

MIRA INFORM REPORT

Report No. :	525823
Report Date :	28.08.2018

IDENTIFICATION DETAILS

Name :	FENSTER MONGOL LLC
Registered Office :	Tuguldur Center-401, Seoul's Street 10, Sukhbaatar District, 3rd Khoroo, Ulaanbaatar 14252
Country :	Mongolia
Year of Establishment :	2014
Legal Form :	Limited Liability Company
Line of Business :	<ul style="list-style-type: none"> Trading as importers and distributors of windows and glass facades, metal doors, all type of heavy & water supply systems, radiators, wood flooring and parquet. Agents specialised in the sale of other particular products
No. of Employees :	12

RATING & COMMENTS

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

MIRA's Rating :	B
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Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Maximum Credit Limit :	TUGRIK 10,000,000
Status :	Moderate
Payment Behaviour :	Unknown
Litigation :	Clear

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NOTES:

Any query related to this report can be made on e-mail: while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Mongolia	B2	B2

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

MONGOLIA - ECONOMIC OVERVIEW

Foreign direct investment in Mongolia's extractive industries – which are based on extensive deposits of copper, gold, coal, molybdenum, fluorspar, uranium, tin, and tungsten - has transformed Mongolia's landlocked economy from its traditional dependence on herding and agriculture. Exports now account for more than 40% of GDP. Mongolia depends on China for more than 60% of its external trade - China receives some 90% of Mongolia's exports and supplies Mongolia with more than one-third of its imports. Mongolia also relies on Russia for 90% of its energy supplies, leaving it vulnerable to price increases. Remittances from Mongolians working abroad, particularly in South Korea, are significant.

Soviet assistance, at its height one-third of GDP, disappeared almost overnight in 1990 and 1991 at the time of the dismantlement of the USSR. The following decade saw Mongolia endure both deep recession, because of political inaction, and natural disasters, as well as strong economic growth, because of market reforms and extensive privatization of the formerly state-run economy. The country opened a fledgling stock exchange in 1991. Mongolia joined the WTO in 1997 and seeks to expand its participation in regional economic and trade regimes.

Growth averaged nearly 9% per year in 2004-08 largely because of high copper prices globally and new gold production. By late 2008, Mongolia was hit by the global financial crisis and Mongolia's real economy contracted 1.3% in 2009. In early 2009, the IMF reached a \$236 million Stand-by Arrangement with Mongolia and it emerged from the crisis with a stronger banking sector and better fiscal management. In October 2009, Mongolia passed long-awaited legislation on an investment agreement to develop the Oyu Tolgoi (OT) mine, among the world's largest untapped copper-gold deposits. However, a dispute with foreign investors developing OT called into question the attractiveness of Mongolia as a destination for foreign investment. This caused a severe drop in FDI, and a slowing economy, leading to the dismissal of Prime Minister Norovyn ALTANKHUYAG in November 2014. The economy had grown more than 10% per year between 2011 and 2013 - largely on the strength of commodity exports and high government spending - before slowing to 7.8% in 2014, and falling to the 2% level in 2015. Growth rebounded from a brief 1.6% contraction in the third quarter of 2016 to 5.8% during the first three quarters of 2017, largely due to rising commodity prices.

The May 2015 agreement with Rio Tinto to restart the OT mine and the subsequent \$4.4 billion finance package signing in December 2015 stemmed the loss of investor confidence. The current government has made restoring investor trust and reviving the economy its top priority, but has failed to invigorate the economy in the face of the large drop-off in foreign direct investment, mounting external debt, and a sizeable budget deficit. Mongolia secured a \$5.5 billion financial assistance package from the IMF and a host of international creditors in May 2017, which is expected to improve Mongolia's long-term fiscal and economic stability as long as Ulaanbaatar can advance the agreement's difficult contingent reforms, such as consolidating the government's off-balance sheet liabilities and rehabilitating the Mongolian banking sector.

Source : CIA

COMPANY NAME

FENSTER MONGOL LLC

ADDRESS

Building : Tuguldur Center-401

Street : Seoul's Street 10

Area : Sukhbaatar District, 3rd Khoroo

Town : Ulaanbaatar 14252

Country : Mongolia

Mobiles : (976 88) 111 868 (B. Sainbayar) / (976 88) 001 686 (Enkhzul Bayarsaikhan) / (976 86) 111 868 (Hongor Molor-Erdene) / (976 86) 002 260 / (976 88) 111 868

E-Mail : sales@fenster.mn / contact@fenster.mn

Also Known As : Fenster Mongol XXK

SENIOR COMPANY PERSONNEL

Name	Position
1. Enkhzul Bayarsaikhan	General Director
2. B. Sainbayar	Director
3. Hongor Molor-Erdene	Corporate Manager

Total Employees : 12

PAYMENTS

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

We consider it is acceptable to deal with subject for SMALL amounts, however in view of the lack of financial information we recommend international suppliers exercise a degree of caution. It is normal accepted practice for international suppliers to deal on secured terms with Mongolian importers.

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Opinion on maximum credit: TUGRIK 10,000,000 (higher amounts may be considered with full fiscal disclosure)

Trade risk assessment: Normal

PRINCIPAL BANKER

NAME : TRADE AND DEVELOPMENT BANK OF MONGOLIA

Branch : Juulnchny Gudamj 7
Town : Ulaanbaatar 210646

Telephone: (976 11) 312 362 / 331 133
Fax : (976 11) 325 449

FINANCIAL INFORMATION

Private companies in Mongolia are not required to publish or disclose balance sheets. Balance sheets are not available from other sources, and the subject interviewed declined to give any financial information, which the company regards as strictly confidential.

LEGAL STATUS AND HISTORY

Date Started : 2014

History : Subject was established in Ulaanbaatar in 2014.

TAX No. : 5947812

Capital : Not given

Limited Liability Company with the following director and shareholders:

DIRECTOR

B. Sainbayar

SHAREHOLDERS

1. Enkhzul Bayarsaikhan
(Mongolian national)

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2. Undisclosed shareholders

*The exact shareholding percentage was not disclosed.

ACTIVITIES

The Company is involved in the following activities :

Trading as importers and distributors of windows and glass facades, metal doors, all type of heavy & water supply systems, radiators, wood flooring and parquet.

NACE Code : 4618 - Agents specialised in the sale of other particular products

Imports from Russia, Germany and Poland.

Subject does not export, all sales are domestic.

FACILITIES

The Company has the following facilities:

Rented premises comprising administrative offices and storage facilities located at the heading address.

SPECIAL NOTE

Interviewed: Hongor Molor-Erdene (Corporate Manager).

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.04
UK Pound	1	INR 89.95
Euro	1	INR 81.30
MNT	1	INR 0.028

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

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	NIT

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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)