

TUFAIL CHEMICAL INDUSTRIES LTD

DATE OF INVESTIGATION: 26-MAY-2015

REFERENCE NO:

CREDIT ASSESSMENT

** Our assessment is based on available data. In the event of additional information a possibility for a different rating applies*

| SOE | AA | A | BB | B | C | NB | NN | NO |
|-----------------------------|---------------------------------|----------------------------|---------------------------------|----------------------------------|-----------------------------|--|---|---|
| STATE OWNED CONCERN | HIGH CREDIT QUALITY | GOOD CREDIT QUALITY | AVERAGE CREDIT QUALITY | BELOW AVERAGE CREDIT QUALITY | VERY LOW CREDIT QUALITY | NEW ENTITY | INSUFFICIENT DATA | NO CREDIT TO BE GRANTED |
| Supported by the Government | Very Low Risk of Credit Default | Low Risk of Credit Default | Moderate Risk of Credit Default | Increased Risk of Credit Default | High Risk of Credit Default | Monitoring its future progress recommended | Insufficient data for a Credit Assessment | (Dissolved/Under Liquidation/Dormant, Other detrimental info) |

RECOMMENDED CREDIT

500,000 USD

INVESTIGATION HIGHLIGHTS

| | |
|--------------------|---------------------------|
| LEGAL FORM | LIMITED LIABILITY COMPANY |
| REGISTRATION NO | 0031746 |
| OPERATIONAL STATUS | NORMAL |
| TURNOVER | 6,500,957,605 |
| AUTHORIZED CAPITAL | 1,000,000,000 |
| PAID UP CAPITAL | 120,000,000 |
| CURRENCY | PKR |
| EXCHANGE RATE | 1 USD=103 PKR |
| ECONOMIC SITUATION | STABLE |

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COMPANY DETAILS

| | |
|---------------------|--|
| REGISTERED NAME | TUFIL CHEMICAL INDUSTRIES LIMITED |
| REGISTERED ADDRESS | MEZZ.FLOOR,PROGRESSIVE CENTRE, 30-A/6,P.E.C.H.S., SHAHRAH-E-FAISAL KARACHI |
| OPERATIONAL ADDRESS | 2ND FLOOR, NOORANI CENTRE, 543, ADAMJEE DAWOOD ROAD, JODIA BAZAR, KARACHI |
| COUNTRY | PAKISTAN |
| TELEPHONE | +92-21-34388204/8 |
| FAX | +92-21-34545186 |
| EMAIL | contactus@tufailgroup.com |
| WEBSITE | www.tufailgroup.com |

REGISTRATION & LEGAL DETAILS

- *In Pakistan, there are three broad categories of legal business entities: 1) Companies, 2) Partnerships/Firms & 3) Sole proprietorships/ Individuals*
- *Only Companies are legally required to be registered with Registrar Companies, Security & Exchange Commission of Pakistan (SECP). There is no compulsory registration requirement for other business entities such as Partnership Firms or Sole Proprietor ships with any Registration Authority except Federal Board of Revenue (Tax Department). However, they may register or obtain memberships from other trade bodies such as Chamber of Commerce & Industry etc.*
- *In case a business is not registered with SECP or verified for its registration with TAX Department then its registration/ membership details are obtained and given for other trade bodies such as Chamber of Commerce & Industry etc.*

| | |
|-----------------------|--|
| CURRENT LEGAL FORM | LIMITED LIABILITY COMPANY |
| REGISTERED ADDRESS | MEZZ.FLOOR,PROGRESSIVE CENTRE, 30-A/6,P.E.C.H.S., SHAHRAH-E-FAISAL KARACHI |
| OLD REGISTRATION NBR | 5070/19931207 |
| NEW REGISTRATION NBR | 0031746 |
| REGISTRATION DATE | Thursday, December 23, 1993 |
| REGISTERING BODY ENDS | SECP |

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AUTHORIZED SHARE CAPITAL

| Type of Share | No. of Share | Amount | Face Value |
|----------------|--------------|---------------|------------|
| Ordinary Share | 100,000,000 | 1,000,000,000 | 10 |

PAID UP CAPITAL

| Type of Share | No. of Share | Amount | Face Value |
|----------------|--------------|-------------|------------|
| Ordinary Share | 12,000,000 | 120,000,000 | 10 |

PRINCIPALS

1.

| | | |
|-----------------------------|-------------|---|
| MR. ZUBAIR F. TUFAIL | POSITION | CEO |
| | NATIONALITY | PAKISTAN |
| | ADDRESS | 36.H BLOCK-6 P.E.C.H.S SHAHRAH-E-FAISAL KARACHI |
| | CNIC | 42201-9655648-7 |

2.

| | | |
|--|-------------|---|
| MR. MUNIR A MALIK & CO ADVOCATE | POSITION | LEGAL ADVISOR |
| | NATIONALITY | PAKISTAN |
| | ADDRESS | PLOT NO. F-66/3 BLOCK 5 CLIFTON KARACHI |

3.

| | | |
|-------------------------|----------|--|
| MR. EJAZ MEHBOOB | POSITION | CHIEF ACCOUNTANT |
| | ADDRESS | E-102 DEFENSE VIEW PHASE II , SHAHEED MILLAT EXPRESS WAY KARACHI |
| | CNIC | 42301-9011367-9 |

4.

| | | |
|---|-------------|---|
| NAVEED ZAFFAR ASHFAQ JUFFERY & CO. C.A | POSITION | AUDITOR |
| | NATIONALITY | PAKISTAN |
| | ADDRESS | 1 ST FLOOR, MODERN MOTORS HOUSE BEAUMOUNT ROAD NEAR PIDC. HOUSE. KARACHI |

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5.

| | | |
|-----------------------------------|--------------------|--|
| MR. MUHAMMAD IQBAL QURESHI | POSITION | COMPANY SECRETARY |
| | NATIONALITY | PAKISTAN |
| | ADDRESS | A 420,GROUND FLOOR SECTOR 11 B NORTH KARACHI |
| | CNIC | 42101-2794054-9 |

SHARE HOLDERS

| SR. NO | NAME | NO OF SHARES HELD |
|--------|---------------------------|-------------------|
| 1 | MR. ZUBAIR TUFAIL | 18,413,100 |
| 2 | MR. PERVEZ TANVEER TUFAIL | 16,610,400 |
| 3 | MR. SALMAN TUFAIL | 6,993,000 |
| 4 | MS AZRA PERVEZ | 5,004,000 |
| 5 | MRS. GHAZALA | 5,899,500 |
| 6 | MR. MUBSHAR AHMED | 1,080,000 |
| | TOTAL | 54,000,000 |

DIRECTORS

| SR. NO | NAME | CNIC | NATIONALITY |
|--------|---------------------------|---------------|-------------|
| 1 | MR. ZUBAIR TUFAIL | 4220183849827 | PAKISTAN |
| 2 | MR. PERVEZ TANVEER TUFAIL | 4220049222707 | PAKISTAN |
| 3 | MR. SALMAN TUFAIL | 4220183849827 | PAKISTAN |
| 4 | MS AZRA PERVEZ | 4220104608362 | PAKISTAN |
| 5 | MRS. GHAZALA | 4220198310092 | PAKISTAN |

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| | | | |
|---|-------------------|---------------|----------|
| 6 | MR. MUBSHAR AHMED | 4220189099825 | PAKISTAN |
|---|-------------------|---------------|----------|

FINANCIAL

BALANCE SHEET AS ON 30-JUNE-2014

| AMOUNT IN PKR | | |
|--|----------------------|----------------------|
| YEAR | 2013 | 2014 |
| EQUITIES AND LIABILITIES | | |
| SHARE CAPITAL AND RESERVE | 1,120,000,000 | 1,000,000,000 |
| AUTHORIZED SHARE CAPITAL | | |
| 1,200,000 OF 100 EACH | | |
| ISSUED, SUBSCRIBED AND PAID UP CAPITAL | 540,000,000 | 120,000,000 |
| ACCUMULATED PROFIT | 189,395,254 | 366,224,895 |
| SHARE PREMIUM | 274,897,749 | - |
| SHARE HOLDER EQUITY | 1,004,293,003 | 486,224,895 |
| SURPLUS ON ASSETS | 221,309,526 | 241,977,252 |
| NON CURRENT ASSETS | | |
| LONG TERM FINANCING | 339,628,528 | 48,075,689 |
| LIABILITIES AGAINST ASSETS | 13,330,313 | - |
| DEFFERED LIABILITIES | 317,554,757 | 150,216,321 |
| | 670,513,598 | 198,292,010 |
| CURRENT LIABILITIES | | |
| CURRENT PORTION OF LONG TERM LIABILITY | 32,249,857 | 41,149,208 |
| SHORT TERM BORROWING | 2,009,409,355 | 1,467,841,368 |
| TRADE AND OTHER PAYABLE | 441,183,840 | 241,262,559 |
| | 50,456,008 | 29,241,140 |
| | 2,533,299,060 | 1,779,494,275 |
| TOTAL EQUITY AND LIABILITY | 4,429,415,187 | 2,705,988,432 |
| ASSETS | | |
| NON CURRENT ASSETS | | |

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| | | |
|-----------------------------|----------------------|----------------------|
| PROPERTY PLANT EQUIPMENT | 1,402,932,599 | 850,966,281 |
| INTANGIBLE ASSETS | 1,219,200 | |
| LONG TERM INVESTMENT | 225,000,000 | 225,000,000 |
| LONG TERM CERTIFICATE | 51,311,354 | 1,202,299 |
| LONG TERM DEPOSIT | 22,590,321 | 10,699,496 |
| | 1,703,053,474 | 1,087,898,076 |
| CURRENT ASSETS | | |
| STORE SPARE PARTS AND TOOLS | 65,537,268 | 11,028,253 |
| STOCK IN HAND | 1,031,542,605 | 833,308,804 |
| TRADE DEBTS | 1,349,333,423 | 481,955,325 |
| MARK UP | 2,400,978 | 3,843,110 |
| OTHER RECEIVABLE | 272,200 | 167,200 |
| SALES TAX REFUNDABLE | 160,279,455 | 78,615,014 |
| INCOME TAX REFUNDABLE | 56,265,035 | 219,726,957 |
| CASH AND BANK | 29,518,312 | 43,449,308 |
| | 2,726,361,713 | 1,618,090,356 |
| TOTAL ASSETS | 4,429,415,187 | 2,705,988,432 |

INCOME STATEMENT

| | | |
|----------------------------|--------------------|--------------------|
| SALES | 6500,957,605 | 4,763,326,605 |
| COST OF SALES | 5,708,523,757 | 4,329,859,317 |
| GROSS PROFIT | 792,433,848 | 433,467,288 |
| SELLING EXPENSE | 87,729,598 | 70,034,279 |
| ADMIN AND SELLING EXPENSES | 104,507,998 | 80,714,269 |
| OTHER | 26,770,285 | 7,416,299 |
| | 573425967 | 157,164,847 |
| OTHER INCOME | 3900664 | 117,137,594 |
| OPERATING PROFIT | 577,326,631 | 275,302,441 |
| FINANCE COST | 239,833,163 | 186,988,536 |
| PROFIT BEFORE TAX | 337,493,468 | 88,313,905 |
| TAX | 138,990,834 | 44,333,576 |

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| | | |
|------------------|-------------|------------|
| PROFIT AFTER TAX | 198,502,634 | 43,980,329 |
| PROFIT | 198,502,634 | 43,980,329 |
| EPS | 3.67 | 3.58 |

ACTIVITIES

| | |
|-------------------------|--|
| LINE OF BUSINESS | IMPORT, EXPORT , MANUFACTURING AND TRADE OF CHEMICALS |
| PRODUCTS | <ul style="list-style-type: none">• LINEAR ALKYL BENZENE SULPHONIC ACID (LABSA)• SULFURIC ACID• FORMIC ACID• ACETEX PLUS• SODIUM SULFIDE• ALUMINUM SULFIDE |
| PRODUCTION | <p>DURING THE YEAR COMPNAY PRODUCED</p> <ul style="list-style-type: none">• 21965.88 MT OF LABSA 96%,• 5254.34 MT OF 90%• 43418.15 MT OF SULFURIC ACID• 7880 MT FORMIC ACID• 1422 MT ACETEX PLUS• 7132.6 MT SODIUM SULFIDE• 3660.25 MT ALUMINUM SULFIDE <p>MAIN REVENUE GENERATED FROM THE SALE OF SULPHONIC ACID TO UNILIVER AND PROCTER & GAMBLE</p> |

Local Reporters consider the investigated company to be **Large** in their field of concern.

OPERATIONS

| | | |
|------------------|-----------------|-------|
| EMPLOYEES | COMPANY EMPLOYS | 100 + |
|------------------|-----------------|-------|

| | | |
|--------------------|-------------|-------------|
| HQ PREMISES | DESCRIPTION | OWNED |
| | AREA | 10000 SQ FT |

System Day Ltd

International Credit Reports

| | | |
|--|----------|----------------------|
| | LOCATION | MAIN COMMERCIAL AREA |
|--|----------|----------------------|

| | | |
|---------------|------------------|-----------------|
| PAYMENT TERMS | IMPORT TERMS | LC, TT AND CASH |
| | LOCAL SALE TERMS | CASH |

MEMBERSHIP

1.

| | | |
|--|---------------|-------|
| KARACHI CHMABRE OF COMMERCE AND INDUSTRY | MEMBERSHIP ID | 31076 |
|--|---------------|-------|

2.

| | | |
|---|---------------|------|
| PAKISTAN CHEMICALS & DYES MERCHANTS ASSOCIATION | MEMBERSHIP ID | 0040 |
|---|---------------|------|

ASSOCIATE COMPANY

| | |
|----------|--------------------------|
| NAME | KARACHI PETROCHEMICAL CO |
| REALTION | ASSOCIATE |
| SHARE | 80% |

INCOME TAX REGISTRATION

Registration Authority ¹ : Federal Board of Revenue, Pakistan
National Tax Number (NTN) : 0860428-2
Date of Registration : 01-JAN-1995

Sales Tax Registration

Registration Authority ² : Federal Board of Revenue, Pakistan
Sales Tax Number (STN) : 030129000019
Date of Registration : 25-APRIL-1995
Business Place : KARACHI

¹ Every organization/ individual undertaking business activities is legally bound to register with the Income Tax Department, Federal Board of Revenue, Pakistan

System Day Ltd

International Credit Reports

² Every organization / individual undertaking business activities is legally bound to register with the Sales Tax Department, Federal Board of Revenue, Pakistan

Taxpayer is Active, as on 26-MAY-15

INTERNATIONAL TRADE ACTIVITY (IMPORT DATA)

1.

| | |
|---------------------|--|
| COMPANY NAME | LU XI CHEMICAL (HONG KONG) CO. LIMITED |
| COUNTRY | HONG KONG |
| ACTIVITY | IMPORT |
| PRODUCT | DRUMSFORMIC ACID |

2.

| | |
|---------------------|----------------------------------|
| COMPANY NAME | QATAR CHEMICAL AND PETROCHEMICAL |
| COUNTRY | QATAR |
| ACTIVITY | IMPORT |
| PRODUCT | LINEAR ALKYL BENZENE |

3.

| | |
|---------------------|------------------------------------|
| COMPANY NAME | HINDALCO INDUSTRIES LTD |
| COUNTRY | INDIA |
| ACTIVITY | IMPORT |
| PRODUCT | BAGSINDAL ALUMINA HYDRATE CHXGRADE |

4.

| | |
|---------------------|----------------|
| COMPANY NAME | ERCROS, S.A |
| COUNTRY | Barcelona |
| ACTIVITY | IMPORT |
| PRODUCT | SODIUM FORMATE |

5.

| | |
|---------------------|-----------------------|
| COMPANY NAME | FARABI PETROCHEMICALS |
| COUNTRY | SAUDI ARABIA |
| ACTIVITY | IMPORT |
| PRODUCT | LINEAR ALKYL BENZENE |

6.

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| | |
|---------------------|-------------------|
| COMPANY NAME | MAIDO CORPORATION |
| COUNTRY | JAPAN |
| ACTIVITY | IMPORT |
| PRODUCT | SODIUM FORMATE |

7.

| | |
|---------------------|-----------------------------|
| COMPANY NAME | TRANSMART DMCC |
| COUNTRY | UAE |
| ACTIVITY | IMPORT |
| PRODUCT | BRIGHT YELLOW CRUDE SULPHUR |

8.

| | |
|---------------------|---------------------------------|
| COMPANY NAME | PERSTORP SPECIALTY CHEMICALS AB |
| COUNTRY | SWEDEN |
| ACTIVITY | IMPORT |
| PRODUCT | SODIUM FORMATE |

9.

| | |
|---------------------|---|
| COMPANY NAME | EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION |
| COUNTRY | TAIWAN |
| ACTIVITY | IMPORT |
| PRODUCT | PALLETS STC LEATHER CHEMICALS |

10.

| | |
|---------------------|---------------------|
| COMPANY NAME | SAF SULPHUR FACTORY |
| COUNTRY | SAUDI ARABIA |
| ACTIVITY | IMPORT |
| PRODUCT | SULPHUR LUMP |

11.

| | |
|---------------------|------------------------------------|
| COMPANY NAME | GULF POLYMERS DISTRIBUTION COMPANY |
| COUNTRY | UAE |
| ACTIVITY | IMPORT |
| PRODUCT | POLYETHYLENE MARLEX POLYETHYLENE |

12.

| | |
|---------------------|------------------------------------|
| COMPANY NAME | SOLVAY CHEMICALS INTERNATIONAL S.A |
| COUNTRY | BELGIUM |

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International Credit Reports

| | |
|-----------------|--------------------|
| ACTIVITY | IMPORT |
| PRODUCT | SODIUM BICARBONATE |

13.

| | |
|---------------------|---------------------------|
| COMPANY NAME | RELIANCE INDUSTREIS , LTD |
| COUNTRY | INDIA |
| ACTIVITY | IMPORT |
| PRODUCT | LINEAR ALKYL BENZENE |

14.

| | |
|---------------------|--|
| COMPANY NAME | GANSU KINBO INDUSTRY CO.LTD |
| COUNTRY | CHINA |
| ACTIVITY | IMPORT |
| PRODUCT | CITRIC ACID MONOHYDRATE SODIUM CITRATE |

15.

| | |
|---------------------|----------------------|
| COMPANY NAME | KOLMAR GROUP AG |
| COUNTRY | SWITZERLAND |
| ACTIVITY | IMPORT |
| PRODUCT | LINEAR ALKYL BENZENE |

BRANCH NETWORK

1.

| | |
|-----------------------|--|
| BRANCH ADDRESS | A-49&A-50 EASTERN INDUSTRIAL ZONE PORT QASIM KARACHI |
|-----------------------|--|

2.

| | |
|-----------------------|---|
| BRANCH ADDRESS | AWAMI COMPLEX 2 FLOOR REAR BLOCK NO 21 USMAN BLOCK NEW GARDEN TOWN LAHORE |
|-----------------------|---|

3.

| | |
|-----------------------|--------------------------------|
| BRANCH ADDRESS | 7 KM RAIWAND MANGA ROAD LAHORE |
|-----------------------|--------------------------------|

SIC PRODUCT CLASSIFICATION & ACTIVITY

| PRODUCT/SERVICE DESCRIPTION | CODE | ACTIVITY |
|-----------------------------|------|--------------------------|
| CHEMICAL PREPARATIONS, NSPF | 2899 | MANUFACTURING, EXPORTING |

HARMONIZED PRODUCT CLASSIFICATION & ACTIVITY

| PRODUCT/SERVICE DESCRIPTION | CODE | ACTIVITY |
|---|------------|--------------------------|
| CHEMICAL PRODUCTS AND PREPARATIONS OF THE CHEMICAL OR ALLIED INDUSTRIES | 3823905050 | TRADING, EXPORTING |
| SODIUM SULFATES, EXCEPT DISODIUM SULFATES | 2833190000 | MANUFACTURING, EXPORTING |
| SULFATES; ALUMS; PEROXOSULFATES (PER SULFATES) | 2833 | MANUFACTURING, EXPORTING |

BANKS DETAIL

1.

| | |
|-----------------------|-----------------------------|
| NAME | STANDARD CHARTERED BANK |
| BRANCH ADDRESS | I I CHUNDRIGAR ROAD KARACHI |

2.

| | |
|-----------------------|---------------------------|
| NAME | HABIB BANK LIMITED |
| BRANCH ADDRESS | RAM BHARTI STREET KARACHI |

3.

| | |
|-----------------------|--------------------------------|
| NAME | ALBARAKA BANK PAKISTAN LIMITED |
| BRANCH ADDRESS | SAHARA E FAISAL KARACHI |

4.

| | |
|-----------------------|----------------------|
| NAME | BANK ALFALAH LIMITED |
| BRANCH ADDRESS | KARACHI |

5.

| | |
|-----------------------|---------------------|
| NAME | SONERI BANK LIMITED |
| BRANCH ADDRESS | KARACHI |

6.

| | |
|-----------------------|----------------------|
| NAME | BANK ALHABIB LIMITED |
| BRANCH ADDRESS | KARACHI |

COMMENTS

COMMENTS

WE HAVE CONTACT THE SBE, WE HAVE TALKED WITH STAFF MEMBER. HE CONFIRMED THE ABOVE INFORMATION.

*** End of Report on TUFAL CHEMICAL INDUSTRIES LTD ***