INR 95.59
Euro	1	INR 84.91

INFORMATION DETAILS

Information Gathered by :	SRU
Analysis Done by :	PRY
Report Prepared by :	NKT

SCORE FACTORS

DEMERIT POINTS		
--BANK CHARGES	YES/NO	NO
--LITIGATION	YES/NO	NO
--OTHER ADVERSE INFORMATION	YES/NO	NO
MERIT POINTS		
--SOLE DISTRIBUTORSHIP	YES/NO	NO
--EXPORT ACTIVITIES	YES/NO	YES
--AFFILIATION	YES/NO	NO
--LISTED	YES/NO	NO
--OTHER MERIT FACTORS	YES/NO	YES

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)

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.