

MIRA INFORM REPORT

Report No. :	530965
Report Date :	20.09.2018

IDENTIFICATION DETAILS

Name :	SQ HUES LIMITED
Registered Office :	Concord I-K Tower (4 th Floor) Plot# 2, Block CEN (A), Gulshan North avenue, Gulshan-2, Dhaka-1212
Country :	Bangladesh
Financials (as on) :	30.06.2016 [Summarized]
Date of Incorporation :	13.06.2001
Com. Reg. No.:	C-43334
Legal Form :	Private Company
Line of Business :	Dyeing, Exporter and Importer of Yarn
No. of Employees :	117

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 :	No Complaints
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.

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ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Bangladesh	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

BANGLADESH - ECONOMIC OVERVIEW

Bangladesh's economy has grown roughly 6% per year since 2005 despite prolonged periods of political instability, poor infrastructure, endemic corruption, insufficient power supplies, and slow implementation of economic reforms. Although more than half of GDP is generated through the services sector, almost half of Bangladeshis are employed in the agriculture sector, with rice as the single-most-important product.

Garments, the backbone of Bangladesh's industrial sector, accounted for more than 80% of total exports in FY 2016-17. The industrial sector continues to grow, despite the need for improvements in factory safety conditions. Steady export growth in the garment sector, combined with \$13 billion in remittances from overseas Bangladeshis, contributed to Bangladesh's rising foreign exchange reserves in FY 2016-17.

The recent influx of over 700,000 additional refugees from Burma will place pressure on the Bangladeshi government's budget and the country's rice supplies, which declined in 2017 in part because of record flooding. Recent improvements to energy infrastructure, including the start of liquefied natural gas imports in 2018, represent a major step forward in resolving a key growth bottleneck.

Source : CIA

EXECUTIVE SUMMARY

IDENTIFICATION DETAILS

Correct company Name : **SQ Hues Limited**
Head Office : Concord I-K Tower (4th Floor) Plot# 2, Block CEN (A), Gulshan North avenue, Gulshan-2, Dhaka-1212, Bangladesh.
Tel No : 88-02-9850181-5, 9881902
Fax No : Nil
E-mail : info@sqqc.com
Website : www.sqqc.com
Date/ Year of Incorporation : 13.06.2001
Incorporation No. : C-43334
Legal Form (General) : Public Listed Co Public (but not listed) Private Co State-owned Co
 Sole Proprietorships Partnership Not Registered
 others (please specify) _____
Legal form (Specific) : LTD CORP INC CO
 others (please specify) _____
Issuing Authority : Registrar of Joint Stock Companies & Firms City Corporation
 Municipal Administration Union Council
 Cantonment Board Chief Controller of Import & Export (CCIE)

FINANCIALS- SUMMARY

Year	Turnover/ Sales	Assets	Income
30 th June'2016	BDT 760.51 Million	BDT 3299.31 Million	BDT 40.09 Million

FULLCHECK REPORT DETAILS

Information Parted By

Name : Mr. Akram Hossain
Designation : Company Secretary
Contract No : N/A

Locations Details

Operating Address : Concord I-K Tower (4th Floor) Plot# 2, Block CEN (A), Gulshan North avenue, Gulshan-2, Dhaka-1212, Bangladesh.
Tel No : 88-02-9850181-5, 9881902
Fax No : Nil
E-mail : info@sqqc.com

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Website : www.sqgc.com

Location : : Owned Rented Leased Area 3800 Sq. ft.

Type of Office : Commercial Office Bldg. Semi-commercial office Bldg.
Retail shop Industrial Park
Business Center Home Office
Residential Bldg.

Factory:

Address : Sq Station, Plot# 221-223, Jamirdia, Valuka, Mymensingh, Bangladesh.
Tel No : Nil
Fax No : Nil

Location : Owned Rented Leased Area 79613 Sq. ft.

Branch:

Address : Nil
Tel No : Nil
Fax No : Nil

Employee:

No. of In Office : 15 In Factory : 102
Employees In Branch: : Nil **Total** : 117

Details:

OWNERSHIP/SHAREHOLDERS

Names of Shareholders	No. of Share
Mr. Muhammad Ghulam Faruq	507000
Mr. Salima Bensaid	4900000
Ms. Amira Soraya Faruq	1000
Ms. Soukaina Zaynab Faruq	1000
Ms. Boutaina Meryam Faruq	1000

DIRECTORS

Name	Designation
Mr. Muhammad Ghulam Faruq	Chairman & Managing Director
Mr. Salima Bensaid	Director
Ms. Amira Soraya Faruq	Director
Ms. Soukaina Zaynab Faruq	Director
Ms. Boutaina Meryam Faruq	Director

MANAGEMENT

Name : Mr. Muhammad Ghulam Faruq
Job Description : Chairman & Managing Director
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

Name : Mr. Asad Hossain
Job Description : General Manager (Commercial).
Nationality : Bangladeshi.
Email address : asad.hossain@sqqc.com
Other details : N/A

Name : Mr. Abul Kashem
Job Description : Assistant Manager (Commercial)
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

Name : Mr. Ahsan Habib
Job Description : Officer (Marketing)
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

BUSINESS OPERATIONS

Nature of Activity :	Dyeing	√	Trader	Dealer	Distributor
	Exporter	√	Importer	√	Services
					Others

Range of Products:

Products : Yarn Dying
Production Capacity : 1.75 Million Kgs
Last Year Production : Do.

Trading Terms:

Purchasing Terms:	L/C	√	Cash	Others		
	Credit :		30 days	60 days	√	90 days days
Selling Terms :	L/C	√	Cash	Others		
	Credit :		30 days	60 days	√	90 days days

DETAILED DATA

Trade : Overseas Clients : M & S
Reference & : H & M
Related Local Clients : N/A
Parties Overseas Suppliers : N/A
Local Suppliers : N/A
Trade Markets : Exports(Country) : Europe
Imports(Country) : India, China
Brand Name : N/A
Certified : N/A
Name of Auditors : N/A
Operation Status : Active

CAPITAL STRUCTURE

Authorized Capital : BDT 250 Million
Paid-up Capital : BDT 541000000
No. of Shares : 5410000
Share Value : BDT 100.00 Each
Main Assets : BDT 3299.31 Million

FINANCIAL STATEMENT- DETAILED

Summary Information Given.

ASSOCIARES/SUBSIDIARIES/ RELATED PARTIES

Sister Concerns	:	SQ Loop Ltd. SQ Dip Limited. SQ Chroma Ltd. SQ Etcetera Ltd. SQ Sweaters Ltd. SQ Properties Ltd. SQ Light Limited. SQ Accessories Ltd. SQ Holding Limited. F.S Sweaters Limited. Color Master Limited. SQ Crystal Celsius Ltd. S.Q. Birichina Limited Sweaters Boutique Limited.
Subsidiary	:	Nil
Name of The Group	:	SQ Group

BANKING

Bank Name	:	Eastern Bank Limited
Bank Address	:	Head Office 10 Dilkusha, Dhaka-1000, Bangladesh Tel: 88-02-51428816-4
Bank Name	:	Hong Kong Shang Hai Banking Corporation
Bank Address	:	Main Office Anchor Tower 1/1-B Sonargaon Road, Dhaka-1205, Bangladesh Tel: 88-02-966 0536-43 Fax: 88-02-966 0554, 9669457

ADVERSE DATA MONITORING

Dishonored Checks : No Record Found
Debt : No Record Found
Litigation : Clear
Performance Defaults : No Record Found
Adverse Coverage/History : No Record Found
Local Adverse :
Media Filling :

SITE VISIT COMMENTARY

Our representative visited the subject company Head Office which is situated at Concord I-K Tower (4th Floor) Plot# 2, Block CEN (A), Gulshan North avenue, Gulshan-2, Dhaka-1212, Bangladesh. It's Residential Area.

GENERAL COMMENTS

The subject company is a well-known reputed company in Bangladesh. It is reputed company in this line of business. We recommended that Credit can proceed normally in Moderate Amount.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.68
UK Pound	1	INR 95.59
Euro	1	INR 84.90
BDT	1	INR 0.86

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	TRU

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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)