

MIRA INFORM REPORT

Report No. :	528291
Report Date :	08.09.2018

IDENTIFICATION DETAILS

Name :	NPO CENTER OJSC
Registered Office :	Room 304 Sharangovicha Street 19 Minsk 220018
Country :	Belarus
Financials (as on) :	31.12.2017
Date of Incorporation :	1981
Com. Reg. No.:	100931291
Legal Form :	Open Joint Stock Company
Line of Business :	Subject is one of the leading manufacturers of centrifugal equipment for different fields of industry.
No. of Employees :	500 (04.09.2018)

RATING & COMMENTS

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

MIRA's Rating :

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : 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)
Belarus	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

BELARUS - ECONOMIC OVERVIEW

As part of the former Soviet Union, Belarus had a relatively well-developed industrial base, but it is now outdated, inefficient, and dependent on subsidized Russian energy and preferential access to Russian markets. The country's agricultural base is largely dependent on government subsidies. Following the collapse of the Soviet Union, an initial burst of economic reforms included privatization of state enterprises, creation of private property rights, and the acceptance of private entrepreneurship, but by 1994 the reform effort dissipated. About 80% of industry remains in state hands, and foreign investment has virtually disappeared. Several businesses have been renationalized. State-owned entities account for 70-75% of GDP, and state banks make up 75% of the banking sector.

Economic output declined for several years following the break-up of the Soviet Union, but revived in the mid-2000s. Belarus has only small reserves of crude oil and imports crude oil and natural gas from Russia at subsidized, below market, prices. Belarus derives export revenue by refining Russian crude and selling it at market prices. Russia and Belarus have had serious disagreements over prices and quantities for Russian energy. Beginning in early 2016, Russia claimed Belarus began accumulating debt – reaching \$740 million by April 2017 – for paying below the agreed price for Russian natural gas and Russia cut back its export of crude oil as a result of the debt. In April 2017, Belarus agreed to pay its gas debt and Russia restored the flow of crude.

New non-Russian foreign investment has been limited in recent years, largely because of an unfavorable financial climate. In 2011, a financial crisis led to a nearly three-fold devaluation of the Belarusian ruble. The Belarusian economy has continued to struggle under the weight of high external debt servicing payments and a trade deficit. In mid-December 2014, the devaluation of the Russian ruble triggered a near 40% devaluation of the Belarusian ruble.

Belarus's economy stagnated between 2012 and 2016, widening productivity and income gaps between Belarus and neighboring countries. Budget revenues dropped because of falling global prices on key Belarusian export commodities. Since 2015, the Belarusian government has tightened its macro-economic policies, allowed more flexibility to its exchange rate, taken some steps towards price liberalization, and reduced subsidized government lending to state-owned enterprises. Belarus returned to modest growth in 2017, largely driven by improvement of external conditions and Belarus issued sovereign debt for the first time since 2011, which provided the country with badly-needed liquidity, and issued \$600 million worth of Eurobonds in February 2018, predominantly to US and British investors.

Source : CIA

EXECUTIVE SUMMARY

COMMERCIAL NAME	NPO Center OJSC		
OFFICE	Открытое акционерное общество "НПО Центр"		
STREET	Room 304		
TOWN	Sharangovicha Street 19		
POST CODE	Minsk		
COUNTRY	220018		
TELEPHONE	Belarus		
FAX	(375 17) 259 0357		
E-MAIL	(375 17) 259 0361		
ACTIVITIES	(375 17) 313 4540		
	ipanushkina@npo-center.com		
	mail@npo-center.com		
	NPO Center is one of the leading manufacturers of centrifugal equipment for different fields of industry.		
	Subject provides complete solutions for the processing of various types of mineral materials.		
EXECUTIVE WORKFORCE	Vladimir Ivanovich Borodavko	General Director	
ESTABLISHED YEAR	500	04/09/2018	subject
MAIN REGISTRATION NO.	1981		
LEGAL FORM	100931291 (TAX NO.)		
STATUS	Open Joint Stock Company		
REGISTERED CAPITAL	Active		
CREDIT OPINION	BYN	16,677,000	
	We consider it is acceptable to deal with subject.		

IDENTIFICATION

COMMERCIAL NAME	NPO Center OJSC
NAME IN THE LOCAL LANGUAGE	Открытое акционерное общество "НПО Центр"
ALSO KNOWN AS	NPO Tsentr OAO, NPO Tsentr Otkrytoye Aktsyonernoye Obshchestvo

PRINCIPAL PLACE OF BUSINESS

OFFICE	Room 304
STREET	Sharangovicha Street 19
TOWN	Minsk
POST CODE	220018
COUNTRY	Belarus

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NPO CENTER OJSC - 528291

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COUNTRY CODE BY
TELEPHONE (375 17) 259 0357
(375 17) 259 0361
FAX (375 17) 313 4540
E-MAIL ipanushkina@npo-center.com
mail@npo-center.com
PREMISES Administrative office
DESCRIPTION
TYPE OF OCCUPATION Owned
REGISTERED ADDRESS Room 304, Sharangovicha Street 19, Minsk 220018, Belarus.

LEGAL DATA

ESTABLISHED YEAR 1981
INCORPORATION 1981
DATE
MAIN REGISTRATION NO. 100931291 (TAX NO.)
TAX NO. 100931291 REGISTERED AT Ministry of Taxes and Duties
UNP
REGISTRATION PLACE Minsk
REGISTERED CAPITAL BYN 16,677,000
PAID-UP CAPITAL BYN 16,677,000
LEGAL FORM Open Joint Stock Company
OWNERSHIP TYPE State
STATUS Active
STATUS DATE 05/09/2018

OWNERSHIP STRUCTURE

1. NAME State Property Committee of the Republic of Belarus
Gosudarstvennyi komitet po imuschestvu Respubliki Belarus (Goskomimuschestvo)
RELATION TYPE Shareholder
SHARE PERCENTAGE 100%
ADDRESS Krasnozvyozdnyy Alley 12
TOWN Minsk 220005
COUNTRY Belarus
COUNTRY CODE BY
TELEPHONE (375 17) 288 1019
FAX (375 17) 288 1019
WEBSITE www.gki.gov.by

HISTORY

BACKGROUND

The subject company was established in Minsk in 1981 on the basis of a scientific subdivision of the Academy of Sciences of BSSR which was engaged in research of new technological processes. From 1987 until the collapse of the USSR (1991), the company was subordinate of the Ministry of Medium Machine Building, hereinafter - of the Ministry of Atomic Energy. Since 1998, the company was a part of the Belarusian State Research and Production Concern of interindustry machine and instrument engineering "Belmashpribor" of the National Academy of Sciences of Belarus, which in 2007 was transformed into the State Scientific and Production Association "Center". In 2012, "NPO Center" was accredited as a scientific organization and realizes at the moment R & D work alongside with manufacturing activity. On 15 January 2014, subject adopted its present style.

WORKFORCE

KEY PERSONNEL

1.			POSITION
NAME	Vladimir Ivanovich Borodavko		General Director
BOARD MEMBER	Yes		
AUTHORISED	Yes		
SIGNATORY			
NATIONALITY	Belarus		
GENDER	Male		
2.			POSITION
NAME	Petr Ivanovich Tarasevich		First Deputy General Director
BOARD MEMBER	Yes		
AUTHORISED	Yes		
SIGNATORY			
NATIONALITY	Belarus		
GENDER	Male		
3.			POSITION
NAME	Irina Anatolyevna Panushkina		Chief Accountant
NATIONALITY	Belarus		
GENDER	Female		
TELEPHONE	(375 17) 259 0361		

WORKFORCE	PERIOD	NOTES
500	04/09/2018	subject

OPERATIONS

ACTIVITIES

ACTUAL ACTIVITIES NPO Center is one of the leading manufacturers of centrifugal equipment for different fields of industry.

Subject provides complete solutions for the processing of various types of mineral materials.

IMPORT COUNTRIES Germany, France and Russia.

EXPORT COUNTRIES Russia.

NACE CODE (REV. 2) DESCRIPTION

3299 Other manufacturing n.e.c.

FACILITIES

Owned office premises, a manufacturing unit and storage facilities located at the heading address as well as 7 branch offices located elsewhere in Minsk.

BRANCH OFFICES

1. NAME Filial Tsentra No. 5 OAO NPO Tsentr

RELATION TYPE Branch

TOWN Minsk

COUNTRY Belarus

COUNTRY CODE BY

2. NAME Filial Tsentra No. 15 OAO NPO Tsentr

RELATION TYPE Branch

TOWN Minsk

COUNTRY Belarus

COUNTRY CODE BY

3. NAME Filial Tsentra No. 23 OAO NPO Tsentr

RELATION TYPE Branch

TOWN Minsk

COUNTRY Belarus

COUNTRY CODE BY

4. NAME Filial Tsentra No. 45 OAO NPO Tsentr

RELATION TYPE Branch

TOWN Minsk

COUNTRY Belarus

COUNTRY CODE BY

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5. NAME Filial Tsentra No. 98 OAO NPO Tsentr
RELATION TYPE Branch
TOWN Minsk
COUNTRY Belarus
COUNTRY CODE BY

6. NAME Filial-Innovatsionniy Inkubator
RELATION TYPE Branch
TOWN Minsk
COUNTRY Belarus
COUNTRY CODE BY

7. NAME Filial-Nauchno Tekhnicheskii Tsentr
RELATION TYPE Branch
TOWN Minsk
COUNTRY Belarus
COUNTRY CODE BY

RELATED COMPANIES

1. NAME Shtrabag Engineering OJSC
RELATION TYPE Subsidiary
TOWN Minsk
COUNTRY Belarus
COUNTRY CODE BY
OWNERSHIP NPO Center OJSC (67%) and other undisclosed shareholders (33%)

GENERAL INFORMATION

BANKERS

1. BANK NAME BELINVESTBANK OJSC
WEBSITE www.belinvestbank.by

FINANCIAL INFORMATION

FINANCIAL YEAR 31-Dec
ENDS

SUBJECT COMPANY KEY FINANCIAL DATA

NOTES The subject company's audited financial statements as at 31 December 2017

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	showed:		
	BYN	BYN	BYN
CURRENCY	31/07/2018	31/12/2017	31/12/2016
PERIOD ENDED	7	12	12
LENTH OF PERIOD	actual	actual	actual
RELIABILITY LEVEL			
CASH		114000	414000
STOCKS		7382000	5423000
CREDITORS		838000	906000
CURRENT ASSETS		8569000	7070000
INTANGIBLE ASSETS		7000	7000
FIXED ASSETS		22736000	22384000
BALANCE TOTAL		32283000	30041000
CAPITAL		16677000	16677000
TOTAL EQUITY		18888000	18879000
DEBTORS		1042000	1093000
CURRENT LIABILITIES		5402000	3553000
LONG TERM		7993000	7609000
LIABILITIES			
TURNOVER	8530000	12142000	11242000
COSTS OF GOODS		-9725000	-8965000
SOLD			
GROSS PROFIT		2417000	2277000
OTHER OPERATING		-2155000	-1799000
EXPENSES			
FINANCIAL REVENUE		38000	111000
FINANCIAL EXPENSES		-124000	-266000
PROFIT (LOSS)		87000	36000
BEFORE TAXES			
TAXATION		-41000	-35000
NET PROFIT (LOSS)		46000	1000

ANNUAL FINANCIAL STATEMENTS

	BYN	BYN
CURRENCY	31/12/2017	31/12/2016
PERIOD ENDED	12	12
LENTH OF PERIOD	actual	actual
RELIABILITY LEVEL		
BALANCE SHEET		
Long-Term Assets		
Fixed assets	22736000	22384000
Intangible assets	7000	7000
Long-term investments	476000	244000
Long-term financial	74000	58000
investments		
Long-term receivables	257000	0
Other long-term assets	167000	278000
Total Long-Term Assets	23714000	22971000
Current Assets	0	0
Inventories	7382000	5423000
Expenses for the future	13000	111000

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periods		
VAT	18000	13000
Short-term receivables	1042000	1093000
Short-term investments	0	16000
Cash and cash equivalents	114000	414000
Total Current Assets	8569000	7070000
Total Assets	32283000	30041000
Equity and Liabilities	0	0
Equity	0	0
Share capital	16677000	16677000
Reserve capital	68000	68000
Additional paid-up capital	2581000	2581000
Undistributed profit (loss)	-438000	-447000
Total Equity	18888000	18879000
Long-Term Liabilities	0	0
Future periods income	7945000	7443000
Other long-term liabilities	48000	166000
Total Long-Term Liabilities	7993000	7609000
Current Liabilities	0	0
Short-term borrowings and loans	637000	550000
Short-term payables	4723000	2961000
Including:	0	0
Trade payables	838000	906000
Advances received	2857000	1277000
Tax liabilities	349000	266000
Social security and insurance	157000	109000
Arrears on wages	411000	322000
To the owner of property (founders, participants)	38000	35000
Other payables	73000	46000
Future periods income	42000	42000
Total Current Liabilities	5402000	3553000
Total Equity and Liabilities	32283000	30041000
PROFIT AND LOSS ACCOUNT		
Revenue	12142000	11242000
Cost of sales	-9725000	-8965000
Gross profit	2417000	2277000
Administrative expenses	-2017000	-1597000
Distribution expenses	-138000	-202000
Profit (loss) from the sale of products, goods, works, services	262000	478000
Other operating income	6261000	4261000
Other operating	-6352000	-4574000

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expenses		
Operating profit (loss)	171000	165000
Investment activity	6000	370000
income		
Investment activity	-4000	-344000
expenses		
Financial income	38000	111000
Financial expenses	-124000	-266000
Profit (loss) from	-84000	-129000
investment and financial		
activities		
Profit (loss) before	87000	36000
income tax		
Income tax	-29000	-20000
Other taxes and	-12000	-15000
obligatory payments		
Net profit for the period	46000	1000

PAYMENT INFORMATION

MODE OF PAYMENT	No complaints have been heard regarding payments from local suppliers or banks.
CREDIT OPINION	We consider it is acceptable to deal with subject.
SECTION REMARKS	It is normal accepted practice for international suppliers to deal on secured terms with the local buyers.

SPECIAL REMARKS

INTERVIEWED PERSON	Irina Anatolyevna Panushkina
REMARKS ON GIVEN NAME	The company name which you provided is incorrect. For the subject's correct registered name refer to "IDENTIFICATION" (COMMERCIAL NAME) section.
REMARKS ON GIVEN ADDRESS	The address given by you was not verified. For the subject's correct administrative office address refer to "PRINCIPAL PLACE OF BUSINESS" section.
NOTE	DESCRIPTION OF RELIABILITY LEVELS IN FINANCIAL INFORMATION SECTION: ACTUAL - Figures are acquired from official sources. ESTIMATED - Figures are acquired directly from subject company. PROJECTED - Figures are the assumptions of current/next financial period. MODELLED - Figures are derived from sector averages.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.90
UK Pound	1	INR 93.04
Euro	1	INR 83.67
BYR	1	INR 33.74

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	POJ

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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)

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