

## MIRA INFORM REPORT

Report No. :	533746
Report Date :	16.10.2018

### IDENTIFICATION DETAILS

Name :	ESMP LLC
Registered Office :	114, Unur Khoroolol 2, 12th Khoroo, Ulaanbaatar
Country :	Mongolia
Date of Incorporation :	12.06.2013
Com. Reg. No.:	5850169
Legal Form :	Limited Liability Company
Line of Business :	<ul style="list-style-type: none"> <li>• Trading as importers and distributors of foodstuff mainly fruits as well as meat</li> <li>• Wholesale of fruit and vegetables</li> <li>• Agents involved in the sale of a variety of goods</li> </ul>
No. of Employees :	5

**RATING & COMMENTS**

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

**MIRA's Rating :**

B

Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

<b>Maximum Credit Limit :</b>	USD 10,000
<b>Status :</b>	Moderate
<b>Payment Behaviour :</b>	Unknown
<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)
Mongolia	B2	B2

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

## **MONGOLIA - ECONOMIC OVERVIEW**

Foreign direct investment in Mongolia's extractive industries – which are based on extensive deposits of copper, gold, coal, molybdenum, fluorspar, uranium, tin, and tungsten - has transformed Mongolia's landlocked economy from its traditional dependence on herding and agriculture. Exports now account for more than 40% of GDP. Mongolia depends on China for more than 60% of its external trade - China receives some 90% of Mongolia's exports and supplies Mongolia with more than one-third of its imports. Mongolia also relies on Russia for 90% of its energy supplies, leaving it vulnerable to price increases. Remittances from Mongolians working abroad, particularly in South Korea, are significant.

Soviet assistance, at its height one-third of GDP, disappeared almost overnight in 1990 and 1991 at the time of the dismantlement of the USSR. The following decade saw Mongolia endure both deep recession, because of political inaction, and natural disasters, as well as strong economic growth, because of market reforms and extensive privatization of the formerly state-run economy. The country opened a fledgling stock exchange in 1991. Mongolia joined the WTO in 1997 and seeks to expand its participation in regional economic and trade regimes.

Growth averaged nearly 9% per year in 2004-08 largely because of high copper prices globally and new gold production. By late 2008, Mongolia was hit by the global financial crisis and Mongolia's real economy contracted 1.3% in 2009. In early 2009, the IMF reached a \$236 million Stand-by Arrangement with Mongolia and it emerged from the crisis with a stronger banking sector and better fiscal management. In October 2009, Mongolia passed long-awaited legislation on an investment agreement to develop the Oyu Tolgoi (OT) mine, among the world's largest untapped copper-gold deposits. However, a dispute with foreign investors developing OT called into question the attractiveness of Mongolia as a destination for foreign investment. This caused a severe drop in FDI, and a slowing economy, leading to the dismissal of Prime Minister Norovyn ALTANKHUYAG in November 2014. The economy had grown more than 10% per year between 2011 and 2013 - largely on the strength of commodity exports and high government spending - before slowing to 7.8% in 2014, and falling to the 2% level in 2015. Growth rebounded from a brief 1.6% contraction in the third quarter of 2016 to 5.8% during the first three quarters of 2017, largely due to rising commodity prices.

The May 2015 agreement with Rio Tinto to restart the OT mine and the subsequent \$4.4 billion finance package signing in December 2015 stemmed the loss of investor confidence. The current government has made restoring investor trust and reviving the economy its top priority, but has failed to invigorate the economy in the face of the large drop-off in foreign direct investment, mounting external debt, and a sizeable budget deficit. Mongolia secured a \$5.5 billion financial assistance package from the IMF and a host of international creditors in May 2017, which is expected to improve Mongolia's long-term fiscal and economic stability as long as Ulaanbaatar can advance the agreement's difficult contingent reforms, such as consolidating the government's off-balance sheet liabilities and rehabilitating the Mongolian banking sector.

Source : CIA

## **EXECUTIVE SUMMARY**

<b>COMMERCIAL NAME</b>	ESMP LLC		
<b>BUILDING</b>	114		
<b>AREA</b>	Unur Khoroolol 2, 12th Khoroo		
<b>TOWN</b>	Ulaanbaatar		
<b>COUNTRY</b>	Mongolia		
<b>TELEPHONE</b>	(976 99) 995 784 (976 99) 884 772		
<b>E-MAIL</b>	esmp_llc@yahoo.com bayartsatsral@yahoo.com		
<b>ACTIVITIES</b>	Trading as importers and distributors of foodstuff mainly fruits as well as meat.		
<b>EXECUTIVE</b>	S. Uuganbayar		General Director
<b>WORKFORCE</b>	5	15/10/2018	subject
<b>ESTABLISHED YEAR</b>	2013		
<b>MAIN REGISTRATION NO.</b>	5850169 (TAX NO.)		
<b>LEGAL FORM</b>	Limited Liability Company		
<b>STATUS</b>	Active		
<b>CREDIT OPINION</b>	We consider it is acceptable to deal with subject for SMALL amounts, however in view of the lack of financial information we recommend international suppliers exercise a degree of caution.		
<b>MAXIMUM CREDIT</b>	USD		10,000

## **IDENTIFICATION**

**COMMERCIAL NAME** ESMP LLC

## **PRINCIPAL PLACE OF BUSINESS**

**BUILDING** 114  
**AREA** Unur Khoroolol 2, 12th Khoroo  
**TOWN** Ulaanbaatar  
**COUNTRY** Mongolia  
**COUNTRY CODE** MN  
**TELEPHONE** (976 99) 995 784  
(976 99) 884 772  
**E-MAIL** esmp\_llc@yahoo.com

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PREMISES bayartsatsral@yahoo.com  
DESCRIPTION Administrative office  
TYPE OF OCCUPATION Owned

## **LEGAL DATA**

ESTABLISHED YEAR 2013  
INCORPORATION DATE 12/06/2013  
MAIN REGISTRATION NO. 5850169 (TAX NO.)  
TAX NO. 5850169 REGISTERED AT GENERAL DEPARTMENT OF TAXATION OF MONGOLIA  
REGISTRATION PLACE Ulaanbaatar  
CAPITAL not given  
LEGAL FORM Limited Liability Company  
OWNERSHIP TYPE Private  
STATUS Active  
STATUS DATE 15/10/2018

## **OWNERSHIP STRUCTURE**

1. NAME S. Uuganbayar  
RELATION TYPE Shareholder  
SHARE PERCENTAGE 100%  
NATIONALITY Mongolia  
GENDER Male

## **WORKFORCE**

### **KEY PERSONNEL**

1.		
<b>NAME</b>	S. Uuganbayar	<b>POSITION</b> General Director

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**AUTHORISED SIGNATORY NATIONALITY GENDER**  
Yes  
Mongolia  
Male

**2. NAME GENDER POSITION**  
Bayar Tsatsral Vice General Director  
Female

<b>WORKFORCE</b>	<b>PERIOD</b>	<b>NOTES</b>
5	15/10/2018	subject

## **OPERATIONS**

### **ACTIVITIES**

**ACTUAL ACTIVITIES** Trading as importers and distributors of foodstuff mainly fruits as well as meat.  
**IMPORT COUNTRIES** Poland.  
**EXPORT COUNTRIES** N/A  
**SUPPLIERS** Mutsu; Gala.

<b>NACE CODE (REV. 2)</b>	<b>DESCRIPTION</b>
4631	Wholesale of fruit and vegetables.
4619	Agents involved in the sale of a variety of goods.

### **FACILITIES**

Owned premises comprising administrative offices and warehouse located at the heading address.

## **GENERAL INFORMATION**

### **BANKERS**

**1. BANK NAME WEBSITE**  
Golomt Bank  
www.en.golomtbank.com

## **FINANCIAL INFORMATION**

Private companies are not required to publish or disclose balance sheets. Balance sheets are not available from other sources, and the subject interviewed declined to give any financial information, which the company regards as strictly confidential.

## **PAYMENT INFORMATION**

**MODE OF PAYMENT** Unknown  
**CREDIT OPINION** We consider it is acceptable to deal with subject for SMALL amounts, however in view of the lack of financial information we recommend international suppliers exercise a degree of caution.

Higher amounts may be considered with full fiscal disclosure.

**SECTION REMARKS** It is normal accepted practice for international suppliers to deal on secured terms with the local buyers.

## **SPECIAL REMARKS**

**INTERVIEWED PERSON** Bayar Tsatsral

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.17
UK Pound	1	INR 97.08
Euro	1	INR 85.49
MNT	1	INR 0.03

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIS
<b>Report Prepared by :</b>	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)