

## MIRA INFORM REPORT

Report No. :	517236
Report Date :	29.06.2018

### IDENTIFICATION DETAILS

Name :	BITUMAT COMPANY LTD
Registered Office :	Dammam Industrial City II, P O Box: 7487, Dammam 31462
Country :	Saudi Arabia
Financials (as on) :	31.12.2017
Date of Incorporation :	17.09.1404 Hijri (Corresponding to 16.06.1984)
Com. Reg. No.:	2050014708, Dammam
Legal Form :	Limited Liability Partnership
Line of Business :	Manufactures a complete range of roofing and sub-grade waterproofing products and also produces a wide range of protective coatings, including primers, fibered and non-fibered protective coatings for foundation damp proofing, Environment friendly waterproofing emulsions, flashing compounds, crack sealing compounds. The company also manufactures PVA base bonding agents, sand stabilizers, and waterproofing PVA coatings for horizontal and vertical applications.
No. of Employees :	350

### 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+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular

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<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)
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	: BITUMAT COMPANY LTD
Country of Origin	: Saudi Arabia
Legal Form	: Limited Liability Partnership
Registration Date	: 16 <sup>th</sup> June 1984
Commercial Registration Number	: 2050014708, Dammam
Chamber Membership Number	: 1848
Issued Capital	: SR 50,000,000
Paid up Capital	: SR 50,000,000
Total Workforce	: 350
Activities	: Manufacturers of waterproofing products and protective coatings
Financial Condition	: Good
Payments	: Regular
Operating Trend	: Steady

## **COMPANY NAME**

BITUMAT COMPANY LTD

## **ADDRESS**

### **REGISTERED & PHYSICAL ADDRESS**

Location : Dammam Industrial City II

PO Box : 7487

Town : Dammam 31462

Country : Saudi Arabia

Telephone : (966-13) 8121040 / 8121213 / 8121210 / 8423688

Facsimile : (966-13) 8121189 / 8121190

Mobile : (966-50) 4804923

Email : [marketing@bitumat.com](mailto:marketing@bitumat.com) / [lutfi@bitumat.com](mailto:lutfi@bitumat.com) / [ramanujam@bitumat.com](mailto:ramanujam@bitumat.com) / [bizfina@bitumat.com](mailto:bizfina@bitumat.com)  
[finance@bitumat.com](mailto:finance@bitumat.com) / [sarivi@bitumat.com](mailto:sarivi@bitumat.com)

### **Premises**

Subject operates from a suite of offices, manufacturing facilities and warehousing covering an area of 100,000 square metres that are owned and located in the Industrial Area of Dammam.

### **Branch Office (s)**

<u>Location</u>	<u>Description</u>
<ul style="list-style-type: none"><li>• PO Box: 58698 Riyadh 11515 Tel: (966-11) 4770443 / 4792553 Fax: (966-11) 4762318</li></ul>	Rented sales office
<ul style="list-style-type: none"><li>• PO Box: 58698 Jeddah 11515 Tel: (966-12) 6644449 Fax: (966-12) 6640506</li></ul>	Rented sales office

## **KEY PRINCIPALS**

<u>Name</u>	<u>Position</u>
• Ghassan Awadi	Chief Executive Officer
• Sayed Abdullah Rezwi	Business Development Manager
• Kamal Al Shareef	Finance Manager
• Badr Khalifa Al Qahtani	Administration Manager
• S G Agha	Export Manager
• Babu Ramanu Jam	Financial Controller
• Lutfi Farah	Senior Accountant

## **LEGAL FORM & OWNERS**

**Date of Establishment** : 17/09/1404 Hijri (corresponding to 16<sup>th</sup> June 1984)

**Legal Form** : Limited Liability Partnership

**Commercial Reg. No.** : 2050014708, Dammam

**Chamber Member No.** : 1848

**Issued Capital** : SR 50,000,000

**Paid up Capital** : SR 50,000,000

*Name of Partner (s)*

- Gulf Investment Corporation (GIC)  
GIC Building  
Jaber Al Mubarak Street  
Sharq  
PO Box: 3402  
Safat 13035  
Kuwait  
Tel: (965) 2225000 / 2431911  
Fax: (965) 2448894  
Email: [gic@gic.com.kw](mailto:gic@gic.com.kw)

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Gulf Investment Corporation (GIC) specialises in the development of private enterprise and economic growth in the Gulf region. It is owned by the following shareholders:

Name	Percentage held
Government of Bahrain	16.66%
Government of Kuwait	16.66%
Government of Oman	16.66%
Government of Qatar	16.66%
Government of Saudi Arabia	16.66%
Government of United Arab Emirates	16.66%

## **OPERATIONS**

**Activities:** Subject manufactures a complete range of roofing and sub-grade waterproofing products and also produces a wide range of protective coatings, including primers, fibered and non-fibered protective coatings for foundation damp proofing, Environment friendly waterproofing emulsions, flashing compounds, crack sealing compounds. The company also manufactures PVA base bonding agents, sand stabilizers, and waterproofing PVA coatings for horizontal and vertical applications.

The company was accredited with the ISO 9002 certification in 1995 and in 2004 it received the ISO 9001:2000.

**Import Countries:** United States of America and Europe.

**Export Countries:** Subject exports over 50% of its capacity to more than 50 countries around the world, particularly the Far East

**Operating Trend:** Steady

Subject has a workforce of approximately 350 employees.

## **FINANCIAL DATA**

Financial highlights provided by local sources are given below:

Currency: Saudi Riyals (SR)

	Year Ending 31/12/16:	Year Ending 31/12/17:
<b>Total Sales</b>	SR 287,000,000	SR 290,000,000

Local sources consider subject's financial condition to be Good.

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The above financial figures are based on estimations by our local sources.

## ***BANKERS***

- National Commercial Bank  
PO Box: 13  
Dammam 31411  
Tel: (966-13) 8331188  
Fax: (966-13) 8336058
- Saudi Investment Bank (SAIB)  
PO Box: 1581  
Dammam  
Tel: (966-13) 8342020  
Fax: (966-13) 8349111

## ***PAYMENT HISTORY***

Regular

## ***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 68.94
UK Pound	1	INR 90.21
Euro	1	INR 79.64
SAR	1	INR 18.24

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

**INFORMATION DETAILS**

Analysis Done by :	DIV
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)