

MIRA INFORM REPORT

Report No. :	546658
Report Date :	26.12.2018

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IDENTIFICATION DETAILS

Name :	AL SHABI TRADING
Registered Office :	Shaik Othman Al Saica Aden
Country :	Yemen
Date of Incorporation :	1976
Legal Form :	Sole Proprietorship
Line of Business :	Subject is engaged in the import and distribution of general foodstuffs hair and beauty products and ropes.
No. of Employees :	8

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 :	Slow but Correct
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.

ECGC Country Risk Classification List

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Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Yemen	C2	C2

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

YEMEN - ECONOMIC OVERVIEW

Yemen is a low-income country that faces difficult long-term challenges to stabilizing and growing its economy, and the current conflict has only exacerbated those issues. The ongoing war has halted Yemen's exports, pressured the currency's exchange rate, accelerated inflation, severely limited food and fuel imports, and caused widespread damage to infrastructure. The conflict has also created a severe humanitarian crisis - the world's largest cholera outbreak currently at nearly 1 million cases, more than 7 million people at risk of famine, and more than 80% of the population in need of humanitarian assistance.

Prior to the start of the conflict in 2014, Yemen was highly dependent on declining oil and gas resources for revenue. Oil and gas earnings accounted for roughly 25% of GDP and 65% of government revenue. The Yemeni Government regularly faced annual budget shortfalls and tried to diversify the Yemeni economy through a reform program designed to bolster non-oil sectors of the economy and foreign investment. In July 2014, the government continued reform efforts by eliminating some fuel subsidies and in August 2014, the IMF approved a three-year, \$570 million Extended Credit Facility for Yemen.

However, the conflict that began in 2014 stalled these reform efforts and ongoing fighting continues to accelerate the country's economic decline. In September 2016, President HADI announced the move of the main branch of Central Bank of Yemen from Sanaa to Aden where his government could exert greater control over the central bank's dwindling resources. Regardless of which group controls the main branch, the central bank system is struggling to function. Yemen's Central Bank's foreign reserves, which stood at roughly \$5.2 billion prior to the conflict, have declined to negligible amounts. The Central Bank can no longer fully support imports of critical goods or the country's exchange rate. The country also is facing a growing liquidity crisis and rising inflation. The private sector is hemorrhaging, with almost all businesses making substantial layoffs. Access to food and other critical commodities such as medical equipment is limited across the country due to security issues on the ground. The Social Welfare Fund, a cash transfer program for Yemen's neediest, is no longer operational and has not made any disbursements since late 2014.

Yemen will require significant international assistance during and after the protracted conflict to stabilize its economy. Long-term challenges include a high population growth rate, high unemployment, declining water resources, and severe food scarcity.

Source : CIA

SUMMARY

Company Name	: AL SHABI TRADING
Also Known As	: YASSER ABDO MOHAMMED AL SHABI
Country of Origin	: Yemen
Legal Form	: Sole Proprietorship
Registration Date	: 1976
Invested Capital	: YR 25,000
Total Workforce	: 8
Activities	: Distributors general foodstuffs hair and beauty products and ropes
Financial Condition	: Undetermined
Payments	: Slow but Correct
Person Interviewed	: Bashir Abdo Mohammed Al Shabi, Sales Manager

COMPANY NAME

AL SHABI TRADING

ALSO KNOWN AS: YASSER ABDO MOHAMMED AL SHABI

ADDRESS

Registered & Physical Address

Location : Shaik Othman Al Saica
Town : Aden
Country : Yemen
Telephone : (967-2) 390629
Mobile : (967-77) 1532029

Premises

Subject operates from a small suite of offices that are rented and located in the Central Business Area of Aden.

KEY PRINCIPALS

<u>Name</u>	<u>Nationality</u>	<u>Position</u>
Yasser Abdo Mohammed Al Shabi	Yemeni	Proprietor
Bashir Abdo Mohammed Al Shabi	Yemeni	Sales Manager

LEGAL FORM & OWNERS

Date of Establishment : 1976

Legal Form : Sole Proprietorship

Invested Capital : YR 25,000

Mr Yasser Abdo Mohammed Al Shabi is the sole proprietor of the business.

OPERATIONS

Activities: Engaged in the import and distribution of general foodstuffs hair and beauty products and ropes.

Import Countries: Europe and the Far East

Subject has a workforce of 8 employees.

FINANCIAL DATA

Companies registered in Yemen 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 Bank of Yemen
Crater Area
PO Box: 5
Aden
Tel: (967-2) 253753
Fax: (967-2) 252325

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 business is considered to be a fair trade risk.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.18
UK Pound	1	INR 88.87
Euro	1	INR 79.88
YER	1	INR 0.28

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	POJ

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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)