

## MIRA INFORM REPORT

<b>Report No. :</b>	542535
<b>Report Date :</b>	05.12.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	JUBAIL CHEMICAL INDUSTRIES CO LTD (JANA)
<b>Registered Office :</b>	Road No. 263, Cross No. 198 & 218, Jubail Industrial City, PO Box , 10661, Jubail 31961
<b>Country :</b>	Saudi Arabia
<b>Date of Incorporation :</b>	04.07.1999
<b>Com. Reg. No.:</b>	2055004384
<b>Legal Form :</b>	Limited Liability Company
<b>Line of Business :</b>	Subject Engaged in the manufacture of epoxy and resins, produced under the license of Huntsman Advanced Materials, USA (originally obtained from Ciba-Geigy, Switzerland)
<b>No. of Employees :</b>	500

**RATING & COMMENTS**

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

**MIRA's Rating :**

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	Slow but Correct
<b>Litigation :</b>	Clear

**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 (30.06.2018)	Current Rating (30.09.2018)
Saudi Arabia	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

**SAUDI ARABIA - ECONOMIC OVERVIEW**

Saudi Arabia has an oil-based economy with strong government controls over major economic activities. It possesses about 16% of the world's proven petroleum reserves, ranks as the largest exporter of petroleum, and plays a leading role in OPEC. The petroleum sector accounts for roughly 87% of budget revenues, 42% of GDP, and 90% of export earnings.

Saudi Arabia is encouraging the growth of the private sector in order to diversify its economy and to employ more Saudi nationals. Approximately 6 million foreign workers play an important role in the Saudi economy, particularly in the oil and service sectors; at the same time, however, Riyadh is struggling to reduce unemployment among its own nationals. Saudi officials are particularly focused on employing its large youth population.

In 2017, the Kingdom incurred a budget deficit estimated at 8.3% of GDP, which was financed by bond sales and drawing down reserves. Although the Kingdom can finance high deficits for several years by drawing down its considerable foreign assets or by borrowing, it has cut capital spending and reduced subsidies on electricity, water, and petroleum products and recently introduced a value-added tax of 5%. In January 2016, Crown Prince and Deputy Prime Minister MUHAMMAD BIN SALMAN announced that Saudi Arabia intends to list shares of its state-owned petroleum company, ARAMCO - another move to increase revenue and outside investment. The government has also looked at privatization and diversification of the economy more closely in the wake of a diminished oil market. Historically, Saudi Arabia has focused diversification efforts on power generation, telecommunications, natural gas exploration, and petrochemical sectors. More recently, the government has approached investors about expanding the role of the private sector in the health care, education and tourism industries. While Saudi Arabia has emphasized their goals of diversification for some time, current low oil prices may force the government to make more drastic changes ahead of their long-run timeline.

Source : CIA

## **SUMMARY**

Company Name	: JUBAIL CHEMICAL INDUSTRIES CO LTD (JANA)
Country of Origin	: Saudi Arabia
Legal Form	: Limited Liability Company
Registration Date	: 4th July 1999
Commercial Registration Number	: 2055004384, Jubail
Issued Capital	: SR 775,000,000
Paid up Capital	: SR 775,000,000
Total Workforce	: 500
Activities	: Manufacture of epoxy and resins
Financial Condition	: Undetermined
Payments	: Slow but Correct

## **COMPANY NAME**

JUBAIL CHEMICAL INDUSTRIES CO LTD (JANA)

## **ADDRESS**

### **REGISTERED & PHYSICAL ADDRESS**

Street : Road No. 263, Cross No. 198 & 218  
Area : Jubail Industrial City

PO Box : 10661

Town : Jubail 31961  
Country : Saudi Arabia

Telephone : (966-13) 3585002 / 3478888 / 3583400  
Facsimile : (966-13) 3583792 / 3476705 / 3583192

Email : [sales@jana-ksa.com](mailto:sales@jana-ksa.com) / [Abraham.joseph@nama.com.sa](mailto:Abraham.joseph@nama.com.sa) / [tariq@nama.com.sa](mailto:tariq@nama.com.sa)

### **Premises**

Subject operates from a large suite of offices and a factory that are rented and located in the Industrial Area of Jubail.

## **KEY PRINCIPALS**

<u>Name</u>	<u>Position</u>
• Rashid Mohamed Al Dossary	General Manager
• T Nagrajan	Operations Manager
• Kamal Fatayerji	Chief Executive Officer
• Abraham Joseph	Finance Manager
• Tariq Othman	Financial Controller
• Faisal Al Mutairi	Accounts Manager

## **LEGAL FORM & OWNERS**

**Date of Establishment** : 21/03/1420 Hijri (corresponding to 4<sup>th</sup> July 1999)

**Legal Form** : Limited Liability Company

**Commercial Reg. No.** : 2055004384, Jubail

**Chamber Member No.** : 50054

**Issued Capital** : SR 775,000,000

**Paid up Capital** : SR 775,000,000

<i>Name of Shareholder (s)</i>	<i>Percentage</i>
• Nama Chemicals Co (NAMA) Jubail Tel: (966-13) 3478888	100%

## **AFFILIATED COMPANIES**

- Nama Investment  
Jubail
- Arabian Alkali (SODA)  
Jubail

## **OPERATIONS**

**Activities:** Engaged in the manufacture of epoxy and resins, produced under the license of Huntsman Advanced Materials, USA (originally obtained from Ciba-Geigy, Switzerland).

**Production Capacity:** 120,000 MT per year

**Export Countries:** Finland, Scandinavia, Germany, Brazil, Iran, Egypt, Jordan, Pakistan, Syria and Turkey

**Brand Names:** ARALDITE and RAZEEN

Subject has a workforce of approximately 500 employees.

## **FINANCIAL DATA**

Companies registered in Saudi Arabia are not legally required to make their accounts public and no financial information was released by the company or submitted by outside sources.

## **BANKERS**

- National Commercial Bank  
PO Box: 58  
Jubail 51951  
Tel: (966-13) 3612896  
Fax: (966-13) 3611750

## **PAYMENT HISTORY**

Slow but correct

## **GENERAL COMMENTS**

The subject and its shareholders/owners have been searched in the following databases; Office of Foreign Assets Control (OFAC), United Nations Security Council Sanctions, Australian Sanctions List, US Consolidated Sanctions List, EU Financial Sanctions List and UK Financial Sanctions List and nothing adverse could be found on the exact names listed within the report.

During the course of this investigation nothing detrimental was uncovered regarding subject's operating history or the manner in which payments are fulfilled. As such the company is considered to be a fair trade risk.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.34
UK Pound	1	INR 89.64
Euro	1	INR 80.07
SAR	1	INR 18.79

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

**INFORMATION DETAILS**

Analysis Done by :	VIV
Report Prepared by :	KET

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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)