

MIRA INFORM REPORT

Report No. :	530608
Report Date :	20.09.2018

IDENTIFICATION DETAILS

Name :	AL AHLEIA ELECTRICAL CO WLL
Registered Office :	Hassan Ibrahim Building, Mubarak Al Kabir Street, Plot No. 212/211, Al Ardhiya Industrial Area, P O Box: 24074, Safat 13101
Country :	Kuwait
Financials (as on) :	31.12.2017
Date of Incorporation :	19.01.1977
Com. Reg. No.:	24494
Legal Form :	With Limited Liability - WLL
Line of Business :	<ul style="list-style-type: none"> • Import and distribution of electrical equipment, light fittings and fixtures. • Subjects are also electrical contractors, offering installation, maintenance and repair services.
No. of Employees :	60

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

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NOTES:

Any query related to this report can be made on e-mail: while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Kuwait	A1	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

KUWAIT - ECONOMIC OVERVIEW

Kuwait has a geographically small, but wealthy, relatively open economy with crude oil reserves of about 102 billion barrels - more than 6% of world reserves. Kuwaiti officials plan to increase production to 4 million barrels of oil equivalent per day by 2020. Petroleum accounts for over half of GDP, 92% of export revenues, and 90% of government income.

In 2015, Kuwait, for the first time in 15 years, realized a budget deficit after decades of high oil prices; in 2016, the deficit grew to 16.5% of GDP. Kuwaiti authorities announced cuts to fuel subsidies in August 2016, provoking outrage among the public and National Assembly, and the Amir dissolved the government for the seventh time in ten years. In 2017 the deficit was reduced to 7.2% of GDP, and the government raised \$8 billion by issuing international bonds. Despite Kuwait's dependence on oil, the government has cushioned itself against the impact of lower oil prices, by saving annually at least 10% of government revenue in the Fund for Future Generations.

Kuwait has failed to diversify its economy or bolster the private sector, because of a poor business climate, a large public sector that employs about 74% of citizens, and an acrimonious relationship between the National Assembly and the executive branch that has stymied most economic reforms. The Kuwaiti Government has made little progress on its long-term economic development plan first passed in 2010. While the government planned to spend up to \$104 billion over four years to diversify the economy, attract more investment, and boost private sector participation in the economy, many of the projects did not materialize because of an uncertain political situation or delays in awarding contracts. To increase non-oil revenues, the Kuwaiti Government in August 2017 approved draft bills supporting a Gulf Cooperation Council-wide value added tax scheduled to take effect in 2018.

Source : CIA

SUMMARY

Company Name	: AL AHLEIA ELECTRICAL CO WLL
Country of Origin	: Kuwait
Legal Form	: With Limited Liability - WLL
Registration Date	: 19 th January 1977
Commercial Registration Number	: 24494
Chamber Membership Number	: 5775
Issued Capital	: KD 1,000,000
Paid up Capital	: KD 1,000,000
Total Workforce	: 60
Activities	: Distributors of electrical equipment, light fittings and fixtures, as well as offering electrical contracting services
Financial Condition	: Fair
Payments	: No Complaints
Person Interviewed	: Hesham Mohamed, Financial Controller

COMPANY NAME

AL AHLEIA ELECTRICAL CO WLL

ADDRESS

REGISTERED & PHYSICAL ADDRESS

Building : Hassan Ibrahim Building
Street : Mubarak Al Kabir Street
Area : Plot No. 212/211, Al Ardhiya Industrial Area

PO Box : 24074

Town : Safat 13101
Country : Kuwait

Telephone : (965) 22282901 / 22438701 / 22438702 / 24341268 / 24340837 / 24344151 / 24342085
Facsimile : (965) 22282904 / 22438703 / 24347564
Email : hani@alahleia.com.kw

Please note that the correct PO Box number is 24074. 24494 is the subject's commercial registration number.

Premises

Subject operates from a medium sized suite of offices and a warehouse that are rented and located in the Industrial Area of Safat.

KEY PRINCIPALS

<u>Name</u>	<u>Nationality</u>	<u>Position</u>
• Moayed Hamad Musaed Al Saleh	Kuwaiti	Managing Director
• Bendkt G Squire	Indian	Director
• Hani El Hamzawi	-	Assistant General Manager
• Hesham Mohamed	-	Financial Controller

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LEGAL FORM & OWNERS

Date of Establishment : 19th January 1977

Legal Form : With Limited Liability - WLL

Commercial Reg. No. : 24494

Chamber Member No. : 5775

Issued Capital : KD 1,000,000

Paid up Capital : KD 1,000,000

Name of Shareholder (s)	Percentage
• Moayed Hamad Musaed Al Saleh	89%
• Bendkt G Squira	11%

OPERATIONS

Activities: Engaged in the import and distribution of electrical equipment, light fittings and fixtures. Subject are also electrical contractors, offering installation, maintenance and repair services.

Import Countries: United Kingdom, Netherlands, Turkey, Spain, Saudi Arabia and the United States of America

International Suppliers:

• Sena Kaplo	Turkey
• Top Cable	Spain
• Kodak Lighting	United States of America
• ITCC Piping	Saudi Arabia
• Future Cable	Saudi Arabia
• Riyadh Cable	Saudi Arabia
• Elite	Saudi Arabia
• Volex Ltd	United Kingdom
• Consolidated Electrical Ltd	United Kingdom
• Lewden Electrical Ltd	United Kingdom
• Bill Switchgear	United Kingdom

Subject has a workforce of 60 employees.

FINANCIAL DATA

Financial highlights provided by local sources are given below:

Currency: Kuwaiti Dinars (KD)

Year Ending 31/12/17:

Total Sales KD 12,000,000

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

The above figures were provided by Hesham Mohamed, Financial Controller

BANKERS

- Gulf Bank KSC
Mubarak Al Kabir Street
PO Box: 3200
Safat 13033
Tel: (965) 2449501
Fax: (965) 2445212
- Commercial Bank of Kuwait
Mubarak Al Kabir Street
PO Box: 2861
Safat 13029
Tel: (965) 2411001
Fax: (965) 2450150

PAYMENT HISTORY

No complaints regarding subject's payments have been reported.

GENERAL COMMENTS

Please note that the correct name of the subject is "Al Ahleia Electrical Co WLL" and not "Ahliah Electrical Company".

The Subject had no knowledge of the number M/199/2012.

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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 72.68
UK Pound	1	INR 95.59
Euro	1	INR 84.91
KWD	1	INR 237.74

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

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	NIT

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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)