

## MIRA INFORM REPORT

<b>Report No. :</b>	518883
<b>Report Date :</b>	10.07.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	ASIA ELECTRO MECHANICAL CO LTD
<b>Registered Office :</b>	Sheikh Zayed Road, Jebel Ali Free Zone, PO Box 61007, Dubai
<b>Country :</b>	United Arab Emirates
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	01.02.1994
<b>Com. Reg. No.:</b>	LOC-933
<b>Legal Form :</b>	Branch of a Foreign Registered Corporation
<b>Line of Business :</b>	<p>Subject Engaged in the import and distribution of pipes and fittings, including</p> <ul style="list-style-type: none"> <li>• Black Steel Pipes &amp; Fittings</li> <li>• Galvanized Steel Pipes &amp; Fittings</li> <li>• Stainless Steel Pipes &amp; Fittings</li> <li>• Copper Pipes &amp; Fittings</li> <li>• Ductile Iron Pipes &amp; Fittings</li> <li>• Valves &amp; Strainers</li> <li>• Relief Valves</li> <li>• Hangers &amp; Threaded Rods</li> <li>• Flanges</li> <li>• Vibration Isolators</li> <li>• Thermometers, Pressure Gauges</li> <li>• Air Conditioning &amp; Ref. Spare Parts</li> <li>• Bolts, Nuts &amp; Gaskets</li> <li>• Pressure Reducing &amp; Relief Valves</li> <li>• Expansion Tank</li> <li>• Pressuration Unit</li> <li>• Grooved Fittings</li> <li>• Air Separators</li> </ul>
<b>No. of Employees :</b>	85

**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>	No Complaints
<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 (31.12.2017)	Current Rating (01.04.2018)
United Arab Emirates	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

**UNITED ARAB EMIRATES - ECONOMIC OVERVIEW**

The UAE has an open economy with a high per capita income and a sizable annual trade surplus. Successful efforts at economic diversification have reduced the portion of GDP from the oil and gas sector to 30%. Since the discovery of oil in the UAE nearly 60 years ago, the country has undergone a profound transformation from an impoverished region of small desert principalities to a modern state with a high standard of living. The government has increased spending on job creation and infrastructure expansion and is opening up utilities to greater private sector involvement. The country's free trade zones - offering 100% foreign ownership and zero taxes - are helping to attract foreign investors.

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The global financial crisis of 2008-09, tight international credit, and deflated asset prices constricted the economy in 2009. UAE authorities tried to blunt the crisis by increasing spending and boosting liquidity in the banking sector. The crisis hit Dubai hardest, as it was heavily exposed to depressed real estate prices. Dubai lacked sufficient cash to meet its debt obligations, prompting global concern about its solvency and ultimately a \$20 billion bailout from the UAE Central Bank and Abu Dhabi Government that was refinanced in March 2014.

The UAE's dependence on oil is a significant long-term challenge, although the UAE is one of the most diversified countries in the Gulf Cooperation Council. Low oil prices have prompted the UAE to cut expenditures, including on some social programs, but the UAE has sufficient assets in its sovereign investment funds to cover its deficits. The government reduced fuel subsidies in August 2015, and has announced plans to introduce excise and value-added taxes by January 1, 2018. The UAE's strategic plan for the next few years focuses on economic diversification, promoting the UAE as a global trade and tourism hub, developing industry, and creating more job opportunities for nationals through improved education and increased private sector employment.

Source : CIA

## **SUMMARY**

Company Name	: ASIA ELECTRO MECHANICAL CO LTD
Country of Origin	: Kuwait
Legal Form	: Branch of a Foreign Registered Corporation
Registration Date	: 1 <sup>st</sup> February 1994
Commercial Registration Number	: LOC-933, Dubai
Trade Licence Number	: 933
Chamber Membership Number	: 31822
Issued Capital	: UAE Dh 1,200,000
Paid up Capital	: UAE Dh 1,200,000
Total Workforce	: 85
Activities	: Distributors of pipes and fittings
Financial Condition	: Good
Payments	: No Complaints
Person Interviewed	: Sunder V Singh, Finance Manager

## **COMPANY NAME**

ASIA ELECTRO MECHANICAL CO LTD

## **ADDRESS**

### **REGISTERED & PHYSICAL ADDRESS**

Street : Sheikh Zayed Road  
Area : Jebel Ali Free Zone

PO Box : 61007

Town : Dubai  
Country : United Arab Emirates

Telephone : (971-4) 8818383  
Facsimile : (971-4) 8815060  
Email : [asiamc@emirates.net.ae](mailto:asiamc@emirates.net.ae) / [accounts@asiadxb.ae](mailto:accounts@asiadxb.ae)

### **Premises**

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

## **KEY PRINCIPALS**

<u>Name</u>	<u>Nationality</u>	<u>Position</u>
• Abdul Rahman Al Meshaan Al Khudair	Kuwaiti	Managing Director
• Mikhael Georges Nakhoul Shaheen	Lebanese	Director
• Georges Elias Nasr	Lebanese	Director
• Sunder V Singh	-	Finance Manager
• Anil Mathew	-	Sales Manager

## **LEGAL FORM & OWNERS**

**Date of Establishment :** 1<sup>st</sup> February 1994

**Legal Form :** Subject is the United Arab Emirates registered branch of Asia Electro Mechanical Co Ltd, a Limited Liability Company incorporated in Kuwait.

Asia Electro Mechanical Co Ltd in the United Arab Emirates, operates as a Branch of a Foreign Registered Corporation with its registered office located at the following address:

Asia Electro Mechanical Co Ltd  
Marzouk Tower, 10<sup>th</sup> Floor  
Abu Bakr Al Sadiq Street  
Al Qibla  
PO Box: 24354  
Safat 13104  
Kuwait  
Tel: (965) 22401320  
Fax: (965) 22450172

Under these circumstances, we strongly advise that any international trade credit should only be written under the name of the main company where the subject holds its registered office, in this case Kuwait.

**Commercial Reg. No. :** LOC-933, Dubai

**Trade Licence No. :** 933 (Expires 31/05/2019)

**Chamber Member No. :** 31822

**Issued Capital :** UAE Dh 1,200,000

**Paid up Capital :** UAE Dh 1,200,000

## **OPERATIONS**

**Activities:** Engaged in the import and distribution of pipes and fittings, including:

- Black Steel Pipes & Fittings
- Galvanized Steel Pipes & Fittings
- Stainless Steel Pipes & Fittings
- Copper Pipes & Fittings
- Ductile Iron Pipes & Fittings

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- Valves & Strainers
- Relief Valves
- Hangers & Threaded Rods
- Flanges
- Vibration Isolators
- Thermometers, Pressure Gauges
- Air Conditioning & Ref. Spare Parts
- Bolts, Nuts & Gaskets
- Pressure Reducing & Relief Valves
- Expansion Tank
- Pressuration Unit
- Grooved Fittings
- Air Separators

**Agencies Held:**

- AMERICAN CAST IRON PIPE CO. – U.S.A.  
- DUCTILE IRON PIPES & FITTINGS
- VICTAULIC - USA  
- UL/FM GROOVED FITTINGS & VALVES
- HEBEI SMART STEEL PIPE MILL CO. LTD. – CHINA  
- BLACK & GALVANISED SEAMLESS STEEL PIPE
- CRANE FLUID SYSTEM – UK  
- VALVES & MALLEABLE FITTINGS
- SIAM CAST IRON WORKS CO. LTD. – THAILAND  
- DUCTILE & CAST IRON VALVES (UL/FM APPROVED)
- VTS - POLAND  
- AIRHANDLING UNITS, FAN COIL UNITS
- AQUAMETRO –SWITZERLAND  
- WATER METERS
- FLAMCO – HOLLAND / GERMANY  
- PIPE HANGERS & EXPANSION TANK & AIR SEPERATORS
- TOZEN CO. LTD. – JAPAN  
- FLEXIBLE CONNECTOR & VALVES
- SURYA ROSHNI LTD. – INDIA  
- ERW BLACK & GALVANISED PIPES (UL APPROVED)
- INTERFIT TECHNO PRODUCTS LTD.(NATIONAL) – INDIA  
- UL/FM APPROVED GROOVED FITTINGS
- TTU INDUSTRIAL CORP. LTD. – THAILAND  
- BLACK STEEL SEAMLESS FITTINGS
- MUELLER BRASS – U.S.A.  
- COPPER PIPES & FITTINGS
- SHANGHAI FLOW VALVE & FITTING CO. LTD. – CHINA  
- VALVES & FLEXIBLE CONNECTORS
- SHANGHAI VISION MECHANICAL JOINT CO. LTD.  
- UL/FM APPROVED GROOVED FITTINGS
- WUXI TAIHU STEEL CO LTD. - CHINA  
- BLACK & GALVANISED SEAMLESS STEEL PIPES

**Import Countries:** Europe and the Far East.

**International Suppliers:**

- Surya Steel India
- Parkash & Sorya Co Ltd India
- National Fitting Co India
- Crane UK United Kingdom

**Clients:**

- Bader Al Mulla Co Kuwait
- KMTC Kuwait
- KPC Kuwait

Subject has a workforce of 85 employees.

## **FINANCIAL DATA**

Financial highlights provided by local sources are given below:

Currency: United Arab Emirates Dirham (UAE Dh)

Year Ending 31/12/17:

Total sales UAE Dh 100,000,000

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

The above figures were provided by Sunder V Singh, Finance Manager

## **BANKERS**

- National Bank of Abu Dhabi  
Al Hajar Street  
Al Quoz Area  
PO Box: 282227  
Dubai  
Tel: (971-4) 4050921 / 4050923

## **PAYMENT HISTORY**

No complaints regarding subject's payments have been reported.

## **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 68.66
UK Pound	1	INR 91.47
Euro	1	INR 80.78
UAE DH	1	INR 18.73

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

**INFORMATION DETAILS**

Analysis Done by :	DIV
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)