

## MIRA INFORM REPORT

<b>Report No. :</b>	528667
<b>Report Date :</b>	06.09.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	WELGATE INDUSTRIES CO LLC
<b>Registered Office :</b>	Plot No: M33, M34, M67, M68, Al Ghayal Industrial Area, PO Box: 89993, Ras Al Khaimah
<b>Country :</b>	United Arab Emirates
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	2000
<b>Legal Form :</b>	Limited Liability Company – LLC
<b>Line of Business :</b>	Subject is engaged in the manufacture of scaffolding and formwork
<b>No. of Employees :</b>	50

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A
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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.

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**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

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**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.

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 introduced excise taxes (50% on sweetened carbonated beverages and 100% on energy drinks and tobacco) in October 2017. A five-percent value-added tax was introduced in January 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	: WELGATE INDUSTRIES CO LLC
Country of Origin	: Ras Al Khaimah, United Arab Emirates
Legal Form	: Limited Liability Company – LLC
Start Date	: 2000
Registration Date	: 31st October 2007
Trade Licence Number	: RAKIA IZ310070749
Issued Capital	: UAE Dh 1,000,000
Paid up Capital	: UAE Dh 1,000,000
Total Workforce	: 50
Activities	: Manufacturers of scaffolding and formwork
Financial Condition	: Fair
Payments	: No complaints
Operating Trend	: Steady
Person Interviewed	: Sarina Mojeeb, Accountant

## **COMPANY NAME**

WELGATE INDUSTRIES CO LLC

## **ADDRESS**

### **REGISTERED & PHYSICAL ADDRESS**

Location : Plot No: M33, M34, M67, M68, Al Ghayal Industrial Area  
PO Box : 89993  
Town : Ras Al Khaimah  
Country : United Arab Emirates  
Telephone : (971-7) 2589089  
Facsimile : (971-7) 2589489  
Mobile : (971-50) 6764000 / (971-55) 2000366  
Email : [info@wellgateindustries.com](mailto:info@wellgateindustries.com) / [admin@wellgateindustries.com](mailto:admin@wellgateindustries.com)

### **Premises**

Subject operates from a suite of offices and a factory covering 20,000 m<sup>2</sup> that are rented and located in the Industrial Area of Ras Al Khaimah.

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

<u>Location</u>	<u>Description</u>
• PO Box: 124443 Dubai Tel: (971-4) 2286122 Fax: (971-4) 2286155	Office premises

## **KEY PRINCIPALS**

<u>Name</u>	<u>Nationality</u>	<u>Position</u>
• Sajit K P Nair	Indian	Managing Director
• Adel Mohamed	Emirati	Director
• Prajit Kumar	-	Purchase Officer
• Sarina Mojeeb	-	Accountant

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## **LEGAL FORM & OWNERS**

**Date of Establishment** : 31<sup>st</sup> October 2007, however activities date back to 2000

**Legal Form** : Limited Liability Company - LLC

**Trade Licence No.** : RAKIA IZ310070749 (Expires 30/10/2018)

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

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

<i>Name of Shareholder (s)</i>	<i>Percentage</i>
• Adel Mohamed	51%
• Sajit K P Nair	49%

## **AFFILIATED COMPANIES**

• Next Ajman	Scaffolding	LLC
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## **OPERATIONS**

**Activities:** Engaged in the manufacture of scaffolding and formwork.

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

**Projects:**

- Royal Oman Police Hospital
- Amlak Developing Villa Project in Mirdiff
- The Heart of Europe in Dubai
- Mall of Oman

**Operating Trend:** Steady

Subject has a workforce of 50 employees.

## **FINANCIAL DATA**

Financial highlights provided by local sources are given below:

Currency: United Arab Emirates Dirham (UAE Dh)

	Year Ending 31/12/16:	Year Ending 31/12/17:
Total Sales	UAE Dh 31,800,000	UAE Dh 33,000,000

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

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

## **BANKERS**

- National Bank of Ras Al Khaimah  
NBRAK Building  
PO Box: 5300  
Ras Al Khaimah  
Tel: (971-7) 2221127  
Fax: (971-7) 2224202

## **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.

Local sources report that the subject's operating history is clear with payment obligations met in a generally timely manner. The financial position is satisfactory and the company is deemed a fair trade risk.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.75
UK Pound	1	INR 92.23
Euro	1	INR 83.13
UAE Dh	1	INR 19.59

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	VIV
<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)