

## MIRA INFORM REPORT

<b>Report No. :</b>	524552
<b>Report Date :</b>	14.08.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	KOMPANIA JAOKENI SHPS
<b>Registered Office :</b>	Tomike Eristavi Street 1, Didube-Chugureti District, Tbilisi 0192
<b>Country :</b>	Georgia
<b>Financials (as on) :</b>	31.12.2017 [Summarized]
<b>Date of Incorporation :</b>	02.10.1997
<b>Com. Reg. No.:</b>	1/4-702
<b>Legal Form :</b>	Limited Liability Company
<b>Line of Business :</b>	<b>The company is involved in the following activities:</b> <ul style="list-style-type: none"> <li>• Trading as importers, wholesalers and retailers of construction and finishing materials.</li> <li>• Building Contractors.</li> </ul>
<b>No. of Employees :</b>	149

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	<b>A</b>
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Maximum Credit Limit :</b>	LARI 626,000
<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	No Complaints
<b>Litigation :</b>	Clear

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**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)
Georgia	C1	C1

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

**GEORGIA - ECONOMIC OVERVIEW**

Georgia's main economic activities include cultivation of agricultural products such as grapes, citrus fruits, and hazelnuts; mining of manganese, copper, and gold; and producing alcoholic and nonalcoholic beverages, metals, machinery, and chemicals in small-scale industries. The country imports nearly all of its needed supplies of natural gas and oil products. It has sizeable hydropower capacity that now provides most of its electricity needs. Georgia has overcome the chronic energy shortages and gas supply interruptions of the past by renovating hydropower plants and by increasingly relying on natural gas imports from Azerbaijan instead of from Russia. Construction of the Baku-Tbilisi-Ceyhan oil pipeline, the South Caucasus gas pipeline, and the Baku-Tbilisi-Kars railroad are part of a strategy to capitalize on Georgia's strategic location between Europe and Asia and develop its role as a transit hub for gas, oil, and other goods.

Georgia's economy sustained GDP growth of more than 10% in 2006-07, based on strong inflows of foreign investment, remittances, and robust government spending. However, GDP growth slowed following the August 2008 conflict with Russia, and sunk to negative 4% in 2009 as foreign direct investment and workers' remittances declined in the wake of the global financial crisis. The economy rebounded in the period 2010-17, but FDI inflows, the engine of Georgian economic growth prior to the 2008 conflict, have not recovered fully. Unemployment remains persistently high.

The country is pinning its hopes for faster growth on a continued effort to build up infrastructure, enhance support for entrepreneurship, simplify regulations, and improve professional education, in order to attract foreign investment and boost employment, with a focus on transportation projects, tourism, hydropower, and agriculture. Georgia had historically suffered from a chronic failure to collect tax revenues; however, since 2004 the government has simplified the tax code, increased tax enforcement, and cracked down on petty corruption, leading to higher revenues. The government has received high marks from the World Bank for improvements in business transparency. Since 2012, the Georgian Dream-led government has continued the previous administration's low-regulation, low-tax, free market policies, while modestly increasing social spending and amending the labor code to comply with International Labor Standards. In mid-2014, Georgia concluded an association agreement with the EU, paving the way to free trade and visa-free travel. In 2017, Georgia signed Free Trade Agreement (FTA) with China as part of Tbilisi's efforts to diversify its economic ties. Georgia is seeking to develop its Black Sea ports to further facilitate East-West trade.

Source : CIA

## **COMPANY REPORT**

CO. NAME : KOMPANIA JAOKENI SHPS (CORRECT)  
KOMPANIA JAOKENI SHPS (WERSJA ANG. COMPANY JAOKENI LTD) (REQUESTED)

## **ADDRESS**

Street : Tomike Eristavi Street 1  
Area : Didube-Chugureti District  
Town : Tbilisi 0192  
Country : Georgia  
Telephone : (995 32) 269 9697 ext.105 (Nana Jaokeni Kvachakhia) / Mobile (995 593) 258 535 (Nana Jaokeni Kvachakhia)  
Fax : (995 32) 269 3031  
E-Mail : info@jaokeni.ge / nana@jaokeni.ge  
Website : www.jaokeni.ge  
Trading Style : Jaokeni  
Extended Name : Kompania Jaokeni Shazguduli Pasukhismbgeblobis Sazagadoeba  
English Translation : Company Jaokeni Ltd

## **SENIOR COMPANY PERSONNEL**

<b>Name</b>	<b>Position</b>
1. Jemal Jaoshvili	Managing Director
2. Nana Jaokeni Kvachakhia	Head of Import Department

Total Employees : 149

## **PAYMENTS**

No complaints have been heard regarding payments from local suppliers or banks.

We consider it is acceptable to deal with subject for MEDIUM amounts, although it is normal accepted practice for international suppliers to deal on secured terms with Georgian importers.

Opinion on maximum credit: LARI 626,000

Trade risk assessment: Normal

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## **PRINCIPAL BANKERS**

NAME : BANK OF GEORGIA JSC  
Branch : Gagarin Street 29A  
Town : Tbilisi 0160  
Telephone: (995 32) 244 4444  
Fax : (995 32) 244 4444

### **Subject also has an account with:**

TBC Bank (Tbilisi Business Centre Bank)  
Chavchavadze Avenue 11  
Tbilisi 0179  
Telephone: (995 32) 229 1693  
Fax : (995 32) 229 1693

## **FINANCIAL INFORMATION**

Private companies in Georgia are not required to publish or disclose balance sheets. However, the subject interviewed offered the following information:

Sales Turnover : LARI 14,796,540 - 2014 – exact  
: LARI 26,441,891 – 2015 – exact  
: LARI 27,743,891 – 2016 – exact  
: LARI 31,378,800 – 2017 – exact  
: LARI 35,000,000 – 2018 – projected

Net Profit : LARI 4,245,533 - 2014 – exact  
: LARI 3,395,448 – 2015 – exact  
: LARI 4,351,235 – 2016 – exact  
: LARI 4,173,000 – 2017 – exact

Financial year ends 31 December.

## **LEGAL STATUS AND HISTORY**

Date Started : 2 October 1997

History : Subject company was established in Tbilisi on 2 October 1997.

C.R. No. : 1/4-702

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ID Code : 200031241

Authorised Capital : LARI 3,450

Paid-Up Capital : LARI 3,450

Shazguduli Pasukhismbgeblobis Sazagadoeba (Limited Liability Company) ShPS) with the following director and shareholders :

**Director**

Jemali Jaoshvili  
(Georgian national / Personal No.: 01023001565)

<b>Shareholders</b>	<b>Percentage</b>
1. Jemal Jaoshvili (Georgian national / Personal No.: 01023001565)	50%
2. Ioseb Jaoshvili (Georgian national / Personal No.: 01023001564)	50%

**Affiliated companies of the subject company:**

**Associates**

1. Kompania Jaokeni Motorsi  
Eristavi Street 1  
Nadzaladevi District  
Tbilisi  
Managing Director:  
Est.: 25 June 2007  
ID Code: 200234772  
Shareholders:
  - Ioseb Jaoshvili 37.5%
  - Jemal Jaoshvili 37.5%
  - Malkhaz Sheqriladze 25%
2. Lider Importi ShPS  
Dimitri Uznadzi Street 4, Apartment 73  
Dzveli Tbilisi District  
Tbilisi  
Managing Director: Ioseb Jaoshvili  
Est.: 7 December 2015  
ID Code: 404504782  
Sole Shareholder:
  - Ioseb Jaoshvili(inactive since 2018)

## **ACTIVITIES**

The company is involved in the following activities:

Trading as importers, wholesalers and retailers of construction and finishing materials.

Building Contractors.

Subject's current project is 14-storey building located elsewhere in T.Eristavi street 1, Didube-Chugureti district, Tbilisi 0192.

NACE Code: 4120 / 4673

Imports from Germany, Spain, Italy, China, Belarus and Ukraine.

Subject does not export, all sales are domestic.

Re-exported to Azerbaijan and Armenia.

## **FACILITIES**

The Company has the following facilities :

Owned premises comprising administrative offices, a retail outlet and storage facilities located at the heading address as well as 4 retail outlets located elsewhere in Georgia (see 'Branch Offices' below).

## **REGISTERED OFFICE**

Tomike Eristavi Street 1  
Didube-Chugureti District  
Tbilisi 0192

## **BRANCH OFFICES**

1. Retail Outlet "Jaokeni"  
Pushkin Street 51  
Batumi 6000
2. Retail Outlet "Jaokeni"  
Nikea Street 42

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Kutaisi 4600  
Telephone: (995 43) 123 3220

3. Retail Outlet "Jaokeni"  
Davitashvili Street 4  
Telavi 2200

4. Retail Outlet "Jaokeni"  
Chkondideli Street 10  
Senaki 4106  
Mobile: (995 591) 194 859

## ***SPECIAL NOTES***

You enquired on: KOMPANIA JAOKENI SHPS (WERSJA ANG. COMPANY JAOKENI LTD). Please note that the correct name is as per heading.

Interviewed: Nana Jaokeni Kvachakhia (Head of Import Department).

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.47
UK Pound	1	INR 88.63
Euro	1	INR 79.19
GEL [LARI]	1	INR 27.00

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	PRA
<b>Report Prepared by :</b>	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)