

Business Information Report

(Debt Nirvana)

Dubai Electricity and Water Authority (DEWA)

Dubai

REPORT INFORMATION	
Prepared By	Debt Nirvana
Prepared For	Sample Report
Requested For	Dubai Electricity and Water Authority (DEWA)
Prepared On	Dubai Electricity and Water Authority (DEWA)
Inquired Address	Sample Report
Your Order/Ref.	Sample Report
Type of Report	Sample Report
Speed	Sample Report
Supplied on	Sample Report

IDENTIFICATION DETAILS	
Debt Nirvana ID	Sample Report
Company Name	Dubai Electricity and Water Authority (DEWA)
Previous Name	Dubai Electricity and Water Authority (DEWA)
Regd./Business Address	Umm Hurair 2 - Dubai - United Arab Emirates

Note(s) :

* DEWA's ownership, installed capacity, consumer base and strong financial performance reflect that it is safe to do business with DEWA in short and long term. marked improvement in DEWA's financial metrics and cash flows. Same is also reflected by Moody's rating of Baa3 for DEWA long term debt and S&P raising its rating to BBB+ for DEWA. In addition, the upgrade reflects Moody's assumption that DEWA will be able to sustain its future capital expenditure with operating cash flows, which in turn will be supported by growing demand and the beneficial tariff increase of 2011. In Moody's view, DEWA's current reserve capacity (29% as of year-end 2011) is sufficient to provide DEWA with time to further strengthen its metrics given that large debt-funded programmes are not anticipated to be needed before 2015. Moody's upgrades DEWA to Baa3; outlook stable. In order to sustain itself, DEWA needs to focus on Trade Receivables as that can be the biggest source of positive impact on Cash flows, Current/Quick Ratios and overall, liquidity. We recommend that it is safe to offer credit terms to DEWA due to DEWA being Government supported bodies and also, with strong financial metrics to back it up.

SUMMARY	
Company Status	Active
Legal Form	Government supported bodies
Date of Incorporation / Formation	1 st Jan, 1992
Incorporation No.	-
Paid up Capital	AED 29,492,113 (‘000)
Networth (As on March, 2011)	AED 477,88,457 (‘000)
Turnover/Sales (As on March, 2011)	AED 14,704,045 (‘000)
Profit After Tax (As on March, 2011)	AED 4374,123 (‘000)
Business Activity	Electricity Generation company
Industry	Power
No. of Employees	8,900

CREDIT RECOMMENDATION	
Credit Rating	DN5 – Low Risk
Credit Score	6.5-10
Credit Limit	(Sample Report – Not displayed for confidential purpose)

RATING EXPLANATION		
Credit Rating	Credit Score	Explanation
DN1	(5.5)-(10.5)	High Risk
DN 2	(2.5) -(5.5)	Medium High Risk
DN 3	0.5-(2.5)	Medium Risk
DN 4	0.5-6.5	Moderate Risk
DN 5	6.5-10	Low Risk
DN6	--	No Rating due to Insufficient Information

The credit appraisal provides an assessment of the creditworthiness of a company. It takes into account significant elements of credit including history, business performance, management, background, financial position, payment history, overall market conditions, market trends and the reputation of the company

NR is stated where there is insufficient information to facilitate rating. However, it is not to be constructed as unfavorable.

BUSINESS OPERATIONS

LOCATIONS

Regd./Business Address	Umm Hurair 2 - Dubai - United Arab Emirates
Phone	+971 4 324 4444
Fax	+971-4-601 9995
Location	Commercial
Status	Owned
Email	customercare@dewa.gov.ae
Website	www.dewa.gov.ae/default.aspx

BANKERS

Name	
------	--

AUDITORS

Name	
Address	

DIRECTORS / PRINCIPALS

As on March, 2011

Name	Saeed Mohammed Al Tayer	Managing Director
Date of Joining		
Residential Address		
Name		Director
Date of Joining		
Residential Address		
Name		Director
Date of Joining		
Residential Address		

BACKGROUND

The Subject acts as a Power distribution Company.

Payment Terms	Credit Period of 15 to 30 Days (Purchase) Credit Period upto 30 Days (Sale)
Listing on Stock Exchange	Not listed

FINANCIAL INFORMATION	
CAPITAL STRUCTURE / OWNERSHIP	
Authorised Capital	AED 29,492,113 ('000)
Capital Employed/ Paid Up	AED 29,492,113 ('000)

MAJOR SHAREHOLDER(S)	As on June 15, 2006	
Name	No. of Shares	Holding(%)
Government of Dubai	1	100.00
TOTAL	1	100.00

FINANCIAL SUMMARY		Unit : AED in '000
Net Worth	Amount	Change
March 2011	477,88,457	8%
Operating Income		
March 2011	6,198,420	30%
Profit before Tax		
March 2011	4,374,123	20%

BALANCE SHEET Unit :AED in '000

For the Year Ending :	March, 2011	March,2010
SOURCES OF FUND		
Net Worth	4,77,88,457	44,190,829
Paid-up Equity Capital	29,492,113	29,448,511
Accumulated Losses (-)	17,815,123	14,322,716
Non-Controlling interests	481,221	419,602
TOTALS	4,77,88,457	44,190,829

USES OF FUND	March, 2011	March,2010
Current Assets, Loans & Adv.	7,098,177	14,560,800
Sundry Debtors	35,14,934	34,42,786
Cash & Bank Balance	768,979	7,847,708
Inventory	2,814,264	32,70,306
Less: Current Liab. & Prov.	33,735,620	38,256,689
Sundry Creditors	7410,809	7292,337
Other Current liabilities	20,20,056	60,18,296
Non-Current Assets	50,121,145	42,940,662
Net Current Assets	(23,32,688)	12,50,167
TOTALS	4,77,88,457	44,190,829

PROFIT & LOSS A/C Unit : AED in '000

For the Year Ending :	March, 2011	March,2010
INCOME	6,198,420	4,772,020
Operating Income	6233630	4,304,846
Other Income	618,785	467,174

EXPENSES	1,824,297	1,259,861	
Total Consolidated Expenses	1,824,297	1,259,861	
PBT	4,374,123	3,512,159	
less: Tax Provision	0	0	
PAT	4,374,123	3,512,159	

COMMENTS ON FINANCES

(If any)

KEY RATIOS

	March, 2011	March, 2010	
SOLVENCY RATIOS			
Current Ratio	0.75	1.09	
Quick Ratio	0.45	0.85	
LEVERAGE RATIOS			
Debt Ratio	32.16%	34.45%	
Curr.Liab./Net Worth	0.20	0.30	
EFFICIENCY RATIOS			
Average Collection Days	87 days	115 days	
Account Receivable. Turnover			
PROFITABILITY RATIOS(%)			
PAT/Total Income	32%	43%	
Net Profit Margin	73%	80%	
Return on Total Assets			
ROI			
RATIOS EXPLANATIONS:			
SOLVENCY RATIOS			
Current Ratio	Current Assets / Current Liabilities		

Quick Ratio	$(\text{Current Assets} - \text{Inventories}) / \text{Current Liab.}$
-------------	---

LEVERAGE RATIOS

Debt Ratio	$\text{Borrowing} + \text{Current Liab.} / \text{Total Assets}$
------------	---

Debt Equity Ratio	$\text{Borrowings} / \text{Net Worth}$
-------------------	--

Current Liabilities / Net Worth	$\text{Current Liabilities} / \text{Net Worth}$
---------------------------------	---

Fixed Asset / Net Worth	$\text{Net Fixed Asset} / \text{Net Worth}$
-------------------------	---

Interest Coverage Ratio	$\text{PBIT} / \text{Financial Charges}$
-------------------------	--

EFFICIENCY RATIOS

Average Collection Days	$\text{Sundry Debtors} / \text{Operating Income} * 365 \text{ Days}$
-------------------------	--

Account Receivable Turnover	$\text{Operating Income} / \text{Sundry Debtors}$
-----------------------------	---

Average Payment Days	$\text{Sundry Creditors} / \text{Purchase} * 365 \text{ Days}$
----------------------	--

Inventory Turnover	$\text{Operating Income} / \text{Inventories}$
--------------------	--

Asset Turnover	$\text{Operating Income} / \text{Net Fixed Assets}$
----------------	---

PROFITABILITY RATIOS (%)

PAT / Total Income	$(\text{PAT} / \text{Total Income}) * 100$
--------------------	--

Net Profit Margin	$(\text{PBT} / \text{Operating Income}) * 100$
-------------------	--

Return on Total Assets	$(\text{PAT} / \text{Total Assets}) * 100$
------------------------	--

Return on Investments	$(\text{PAT} / \text{Net Worth}) * 100$
-----------------------	---

INDUSTRY SCENARIO

(Power Generation Industry - UAE)

Power consumption in the UAE is estimated to more than double by 2020, with the government foreseeing an investment of US\$25 billion in power generation over the next eight years to keep up with demand, according to a recent report by the Kuwait Financial Centre, Markaz.

The report, 'GCC Power', stated that the UAE's power consumption will rise from the existing 87TWh (terawatt-hour) to 180TWh in 2020, as the country's power sector rises in tandem with economic growth achieved over the last decade.

Growing at 8.5 per cent annually overall, much of the growth comes from Abu Dhabi as the UAE capital expects power demand to grow by 11 per cent annually until 2015, while Dubai expects 3.5 per cent growth over the next decade and 2.5 per cent from 2020-2030. The country has also begun exploring alternative energy sources including solar power, nuclear and natural gas to boost capacity and diversify the energy mix. Nuclear power in the UAE for

example will contribute up to seven per cent of the country's total power demand by 2020.

FOREX RATES (APPROX.)

USD	= Rs. 46.73	GBP	= Rs. 70.91
100 Jap Yen	= Rs. 53.18	SGD	= Rs. 33.56
EURO	= Rs. 58.56	CAD	= Rs. 44.00
SFR	= Rs. 43.94	HKD	= Rs. 6.00
AUD	= Rs. 39.35		

1 Crore Rupees = 10 Million Rupees = 100 Lac Rupees = 10000 Thousand

This report is based on information from sources believed to be true. Any advice or recommendation in this report has been given without specific investment objectives and the particular needs of any specific addressee. It must be distinctly understood that though utmost care has been exercised to obtain reports of a reliable character but we accept no liability whatsoever for any direct or consequential loss arising from any use of this document.

END OF REPORT

Private & Confidential

© Copyright 2013. All Rights Reserved