

## MIRA INFORM REPORT

Report No. :	531951
Report Date :	27.09.2018

### IDENTIFICATION DETAILS

Name :	SAYED HAMID BEHBEHANI & SONS CO WLL
Registered Office :	Shuaiba Industrial Area, Area 2, Plot 65, PO Box-3065, Safat 13031
Country :	Kuwait
Financials (as on) :	31.12.2017
Date of Incorporation :	12.02.1968
Com. Reg. No.:	14696
Legal Form :	With Limited Liability - WLL
Line of Business :	Subject provides fully integrated engineering, procurement and construction services in civil, electrical, engineering, project management and mechanical works. Its product range includes, IHCP shafts, hydraulic tubes, ductile shafts and aluminium bronze
No. of Employees :	650

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> 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 : [infodept@mirainform.com](mailto: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)
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 201

Source : CIA

## **SUMMARY**

Company Name	: SAYED HAMID BEHBEHANI & SONS CO WLL
Country of Origin	: Kuwait
Legal Form	: With Limited Liability - WLL
Start Date	: 12th February 1968
Registration Date	: 15th August 2006
Commercial Registration Number	: 14696
Trade Licence Number	: 11593
Chamber Membership Number	: 103514
Issued Capital	: KD 4,000,000
Paid up Capital	: KD 4,000,000
Total Workforce	: 650
Activities	: Engineering, procurement and construction services
Financial Condition	: Fair
Payments	: No Complaints

## **COMPANY NAME**

SAYED HAMID BEHBEHANI & SONS CO WLL

## **ADDRESS**

### **REGISTERED & PHYSICAL ADDRESS**

Location : Shuaiba Industrial Area, Area 2, Plot 65  
PO Box : 3065  
Town : Safat 13031  
Country : Kuwait  
Telephone : (965) 23260633 / 23260644 / 23260655 / 23360756 / 1822300  
Facsimile : (965) 23260755  
Mobile : (965) 99151410 / 66498151  
Email : [shbcmeh@shbcmeh.com](mailto:shbcmeh@shbcmeh.com) / [shbckwt@aol.com](mailto:shbckwt@aol.com) / [info@shbc.com](mailto:info@shbc.com)

### **Premises**

Subject operates from a large suite of offices, warehousing and workshop facilities covering an area of 6,250 square metres that are owned and located in the Industrial Area of Safat.

### **Branch Offices**

<u>Location</u>	<u>Description</u>
• Al Ardiya Tel: (965) 24345581 Fax: (965) 24345528	Office premises

## **KEY PRINCIPALS**

<u>Name</u>	<u>Position</u>
• Fouad Sayed Hamid Sayed Behbahani	Managing Director
• Nasserallah Sayed Hamid Sayed Behbahani	Director
• Amal Nasserallah Sayed Hamid Sayed Behbahani	Director

• Anwar Nasserallah Sayed Hamid Sayed Behbahani	Director
• Sridhar Sudnarishan	General Manager (Mechanical Division)
• Mohammed Abdelkader	General Manager (Electrical Division)
• Elias Deeb	General Manager (Civil Division)
• Michael Bitar	General Manager (Engineering Division)
• Mohamed Haggar	Procurement Manager
• George Abraham	Technical Manager
• Hosni Mohamed	Finance Manager
• Mamoun Mabrook	Chief Financial Officer

## **LEGAL FORM & OWNERS**

**Date of Establishment** : Subject's operations date back to 12<sup>th</sup> February 1968, however it was registered on 15<sup>th</sup> August 2006

**Legal Form** : With Limited Liability - WLL

**Commercial Reg. No.** : 14696

**Trade Licence No.** : 11593

**Chamber Member No.** : 103514

**Issued Capital** : KD 4,000,000

**Paid up Capital** : KD 4,000,000

*Name of Shareholder (s)*

- Fouad Sayed Hamid Behbahani
- Nasserallah Sayed Hamid Behbahani
- Amal Nasserallah Sayed Hamid Behbahani
- Anwar Nasserallah Sayed Hamid Behbahani

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## **AFFILIATED COMPANIES**

- Al Ahlia Switchgear KSC (C)  
PO Box: 25876  
Safat 13119

## **OPERATIONS**

**Activities:** Subject provides fully integrated engineering, procurement and construction services in civil, electrical, engineering, project management and mechanical works. Its product range includes, IHCP shafts, hydraulic tubes, ductile shafts and aluminium bronze.

Services provided include:

- Hard Chroming
- Hydraulic Cylinder
- All types of Hydraulic Components
- Computerized Hydraulic Pump Testing
- Hydraulic Pumps, Motors and Valves
- Free Pick -up & Delivery
- Warranty on all rebuilds

**Import Countries:** Europe, United States of America, China and India

Subject has a workforce of approximately 650 employees.

## **FINANCIAL DATA**

Financial highlights provided by local sources are given below:

Currency: Kuwaiti Dinar (KD)

	Year Ending 31/12/16:	Year Ending 31/12/17:
Total Sales	KD 18,000,000	KD 19,000,000

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

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

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## **BANKERS**

- National Bank of Kuwait  
Ali Awadi Tower  
Ahmed Al Jaber Street  
PO Box: 95  
Safat 13001  
Tel: (965) 23981188 / 23981189  
Fax: (965) 23985643

## **PAYMENT HISTORY**

No complaints regarding subject's payments have been reported.

	<b>Date of transaction</b>	<b>January 2015</b>
<u>Credit amount</u>	424,000	
<u>Amount overdue</u>	0	
<u>Payment terms</u>	90 days	
<u>Payment Method</u>	Letters of Credit	
<u>Paying record</u>	No Complaints	
<u>Currency</u>	Euros	

## **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.

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 Rupee
US Dollar	1	INR 72.72
UK Pound	1	INR 95.77
Euro	1	INR 85.54
KWD	1	INR 239.74

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

**INFORMATION DETAILS**

Analysis Done by :	VIVR
Report Prepared by :	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)