

MIRA INFORM REPORT

Report No. :	524921
Report Date :	17.08.2018

IDENTIFICATION DETAILS

Name :	FRANZ KESSLER GMBH
Registered Office :	Franz-Kessler-Str. 2, D 88422 Bad Buchau
Country :	Germany
Financials (as on) :	31.12.2017
Date of Incorporation :	29.12.2000
Com. Reg. No.:	HRB 650389
Legal Form :	Private Limited Company
Line of Business :	<ul style="list-style-type: none"> • Manufacture of Metal Forming Machinery • Agents involved in the sale of machines (except agricultural machinery and office machinery) and industrial supplies n.e.c. • Wholesale of other machinery
No. of Employees :	742

RATING & COMMENTS

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

MIRA's Rating :	A+
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Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

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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)
Germany	A1	A1

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

GERMANY - ECONOMIC OVERVIEW

The German economy - the fifth largest economy in the world in PPP terms and Europe's largest - is a leading exporter of machinery, vehicles, chemicals, and household equipment and benefits from a highly skilled labor force. Like its Western European neighbors, Germany faces significant demographic challenges to sustained long-term growth. Low fertility rates and a large increase in net immigration are increasing pressure on the country's social welfare system and necessitate structural reforms.

Reforms launched by the government of Chancellor Gerhard SCHROEDER (1998-2005), deemed necessary to address chronically high unemployment and low average growth, contributed to strong economic growth and falling unemployment. These advances, as well as a government subsidized, reduced working hour scheme, help explain the relatively modest increase in unemployment during the 2008-09 recession - the deepest since World War II. The German Government introduced a minimum wage in 2015 that increased to \$9.79 (8.84 euros) in January 2017.

Stimulus and stabilization efforts initiated in 2008 and 2009 and tax cuts introduced in Chancellor Angela MERKEL's second term increased Germany's total budget deficit - including federal, state, and municipal - to 4.1% in 2010, but slower spending and higher tax revenues reduced the deficit to 0.8% in 2011 and in 2017 Germany reached a budget surplus of 0.7%. A constitutional amendment approved in 2009 limits the federal government to structural deficits of no more than 0.35% of GDP per annum as of 2016, though the target was already reached in 2012.

The German economy suffers from low levels of investment, and a government plan to invest 15 billion euros during 2016-18, largely in infrastructure, is intended to spur needed private investment. Following the March 2011 Fukushima nuclear disaster, Chancellor Angela MERKEL announced in May 2011 that eight of the country's 17 nuclear reactors would be shut down immediately and the remaining plants would close by 2022. Germany plans to replace nuclear power largely with renewable energy, which accounted for 29.5% of gross electricity consumption in 2016, up from 9% in 2000. Before the shutdown of the eight reactors, Germany relied on nuclear power for 23% of its electricity generating capacity and 46% of its base-load electricity production. Domestic consumption, investment, and exports are likely to drive German GDP growth in 2018, and the country's budget and trade surpluses are likely to remain high.

Source : CIA

COMPANY NAME AND ADDRESS

FRANZ KESSLER GMBH

Company Status: Active
Franz-Kessler-Str. 2
D 88422 Bad Buchau
Telephone: 07582/8090
Telefax: 07582/809170
Homepage: www.kessler-group.biz
E-mail: info@kessler-group.biz

VAT no.: DE813083281
Tax ID number: 79051/02875

COMPANY SUMMARY

LEGAL FORM: Private limited company
Date of foundation: 2000
Shareholders'
agreement: 17.11.2000
Registered on: 29.12.2000
Commercial Register: Local court 89073 Ulm
under: HRB 650389

SHARE CAPITAL

EUR 2,000,000.00

Shareholder:

Franz Kessler Verwaltungsgesellschaft mbH
Franz-Kessler-Str. 2
D 88422 Bad Buchau
Legal form: Private limited company
Share capital: EUR 50,000.00
Share: EUR 1,480,000.00
Registered on: 29.12.2000
Reg. data: 89073 Ulm, HRB 650390

Shareholder:

Katharina (gen. Katja) Herwanger
Prof.-Karl-Berner-Str. 17
D 88422 Bad Buchau
born: 29.08.1962

Share: EUR 520,000.00
Manager:

Dr. Ing. Börne Rensing
Hanns-Wanner-Weg 14
D 88447 Warthausen
having sole power of representation
born: 07.02.1971

Manager:

Dr. Manuel Gerst
D 88400 Biberach
having sole power of representation
born: 12.01.1972

Proxy:

Katharina (gen. Katja) Herwanger
Prof.-Karl-Berner-Str. 17
D 88422 Bad Buchau
having sole power of representation
born: 29.08.1962

Proxy:

Dr. Anton Mayer
D 88348 Bad Saulgau
having sole power of representation
born: 17.10.1956
Profession: Engineer

Further functions/participations of Dr. Ing. Börne Rensing
(Manager)

Proxy:

Kessler Energy GmbH
Franz-Kessler-Str. 2
D 88422 Bad Buchau
Legal form: Private limited company
Share capital: EUR 50,000.00
Registered
on: 22.09.2008
Reg. data: 89073 Ulm, HRB 722655

Proxy:

Franz Kessler KG elektrische Maschinen
Franz-Kessler-Str. 2
D 88422 Bad Buchau
Post Box:
11 65
Legal form: Limited partnership
Total cap. EUR 122,710.05
contribution:
Registered
on: 18.01.1959
Reg. data: 89073 Ulm, HRA 650106

Further functions/participations of Dr. Manuel Gerst (Manager)

Proxy:

Franz Kessler KG elektrische Maschinen
Franz-Kessler-Str. 2
D 88422 Bad Buchau
Post Box:
11 65
Legal form: Limited partnership
Total cap. EUR 122,710.05
contribution:
Registered
on: 18.01.1959
Reg. data: 89073 Ulm, HRA 650106

Proxy:

Kessler Energy GmbH
Franz-Kessler-Str. 2
D 88422 Bad Buchau
Legal form: Private limited company
Share capital: EUR 50,000.00
Registered
on: 22.09.2008
Reg. data: 89073 Ulm, HRB 722655

RESIGNED ACTING PERSONS AND SHAREHOLDERS

17.07.2012 - 08.09.2017 Manager

Oliver Henle
D 88693 Deggenhausertal

BUSINESS ACTIVITIES

Main industrial sector

28410 Manufacture of metal forming machinery

46141 Agents involved in the sale of machines (except agricultural machinery and office machinery) and industrial supplies n.e.c.

46692 Wholesale of other machinery

FINANCIAL INFORMATION

Payment experience: Regular

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Negative Information: We have no negative information at hand.

Balance sheet year: 2017

REAL ESTATE

Type of ownership: leaseholder
Address Franz-Kessler-Str. 2
D 88422 Bad Buchau

Land register documents were not available.

BANKERS

Principal bank
KREISSPARKASSE BIBERACH, 88422 BAD BUCHAU
Sort. code: 65450070, Account no.: 752626
BIC: SBCRDE66XXX, IBAN: DE17654500700000752626

FINANCIAL FIGURES

Turnover:	2016	EUR	119,083,974.00
	2017	EUR	123,590,046.00
Profit:	2016	EUR	1,382,048.00
	2017	EUR	1,115,300.00
further business figures:			
Ac/ts receivable:		EUR	16,612,526.00
Liabilities:		EUR	18,853,839.00
Employees:			742
- thereof permanent staff:			661
- Trainees:			81

BALANCE SHEETS

Balance sheet ratios 01.01.2017 - 31.12.2017	
Equity ratio [%]:	41.75
Liquidity ratio:	0.89
Return on total capital [%]:	2.03

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Balance sheet ratios 01.01.2016 - 31.12.2016
Equity ratio [%]: 40.15
Liquidity ratio: 0.96
Return on total capital [%]: 2.52

Balance sheet ratios 01.01.2015 - 31.12.2015
Equity ratio [%]: 39.62
Liquidity ratio: 1.01
Return on total capital [%]: 3.95

Balance sheet ratios 01.01.2014 - 31.12.2014
Equity ratio [%]: 34.85
Liquidity ratio: 0.97
Return on total capital [%]: -4.68

Equity ratio

The equity ratio indicates the portion of the equity as compared to the total capital. The higher the equity ratio, the better the economic stability (solvency) and thus the financial autonomy of a company.

Liquidity ratio

The liquidity ratio shows the proportion between adjusted receivables and net liabilities. The higher the ratio, the lower the company's financial dependency from external creditors.

Return on total capital

The return on total capital shows the efficiency and return on the total capital employed in the company. The higher the return on total capital, the more economically does the company work with the invested capital.

Type of balance sheet: Company balance sheet
Origin of the present balance sheet: self-disclosure
Financial year: 01.01.2017 - 31.12.2017

ASSETS	EUR	54,884,039.40
Fixed assets	EUR	1,164,163.42
Intangible assets	EUR	265,973.77
Concessions, licences, rights	EUR	8,334.00
Advance payments for intang. assets	EUR	257,639.77
Financial assets	EUR	898,189.65
Shares in participations / subsidiaries and the like	EUR	852,035.98
Shares in related companies	EUR	852,035.98
Securities included in fixed assets	EUR	548.87
Other loans	EUR	45,604.80
Current assets	EUR	53,236,237.48
Stocks	EUR	35,861,304.07
Raw materials, consumables and		

supplies	EUR	11,826,868.05
Finished goods / work in progress	EUR	24,603,449.60
Minus received advance payments for orders / installments for stocks	EUR	-569,013.58
Accounts receivable	EUR	16,612,526.20
Trade debtors	EUR	8,667,351.64
Amounts due from related companies	EUR	7,192,519.75
Other debtors and assets	EUR	752,654.81
Investments in current assets	EUR	516,650.00
Other investments	EUR	516,650.00
Liquid means	EUR	245,757.21
Remaining other assets	EUR	483,638.50
Accruals (assets)	EUR	483,638.50
LIABILITIES	EUR	54,884,039.40
Shareholders' equity	EUR	22,912,828.21
Capital	EUR	2,000,000.00
Subscribed capital (share capital)	EUR	2,000,000.00
Reserves	EUR	500,000.00
Retained earnings / revenue reserves	EUR	500,000.00
Balance sheet profit/loss (+/-)	EUR	20,412,828.21
Profit / loss brought forward	EUR	19,391,228.08
Annual surplus / annual deficit	EUR	1,021,600.13
Provisions	EUR	13,117,371.81
Pension provisions and comparable provisions	EUR	2,858,628.00
Provisions for taxes	EUR	440,301.00
Other / unspecified provisions	EUR	9,818,442.81
Liabilities	EUR	18,853,839.38
Financial debts	EUR	7,829,684.00
Liabilities due to banks	EUR	7,829,684.00
Other liabilities	EUR	11,024,155.38
Trade creditors (for IAS incl. bills of exchange)	EUR	5,055,023.62
Liabilities due to related companies	EUR	142,110.81
Unspecified other liabilities	EUR	5,827,020.95
thereof liabilities from tax / financial authorities	EUR	502,247.18
thereof liabilities from social security	EUR	64,886.29
PROFIT AND LOSS ACCOUNT (cost-summary method) according to Comm.		
Code (HGB)		
Sales	EUR	123,590,046.33
Inventory change + own costs (+/-)	EUR	2,435,194.81
Inventory change (+/-)	EUR	2,435,194.81
Other operating income	EUR	888,423.35
Cost of materials	EUR	73,852,628.64
Raw materials and supplies, purchased goods	EUR	64,023,354.40

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Purchased services	EUR	9,829,274.24
Gross result (+/-)	EUR	53,061,035.85
Staff expenses	EUR	38,008,025.92
Wages and salaries	EUR	31,820,056.55
Social security contributions and expenses for pension plans and benefits	EUR	6,187,969.37
Total depreciation	EUR	135,417.50
Depreciation on tangible / intangible assets (incl. start-up and exp. of bus.	EUR	135,417.50
Other operating expenses	EUR	13,144,588.42
Operating result from continuing operations	EUR	1,773,004.01
Result from participating interests (+/-)	EUR	179,991.42
Expenses / income from participations	EUR	179,991.42
Income from related companies	EUR	179,991.42
Interest result (+/-)	EUR	-366,223.58
Interest and similar income	EUR	166,570.06
thereof from related companies	EUR	91,711.85
Interest and similar expenses	EUR	532,793.64
Financial result (+/-)	EUR	-186,232.16
Result from ordinary operations (+/-)	EUR	1,586,771.85
Expenses for transfer of profits to a parent company	EUR	93,700.00
Income tax / refund of income tax (+/-)	EUR	-469,946.78
Other taxes / refund of taxes	EUR	-1,524.94
Tax (+/-)	EUR	-471,471.72
Annual surplus / annual deficit	EUR	1,021,600.13

Type of balance sheet: Company balance sheet

Origin of the present balance sheet: self-disclosure

Financial year: 01.01.2016 - 31.12.2016

ASSETS	EUR	54,892,785.44
Fixed assets	EUR	1,032,996.67
Intangible assets	EUR	155,014.00
Concessions, licences, rights	EUR	13,334.00
Advance payments for intang. assets	EUR	141,680.00
Financial assets	EUR	877,982.67
Shares in participations / subsidiaries and the like	EUR	877,433.80
Shares in related companies	EUR	877,433.80
Securities included in fixed assets	EUR	548.87
Current assets	EUR	53,434,318.97
Stocks	EUR	31,336,064.08

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Raw materials, consumables and supplies	EUR	9,631,861.83
Finished goods / work in progress	EUR	22,168,254.80
Minus received advance payments for orders / installments for stocks	EUR	-464,052.55
Accounts receivable	EUR	20,400,363.37
Trade debtors	EUR	14,828,370.87
Amounts due from related companies	EUR	4,827,686.30
Other debtors and assets	EUR	744,306.20
Investments in current assets	EUR	1,441,326.00
Other investments	EUR	1,441,326.00
Liquid means	EUR	256,565.52
Remaining other assets	EUR	425,469.80
Accruals (assets)	EUR	425,469.80
LIABILITIES	EUR	54,892,785.44
Shareholders' equity	EUR	22,041,228.63
Capital	EUR	2,000,000.00
Subscribed capital (share capital)	EUR	2,000,000.00
Reserves	EUR	500,000.00
Retained earnings / revenue reserves	EUR	500,000.00
Balance sheet profit/loss (+/-)	EUR	19,541,228.63
Profit / loss brought forward	EUR	18,288,604.27
Annual surplus / annual deficit	EUR	1,252,624.36
Provisions	EUR	11,276,840.34
Pension provisions and comparable provisions	EUR	2,705,058.58
Provisions for taxes	EUR	248,113.48
Other / unspecified provisions	EUR	8,323,668.28
Liabilities	EUR	21,574,716.47
Financial debts	EUR	11,377,224.35
Liabilities due to banks	EUR	11,377,224.35
Other liabilities	EUR	10,197,492.12
Trade creditors (for IAS incl. bills of exchange)	EUR	4,210,477.92
Liabilities due to related companies	EUR	166,493.11
Unspecified other liabilities	EUR	5,820,521.09
thereof liabilities from tax / financial authorities	EUR	359,932.02
Guarantees and other commitments	EUR	450,000.00
Letters of support	EUR	450,000.00
PROFIT AND LOSS ACCOUNT (cost-summary method) according to Comm. Code (HGB)		
Sales	EUR	119,083,973.71
Inventory change + own costs (+/-)	EUR	-736,999.05
Inventory change (+/-)	EUR	-736,999.05
Other operating income	EUR	1,180,830.74
Cost of materials	EUR	68,616,311.19
Raw materials and supplies, purchased		

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goods	EUR	53,868,202.80
Purchased services	EUR	14,748,108.39
Gross result (+/-)	EUR	50,911,494.21
Staff expenses	EUR	35,418,325.79
Wages and salaries	EUR	29,404,731.98
Social security contributions and expenses for pension plans and benefits	EUR	6,013,593.81
Total depreciation	EUR	125,415.23
Depreciation on tangible / intangible assets (incl. start-up and exp. of bus.	EUR	125,415.23
Other operating expenses	EUR	12,885,214.45
Operating result from continuing operations	EUR	2,482,538.74
Result from participating interests (+/-)	EUR	141,801.03
Expenses / income from participations	EUR	141,801.03
Income from related companies	EUR	141,801.03
Interest result (+/-)	EUR	-361,406.51
Interest and similar income	EUR	85,088.39
thereof from related companies	EUR	25,628.65
Interest and similar expenses	EUR	446,494.90
Other financial result	EUR	-13,908.21
Depreciation on financial assets and marketable securities	EUR	13,908.21
Financial result (+/-)	EUR	-233,513.69
Result from ordinary operations (+/-)	EUR	2,249,025.05
Expenses for transfer of profits to a parent company	EUR	129,424.00
Income tax / refund of income tax (+/-)	EUR	-865,588.87
Other taxes / refund of taxes	EUR	-1,387.82
Tax (+/-)	EUR	-866,976.69
Annual surplus / annual deficit	EUR	1,252,624.36

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.23
UK Pound	1	INR 89.37
Euro	1	INR 79.97
EUR	1	INR 79.76

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

INFORMATION DETAILS

Analysis Done by :	VIVR
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)