

## MIRA INFORM REPORT

<b>Report No. :</b>	521045
<b>Report Date :</b>	23.07.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	CNA METALS LIMITED
<b>Registered Office :</b>	4800 Sugar Grove Blvd, Suite 475 Stafford, Tx 77477
<b>Country :</b>	United States
<b>Date of Incorporation :</b>	1995
<b>Legal Form :</b>	Corporation
<b>Line of Business :</b>	Subject is a trading company, provides ferrous and non-ferrous scrap metals, paper, and plastics worldwide.
<b>No. of Employees :</b>	31

### RATING & COMMENTS

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

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

<b>Status :</b>	Moderate
<b>Payment Behaviour :</b>	Slow but Correct
<b>Litigation :</b>	Exist

#### 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	Current Rating
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	<b>(31.12.2017)</b>	<b>(01.04.2018)</b>
United States	A1	A1

<b>Risk Category</b>	<b>ECGC Classification</b>
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

**UNITED STATES - ECONOMIC OVERVIEW**

The US has the most technologically powerful economy in the world, with a per capita GDP of \$59,500. US firms are at or near the forefront in technological advances, especially in computers, pharmaceuticals, and medical, aerospace, and military equipment; however, their advantage has narrowed since the end of World War II. Based on a comparison of GDP measured at purchasing power parity conversion rates, the US economy in 2014, having stood as the largest in the world for more than a century, slipped into second place behind China, which has more than tripled the US growth rate for each year of the past four decades.

In the US, private individuals and business firms make most of the decisions, and the federal and state governments buy needed goods and services predominantly in the private marketplace. US business firms enjoy greater flexibility than their counterparts in Western Europe and Japan in decisions to expand capital plant, to lay off surplus workers, and to develop new products. At the same time, businesses face higher barriers to enter their rivals' home markets than foreign firms face entering US markets.

Long-term problems for the US include stagnation of wages for lower-income families, inadequate investment in deteriorating infrastructure, rapidly rising medical and pension costs of an aging population, energy shortages, and sizable current account and budget deficits.

The onrush of technology has been a driving factor in the gradual development of a "two-tier" labor market in which those at the bottom lack the education and the professional/technical skills of those at the top and, more and more, fail to get comparable pay raises, health insurance coverage, and other benefits. But the globalization of trade, and especially the rise of low-wage producers such as China, has put additional downward pressure on wages and upward pressure on the return to capital. Since 1975, practically all the gains in household income have gone to the top 20% of households. Since 1996, dividends and capital gains have grown faster than wages or any other category of after-tax income.

Imported oil accounts for more than 50% of US consumption and oil has a major impact on the overall health of the economy. Crude oil prices doubled between 2001 and 2006, the year home prices peaked; higher gasoline prices ate into consumers' budgets and many individuals fell behind in their mortgage payments. Oil prices climbed another 50% between 2006 and 2008, and bank foreclosures more than doubled in the same period. Besides dampening the housing market, soaring oil prices caused a drop in the value of the dollar and a deterioration in the US merchandise trade deficit, which peaked at \$840 billion in 2008. Because the US economy is energy-intensive, falling oil prices since 2013 have alleviated many of the problems the earlier increases had created.

The sub-prime mortgage crisis, falling home prices, investment bank failures, tight credit, and the global economic downturn pushed the US into a recession by mid-2008. GDP contracted until the third quarter of 2009, the deepest and longest downturn since the Great Depression. To help stabilize financial markets, the US Congress established a \$700 billion Troubled Asset Relief Program (TARP) in October 2008. The government used some of these funds to purchase equity in US banks and industrial corporations, much of which had been returned to the government by early 2011. In January 2009, Congress passed and former President Barack OBAMA signed a bill providing an additional \$787 billion fiscal stimulus to be used over 10 years - two-thirds on additional spending and one-third on tax cuts - to create jobs and to help the economy recover. In 2010 and 2011, the federal budget deficit reached nearly 9% of GDP. In 2012, the Federal Government reduced the growth of spending and the deficit shrank to 7.6% of GDP. US revenues from taxes and other sources are lower, as a percentage of GDP, than those of most other countries.

Wars in Iraq and Afghanistan required major shifts in national resources from civilian to military purposes and contributed to the growth of the budget deficit and public debt. Through FY 2018, the direct costs of the wars will have totaled more than \$1.9 trillion, according to US Government figures.

In March 2010, former President OBAMA signed into law the Patient Protection and Affordable Care Act (ACA), a health insurance reform that was designed to extend coverage to an additional 32 million Americans by 2016,

through private health insurance for the general population and Medicaid for the impoverished. Total spending on healthcare - public plus private - rose from 9.0% of GDP in 1980 to 17.9% in 2010.

In July 2010, the former president signed the DODD-FRANK Wall Street Reform and Consumer Protection Act, a law designed to promote financial stability by protecting consumers from financial abuses, ending taxpayer bailouts of financial firms, dealing with troubled banks that are "too big to fail," and improving accountability and transparency in the financial system - in particular, by requiring certain financial derivatives to be traded in markets that are subject to government regulation and oversight.

In December 2012, the Federal Reserve Board (Fed) announced plans to purchase \$85 billion per month of mortgage-backed and Treasury securities in an effort to hold down long-term interest rates, and to keep short-term rates near zero until unemployment dropped below 6.5% or inflation rose above 2.5%. The Fed ended its purchases during the summer of 2014, after the unemployment rate dropped to 6.2%, inflation stood at 1.7%, and public debt fell below 74% of GDP. In December 2015, the Fed raised its target for the benchmark federal funds rate by 0.25%, the first increase since the recession began. With continued low growth, the Fed opted to raise rates several times since then, and in December 2017, the target rate stood at 1.5%.

In December 2017, Congress passed and President Donald TRUMP signed the Tax Cuts and Jobs Act, which, among its various provisions, reduces the corporate tax rate from 35% to 21%; lowers the individual tax rate for those with the highest incomes from 39.6% to 37%, and by lesser percentages for those at lower income levels; changes many deductions and credits used to calculate taxable income; and eliminates in 2019 the penalty imposed on taxpayers who do not obtain the minimum amount of health insurance required under the ACA. The new taxes took effect on 1 January 2018; the tax cut for corporations are permanent, but those for individuals are scheduled to expire after 2025. The Joint Committee on Taxation (JCT) under the Congressional Budget Office estimates that the new law will reduce tax revenues and increase the federal deficit by about \$1.45 trillion over the 2018-2027 period. This amount would decline if economic growth were to exceed the JCT's estimate.

Source : CIA

## **STATUTORY INFORMATION**

Legal Name	CNA METALS LIMITED
Trade Name	CNA METALS LIMITED
ID	ID
ID Details	Texas Taxpayer Number: 17604655922 Texas SOS File Number: 0800264585
Creation Date	1995
Incorporation Date	11/01/2003
Legal Address	4800 SUGAR GROVE BLVD, SUITE 475 STAFFORD, TX 77477, USA
Operative Address	4800 Sugar Grove Boulevard Suite 475 Stafford, TX 77477 United States
Telephone	+1 281-494-4940
Fax	+1 281 494-9494
Legal Form	CORPORATION
E-Mail	thomas@cnagroup.com
Registered In	TEXAS
Website	www.cnagroup.com
Contact	Hari Agrawal - Owner and Chief Executive Officer
Staff	31
Activity	SIC Code: 5093, Scrap and Waste Materials NAICS Code: 423930, Recyclable Material Merchant Wholesalers

## **BANKS**

Name of Bank	Reported Amount
Bank of America	
Description	-

## **HISTORY**

History	CNA Metals Limited was founded in 1995.
Key Developments	NA
Parent Company	NA

## **PRINCIPAL ACTIVITY**

General Description	CNA Metals Limited, a trading company, provides ferrous and non-ferrous scrap metals, paper, and plastics worldwide.	
Service/Product Description	It offers non-ferrous metals, plastics E-scrap, and chemical additives and hardeners for the foundry industry; and red metals, aluminum, copper, brass, lead, zinc, stainless steel, ferro molly, titanium, and nickel products. The company also provides vendor services in the areas of financial stability, dealing in a portfolio of materials, processing materials, payments, hedging instruments for market pricing at the time of container arrival in destination, and claim settlements.	
Sales	Wholesale	
Operations Area	National and International	
Imports From	Nigeria, Honduras	
Export To	India, Ecuador	
Employees	31 employees	
Payments With Suppliers	Slow but correct	
Brands		
Brand	Comments	
CNA Metals Limited	-	
Clients		
Name of Client	Country	Comments
Suntrust Aluminium Pvt Ltd	India	-

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Fundametz S.A.(Ecuador)	Ecuador	-
Comments		-
Suppliers		
Supplier Name	Country	Comments
Whiterock Metals Trading Limited	Nigeria	-
Inversiones Materiales S. De R.L. De C.V.	Honduras	-
Comments		-

**LOCATION**

Headquarters	4800 Sugar Grove Boulevard Suite 475 Stafford, TX 77477 United States
	4800 Sugar Grove Blvd This business is located at 4800 Sugar Grove Blvd, a commercial address in Stafford, TX. The commercial property was last sold on October 29, 2012 for \$11,062,500. <i>Estimated Value</i> The commercial building has an estimated value of \$11.2 million, which places it among the most valuable 10% of commercial properties in the area. When the building was last assessed in 2012, the assessment value was \$7,392,020. <i>Property Size</i> With 42,214 sq ft of space, this building is one of the largest commercial properties in the 77477 zip code. The average commercial property in the area has around 2,956 sq ft.
Branches	No branches were found.

**GROUP STRUCTURE AND SUBSIDIARY COMPANIES**

Listed at the stock exchange	No
Capital	NA

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Shareholders (%)	The company does not disclose information on shareholders. The following information has been provided by private sources and could not be confirmed:
Management	The major holder of this company is Hari Agrawal. Hari Agrawal - Owner Sanjay Goel - Vice-President Accounting
Subsidiary Companies	No subsidiary companies were found.
Related Companies	Trinity Metals 2456 Shadeland Ave, Indianapolis, IN 46219,USA  CNA METALS CHILE SPA BADAJOZ 100 OFICIAL 501 LAS CONDES RM CHILE  MRI Nigeria Shagamu-Ikorodu Road Ogijo District, opposite Phoenix Steels Mill, Ogun State, Nigeria

## **FINANCIAL INFORMATION**

General Description	The company does not make its financial statements public. The following information has been provided by private sources:
Year/Currency	2017 USD
Estimated Net Assets	2.880.000
Money Flow	Normal
Import Fob Dollar	
Year	Amount
There are not Import Fob Dollar informed	
Export Fob Dollar	
Year	Amount
There are not Export Fob Dollar informed	

## **LEGAL FILINGS**

### Lawsuits

Adam Joseph Resources, et al v. CNA Metals Limited  
Plaintiff - Appellant: ADAM JOSEPH RESOURCES (M)  
SDN. BHD.  
Movant - Appellant: BROWN SIMS  
Defendant - Appellee: CNA METALS LIMITED  
Case Number: 17-20685  
Filed: October 31, 2017  
Court: U.S. Court of Appeals, Fifth Circuit  
Nature of Suit: Other Contract Actions

Brown Sims as Assignee of Adam Joseph Resources  
(M) SDN. BHD. v. CNA Metals Limited  
Plaintiff: Brown Sims as Assignee of Adam Joseph  
Resources (M) SDN. BHD.  
Defendant: CNA Metals Limited  
Case Number: 4:2017cv03227  
Filed: October 24, 2017  
Court: Texas Southern District Court  
Office: Houston Office  
County: Harris  
Presiding Judge: Sim Lake  
Nature of Suit: Arbitration  
Cause of Action: 9:9  
Jury Demanded By: Plaintiff

Adam Joseph Resources (M) Sdn. Bhd. v. CNA Metals  
Limited  
Plaintiff: Adam Joseph Resources (M) Sdn. Bhd.  
Defendant: CNA Metals Limited  
Case Number: 4:2016cv02139  
Filed: July 19, 2016  
Court: Texas Southern District Court  
Office: Houston Office  
County: Harris  
Presiding Judge: Keith P Ellison  
Nature of Suit: Recovery of Overpayment and  
Enforcement of Judgment  
Cause of Action: 9:9  
Jury Demanded By: None

CNA Metals Limited v. American Steel Trading, Inc.  
Plaintiff: CNA Metals Limited  
Defendant: American Steel Trading, Inc.  
Case Number: 4:2015cv01262  
Filed: May 12, 2015  
Court: Texas Southern District Court

Office: Houston Office  
County: Harris  
Presiding Judge: David Hittner  
Nature of Suit: Contract: Recovery/Enforcement  
Cause of Action: 28:1332 Diversity-Breach of Contract  
Jury Demanded By: Plaintiff

Adam Joseph Resources (M) Sdn. Bhd. v. CNA Metals Limited

Plaintiff: Adam Joseph Resources (M) Sdn. Bhd.

Defendant: CNA Metals Limited

Case Number: 4:2014cv01801

Filed: June 27, 2014

Court: Texas Southern District Court

Office: Houston Office

County: XX Outside US

Presiding Judge: Ewing Werlein

Nature of Suit: Other Contract

Cause of Action: 28:1332

Jury Demanded By: None

No records found.

Trademarks

Patents Registered

No records found.

Renewals

No records found.

UCC (Uniform Commercial Code)

No records found.

OFAC Sanctions List Search

The company is not listed in the OFAC list.

## **SUMMARY**

Summary

Founded in 1995, CNA Metals Limited is an organization in the Recyclable Material Industry headquartered in Stafford, TX. The company has 31 regular employees and generates an estimated \$28.8 million USD in annual estimated net assets. It operates nationally and internationally, mainly exporting to India and Ecuador. It is ACTIVE in business with high credit risk.

## **RISK INFORMATION**

Debts

Controlled

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Payments	Slow but correct
Cash Flow	Normal
State	Active

## ***INTERVIEW***

First Name	NA
Position	NA
Comments	The person contacted was reluctant to provide any information.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.85
UK Pound	1	INR 89.67
Euro	1	INR 80.31
USD	1	INR 68.76

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIY
<b>Report Prepared by :</b>	SYL

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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)