

## MIRA INFORM REPORT

Report No. :	518330
Report Date :	04.07.2018

### IDENTIFICATION DETAILS

Name :	ZAFRA MARROQUINEROS SL
Registered Office :	Paseo Estacion (Pg Industrial El Salvador Naves 4 Y 5), 18, 30400 Caravaca De La Cruz
Country :	Spain
Financials (as on) :	31.12.2016
Date of Incorporation :	27.11.1997
Com. Reg. No.:	B30569016
Legal Form :	Limited liability company - SL
Line of Business :	Manufacture of suitcases, bags and the like and of saddle and harness work
No. of Employees :	9 [2016]

### RATING & COMMENTS

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

MIRA's Rating :	B
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Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Status :	Moderate
Payment Behaviour :	Slow but Correct
Litigation :	Clear

#### 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.

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**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Spain	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

**SPAIN - ECONOMIC OVERVIEW**

After a prolonged recession that began in 2008 in the wake of the global financial crisis, Spain marked the fourth full year of positive economic growth in 2017, with economic activity surpassing its pre-crisis peak, largely because of increased private consumption. The financial crisis of 2008 broke 16 consecutive years of economic growth for Spain, leading to an economic contraction that lasted until late 2013. In that year, the government successfully shored up its struggling banking sector - heavily exposed to the collapse of Spain's real estate boom - with the help of an EU-funded restructuring and recapitalization program.

Until 2014, contraction in bank lending, fiscal austerity, and high unemployment constrained domestic consumption and investment. The unemployment rate rose from a low of about 8% in 2007 to more than 26% in 2013, but labor reforms prompted a modest reduction to 16.4% in 2017. High unemployment strained Spain's public finances, as spending on social benefits increased while tax revenues fell. Spain's budget deficit peaked at 11.4% of GDP in 2010, but Spain gradually reduced the deficit to about 3.3% of GDP in 2017. Public debt has increased substantially – from 60.1% of GDP in 2010 to nearly 96.7% in 2017.

Strong export growth helped bring Spain's current account into surplus in 2013 for the first time since 1986 and sustain Spain's economic growth. Increasing labor productivity and an internal devaluation resulting from moderating labor costs and lower inflation have improved Spain's export competitiveness and generated foreign investor interest in the economy, restoring FDI flows.

In 2017, the Spanish Government's minority status constrained its ability to implement controversial labor, pension, health care, tax, and education reforms. The European Commission expects the government to meet its 2017 budget deficit target and anticipates that expected economic growth in 2018 will help the government meet its deficit target. Spain's borrowing costs are dramatically lower since their peak in mid-2012, and increased economic activity has generated a modest level of inflation, at 2% in 2017.

Source : CIA

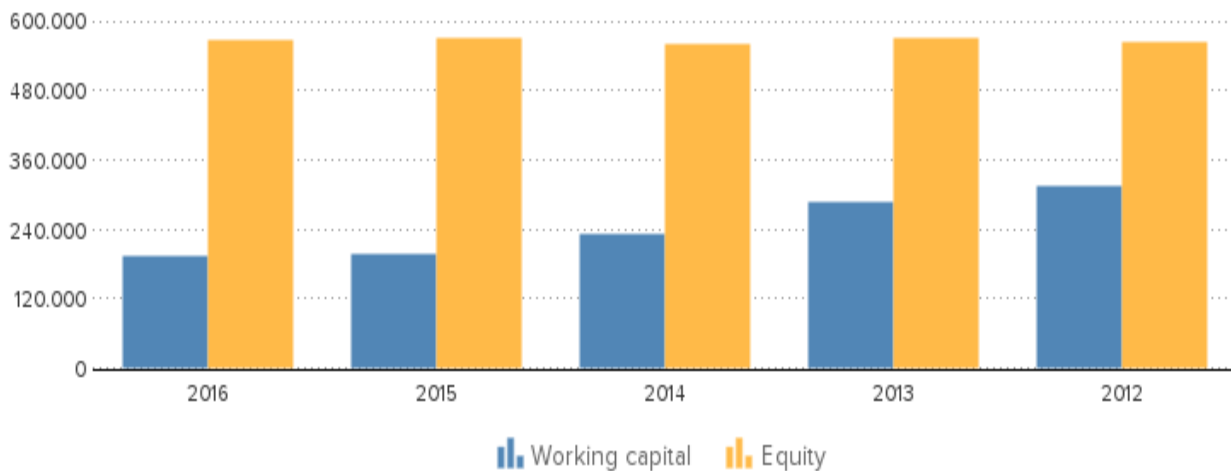
## COMPANY NAME

Name Zafra Marroquinos SL

## SUMMARY

**Company name** Zafra Marroquinos SL  
**Operative address** Paseo Estacion (Pg Industrial El Salvador Naves 4 Y 5), 18  
30400 Caravaca De La Cruz  
Spain  
**Status** Active  
**Legal form** Limited liability company - SL  
**Registration number** VAT/Tax number: B30569016  
**VAT-number** ESB30569016

Year	2016	Mutation	2015	Mutation	2014
Fixed assets	374.517	-2,35	383.517	-0,87	386.881
Total receivables	226.614	-15,20	267.222	-14,87	313.884
Total equity	566.744	-0,66	570.514	2,02	559.219
Short term liabilities	739.934	38,60	533.856	-13,60	617.892
Net result	-3.770	-133,38	11.295	198,27	-11.494
Working capital	192.227	-3,28	198.737	-13,65	230.160
Quick ratio	0,61	1,67	0,60	9,09	0,55



## **CONTACT INFORMATION**

Company name	Zafra Marroquinos SL
Operative address	Paseo Estacion (Pg Industrial El Salvador Naves 4 Y 5), 18 30400 Caravaca De La Cruz Spain
Correspondence address	Paseo Estacion (Pg Industrial El Salvador Naves 4 Y 5), 18 30400 Caravaca De La Cruz Spain
Telephone number	+34 968703664
Fax number	+34 968703613
Website	www.lauravallebags.com

## **REGISTRATION**

Registration number	VAT/Tax number: B30569016
VAT-number	ESB30569016
Status	Active
Establishment date	1997-11-27
Legal form	Limited liability company - SL
Subscribed share capital	EUR 46.879

## **ACTIVITIES**

NACE	1512: Vervaardiging van koffers, tassen en dergelijke en van zadel- en tuigmakerswerk
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## **RELATIONS**

Shareholders	Name: MR ARTURO ZAFRA PEREZ Type: One or more named individuals or families Share direct: 22.00%
	Name: MR JUAN JOSE ZAFRA PEREZ Type: One or more named individuals or families Share direct: 22.00%
	Name: MR LUIS ZAFRA PEREZ Country: ES Type: One or more named individuals or families

Share direct: 22.00%

Name: MRS LUISA ZAFRA PEREZ M.  
Type: One or more named individuals or families  
Share direct: 22.00%

Name: MR ARTURO ZAFRA GARCIA  
Type: One or more named individuals or families  
Share direct: 12.00%

## **BANK DETAILS**

### **Accounts**

BBVA  
BSCH  
CAIXABANK

## **MANAGEMENT**

### **Management**

Fullname: Mr Luis Zafra Perez  
Type: Individual  
Gender: Male  
Number of involvements: 1  
Function: Sole Administrator  
Level of responsibility: Member  
Appointment date: 2002/04/10

Fullname: Mr Luis Zafra Perez  
Type: Individual  
Gender: Male  
Number of involvements: 1  
Function: Financial Manager  
Level of responsibility: Finance & Accounting Manager  
Appointment date: 2011/06/16

Fullname: Mr Luis Zafra Perez  
Type: Individual  
Gender: Male  
Number of involvements: 1  
Function: Exports Director  
Level of responsibility: Executive  
Appointment date: 2013/06/27

Fullname: Mr Luis Zafra Perez  
Type: Individual

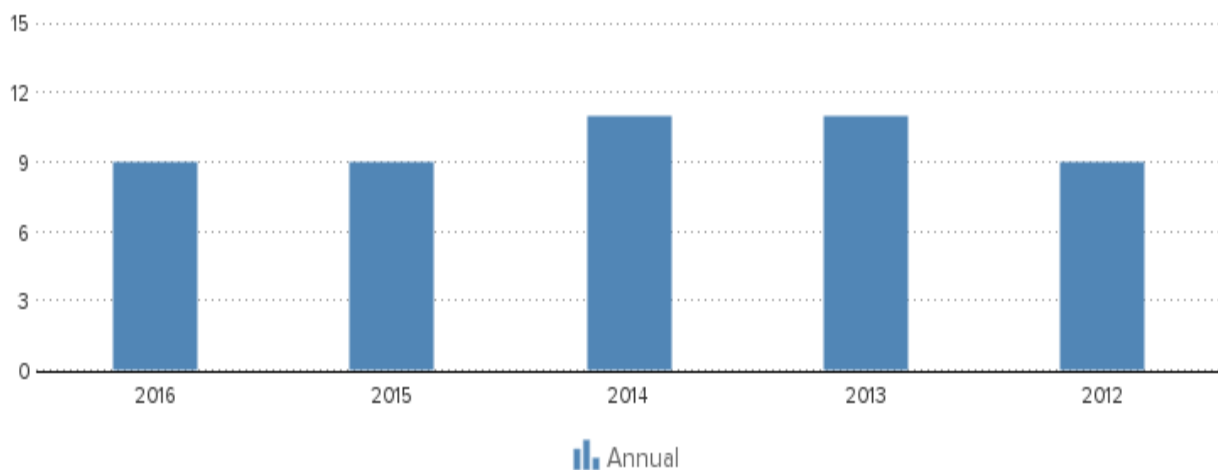
Gender: Male  
Number of involvements: 1  
Function: Manager  
Level of responsibility: Manager  
Appointment date: 2010/06/08

Fullname: Mr Arturo Zafra Perez  
Type: Individual  
Gender: Male  
Number of involvements: 1  
Function: Commercial Director  
Level of responsibility: Sales executive  
Appointment date: 2011/02/11

Fullname: Mr Arturo Zafra Perez  
Type: Individual  
Gender: Male  
Number of involvements: 1  
Function: Imports Director  
Level of responsibility: Executive  
Appointment date: 2013/06/27

## **EMPLOYEES**

Year	2016	2015	2014	2013	2012
Annual	9	9	11	11	9



## **FINANCIAL ANALYSIS**

Trend	Fluctuating
Profitability	Negative
Solvability	Positive
Liquidity	Limited
Show amount in	Euro

## **KEY FIGURES**

Year	2016	2015	2014	2013	2012
Quick ratio	0,61	0,60	0,55	0,98	0,89
Current ratio	1,26	1,37	1,37	1,64	1,54
Working capital/ balance total	0,15	0,18	0,19	0,25	0,24
Equity / balance total	0,43	0,51	0,45	0,51	0,44
Equity / Fixed assets	1,51	1,49	1,45	1,47	1,42
Working capital	192.227	198.737	230.160	286.060	313.472
Equity	566.744	570.514	559.219	570.714	565.182
Mutation equity	-0,66	2,02	-2,01	0,98	
Mutation short term liabilities	38,60	-13,60	37,89	-22,39	
Return on total assets (ROA)	-0,29	1,01	-0,93	0,67	0,63
Return on equity (ROE)	-0,67	1,98	-2,06	1,31	1,45
Gross profit margin	0,59	2,19	1,30	1,99	2,27
Net profit margin	-0,24	0,65	-0,61	0,27	0,29
Average collection ratio	2,10	3,26	3,03	4,51	3,66
Average payment ratio	6,87	6,51	5,96	5,14	5,52
Equity turnover ratio	2,75	3,05	3,35	3,54	3,74
Total assets turnover ratio	1,19	1,56	1,51	1,80	1,64
Fixed assets turnover ratio	4,16	4,54	4,84	5,21	5,30
Inventory conversion ratio	3,25	4,21	3,68	6,81	5,61
Turnover	1.557.079	1.740.708	1.870.649	2.018.929	2.115.492
Operating result	9.195	38.099	24.327	40.081	48.008
Net result after taxes	-3.770	11.295	-11.494	5.531	6.131
Cashflow	5.872	20.634	-4.314	17.132	17.125
Gross profit	251.502	286.063	264.584	290.083	301.145
EBITDA	18.837	47.438	31.507	51.682	59.002

### **Summary**

The 2016 financial result structure is a positive working capital of 192.227 euro, which is in agreement with 15 % of the total assets of the company.

The working capital has diminished with -3.28 % compared to previous year. The ratio, with respect to the total assets of the company has however, declined.

The deterioration between 2015 and 2016 has mainly been caused by a change of the current liabilities.

The current ratio of the company in 2016 was 1.26. When the current ratio is below 1.5, the company may have problems meeting its short-term obligations.

The quick ratio in 2016 of the company was 0.61. A company with a Quick Ratio of less than 1 cannot currently pay back its current liabilities.

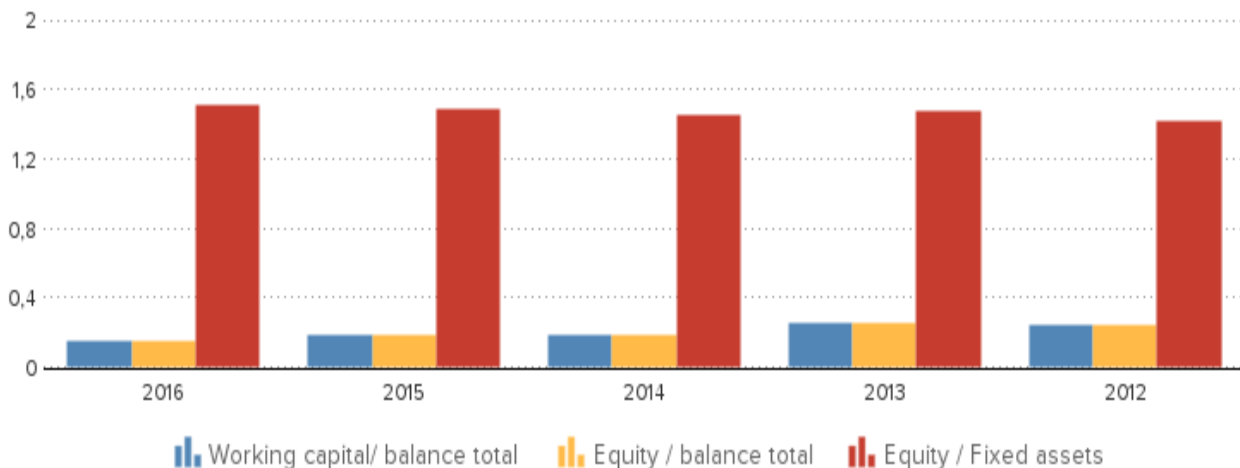
The 2015 financial result structure is a positive working capital of 198.737 euro, which is in agreement with 18 % of the total assets of the company.

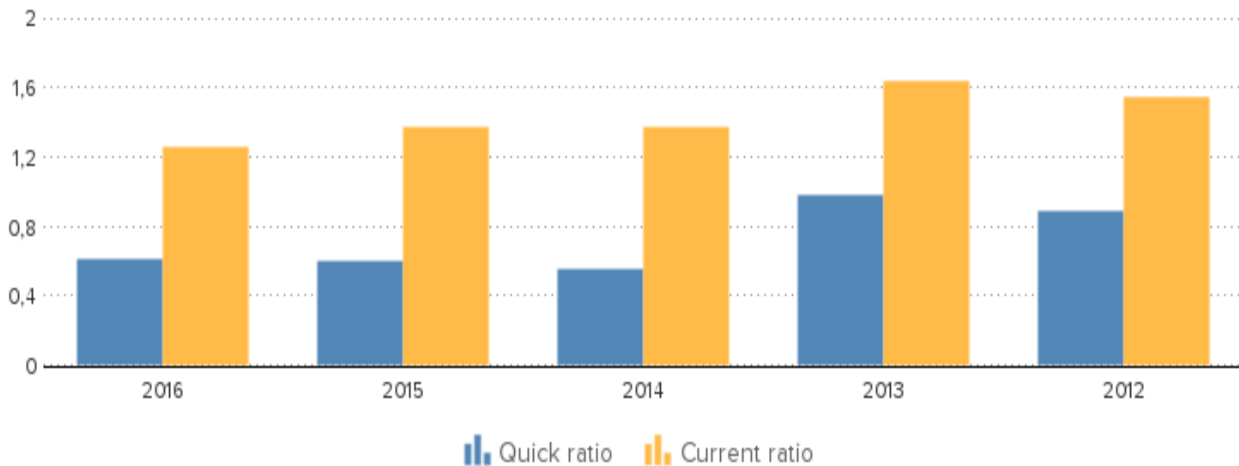
The working capital has diminished with -13.65 % compared to previous year. The ratio, with respect to the total assets of the company has however, declined.

The deterioration between 2014 and 2015 has mainly been caused by a change of the current liabilities.

The current ratio of the company in 2015 was 1.37. When the current ratio is below 1.5, the company may have problems meeting its short-term obligations.

The quick ratio in 2015 of the company was 0.6. A company with a Quick Ratio of less than 1 cannot currently pay back its current liabilities.





## **FINANCIAL STATEMENT**

<b>Last annual account</b>	2016
<b>Remark annual account</b>	The company is obliged to file its financial statements.
<b>Type of annual account</b>	Corporate
<b>Annual account</b>	<b>Zafra Marroquineros SL</b> Paseo Estacion (Pg Industrial El Salvador Naves 4 Y 5), 18 30400 Caravaca De La Cruz Spain

## **BALANCE**

Year	2016	2015	2014	2013	2012
End date	2016-12-31	2015-12-31	2014-12-31	2013-12-31	2012-12-31
Type of annual account	Corporate	Corporate	Corporate	Corporate	Corporate
<b>Intangible fixed assets</b>	<b>5.501</b>	<b>8.037</b>	<b>5.967</b>	<b>1.056</b>	<b>1.056</b>
<b>Tangible fixed assets</b>	<b>366.016</b>	<b>372.480</b>	<b>377.914</b>	<b>383.752</b>	<b>395.353</b>
Other fixed assets	3.000	3.000	3.000	3.000	3.000
<b>Fixed assets</b>	<b>374.517</b>	<b>383.517</b>	<b>386.881</b>	<b>387.808</b>	<b>399.409</b>
<b>Total stock</b>	<b>478.594</b>	<b>413.581</b>	<b>508.602</b>	<b>296.357</b>	<b>377.411</b>
<b>Total receivables</b>	<b>226.614</b>	<b>267.222</b>	<b>313.884</b>	<b>392.521</b>	<b>382.979</b>
Liquid funds	226.954	51.790	25.566	45.282	130.467
Other current assets				0	
<b>Current assets</b>	<b>932.161</b>	<b>732.593</b>	<b>848.052</b>	<b>734.159</b>	<b>890.857</b>
<b>Total assets</b>	<b>1.306.678</b>	<b>1.116.109</b>	<b>1.234.933</b>	<b>1.121.967</b>	<b>1.290.265</b>
<b>Total equity</b>	<b>566.744</b>	<b>570.514</b>	<b>559.219</b>	<b>570.714</b>	<b>565.182</b>

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		<b>11.739</b>	<b>57.822</b>	<b>103.155</b>	<b>147.698</b>
<b>Long term liabilities</b>					
Accounts payable	174.946	219.312	325.682	218.922	169.162
Liabilities towards credit institutes	363.313	158.708	109.954	124.260	294.264
Other short term liabilities	201.675	155.837	182.256	104.916	113.960
<b>Short term liabilities</b>	<b>739.934</b>	<b>533.856</b>	<b>617.892</b>	<b>448.099</b>	<b>577.385</b>
<b>Total liabilities</b>	<b>1.306.678</b>	<b>1.116.109</b>	<b>1.234.933</b>	<b>1.121.967</b>	<b>1.290.265</b>

**Summary**

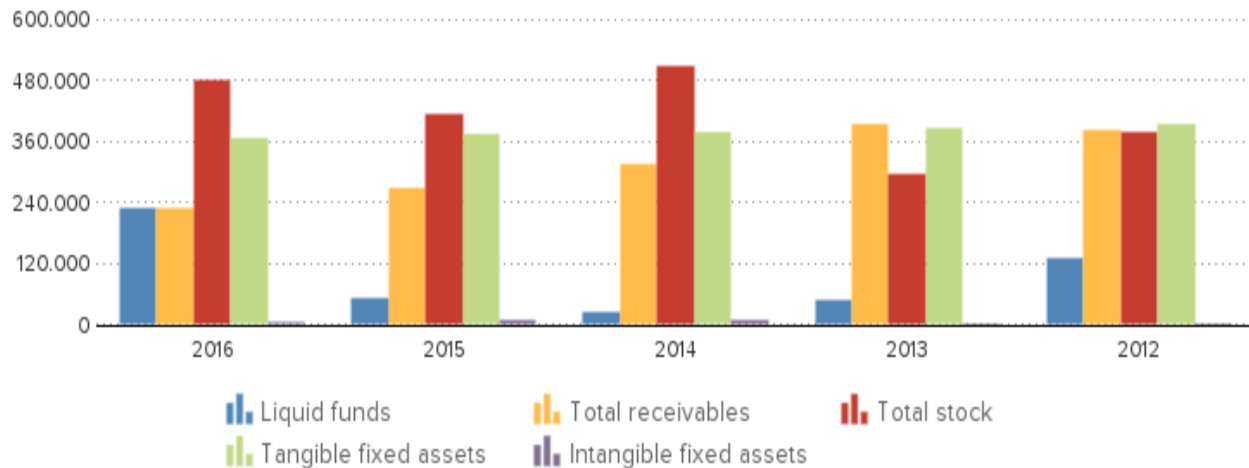
The total assets of the company increased with 17.07 % between 2015 and 2016.

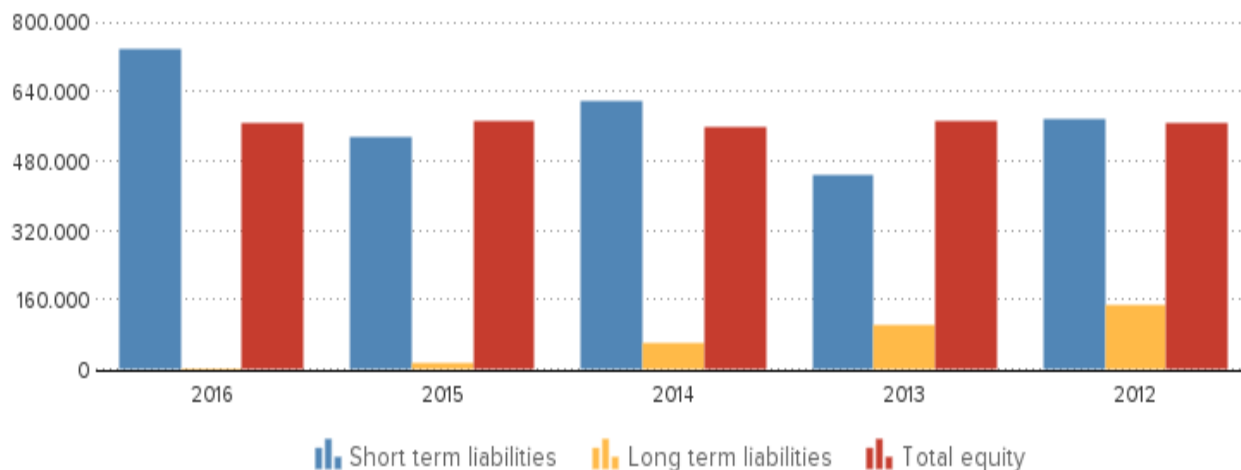
Despite the assets growth, the non current assets decreased with - 2.35 %.

In 2016 the assets of the company were 28.66 % composed of fixed assets and 71.34 % by current assets. The assets are being financed by an equity of 43.37 %, and total debt of 56.63 %.

The total assets of the company decreased with -9.62 % between 2014 and 2015.

In 2015 the assets of the company were 34.36 % composed of fixed assets and 65.64 % by current assets. The assets are being financed by an equity of 51.12 %, and total debt of 48.88 %.





## PROFIT AND LOSS

Year	2016	2015	2014	2013	2012
Revenues	1.552.832	1.738.566	1.869.616	2.016.682	2.114.635
<b>Net turnover</b>	<b>1.557.079</b>	<b>1.740.708</b>	<b>1.870.648</b>	<b>2.018.929</b>	<b>2.115.492</b>
Wages and salaries	233.092	245.188	237.416	237.481	243.050
Amorization and depreciation	9.642	9.339	7.181	11.601	10.994
Production costs	1.022.773	1.169.375	1.237.381	1.361.269	1.440.923
<b>Operating result</b>	<b>9.195</b>	<b>38.099</b>	<b>24.327</b>	<b>40.081</b>	<b>48.008</b>
Financial income	1.162	1.497	5.605	3.199	5.914
Financial expenses	14.126	28.301	41.426	35.800	45.746
Financial result	-12.965	-26.804	-35.821	-32.601	-39.833
<b>Result on ordinary operations before taxes</b>	<b>-3.770</b>	<b>11.295</b>	<b>-11.494</b>	<b>7.480</b>	<b>8.175</b>
Taxation on the result of ordinary activities				1.949	2.044
<b>Result of ordinary activities after taxes</b>	<b>-3.770</b>	<b>11.295</b>	<b>-11.494</b>	<b>5.531</b>	<b>6.131</b>
<b>Net result</b>	<b>-3.770</b>	<b>11.295</b>	<b>-11.494</b>	<b>5.531</b>	<b>6.131</b>

### Summary

The turnover of the company decreased by -10.55 % between 2015 and 2016.

The operating result of the company declined with -75.87 % between 2015 and 2016. This evolution implies an decrease of the company's economic profitability.

The result of these changes is a reduction of the company's Economic Profitability of -128.71 % of the analysed period, being equal to -0.29 in the year 2016.

This fall has contributed to a asset turnover decrease, whose index evolved from -23.72 to a level of 1.19.

The Net Result of the company decreased by -133.38 % between

2015 and 2016.

The company's Financial Profitability has been negatively affected by the financial activities in comparison to the EBITs behaviour. The result of these variations is a profitability reduction of -133.84 % of the analysed period, being -0.67 in the year 2016.

The company's financial profitability has been positively affected by its financial structure.

The turnover of the company decreased by -6.95 % between 2014 and 2015.

The operating result of the company grew with 56.61 % between 2014 and 2015. This evolution implies an increase of the company's economic profitability.

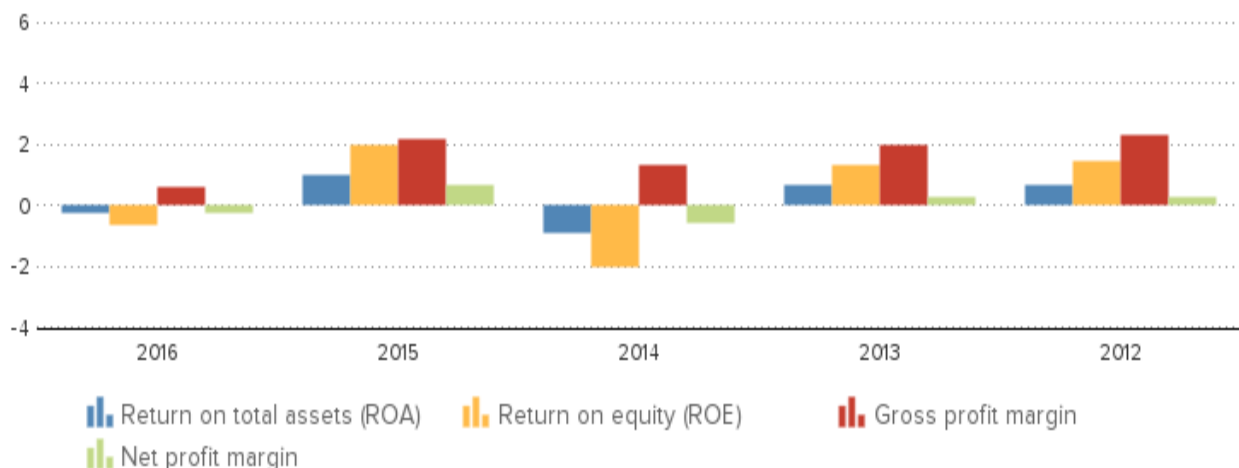
The result of these changes is an increase of the company's Economic Profitability of 208.6 % of the analysed period, being equal to 1.01 in the year 2015.

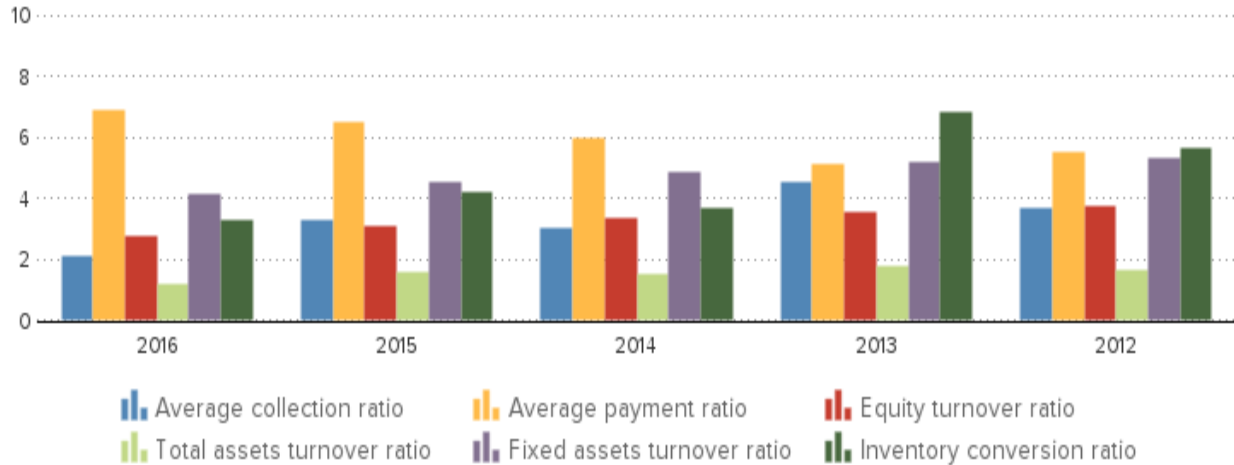
This growth has contributed to the increase in assets turnover, increasing by 3.31 % reaching 1.56.

The Net Result of the company increased by 198.26 % between 2014 and 2015.

The company's Financial Profitability has been positively affected by the financial activities in comparison to the EBITs behaviour. The result of these variations is a profitability increase of 196.12 % of the analysed period, being 1.98 in the year 2015.

The company's financial structure has slowed down its financial profitability.





## **COUNTRY INFORMATION**

Population	46.4 million
GDP per capita	26.565 USD
Country risk	Low
Company risk	Very Low

## **PUBLICATIONS**

Remarks	Status: Active
	Status date: 1997-11-27
	Category: Medium sized company
	Last year: 2016
	Turnover last year: 1.557.079 EUR
	Result last year: -3.770 EUR
	TOTAL assets last year: 1.306.678 EUR
	Number of employees: 9
	Number of shareholders: 5
	Number of subsidiaries: 0
	Number of branches: 0

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.69
UK Pound	1	INR 90.35
Euro	1	INR 80.02
Euro	1	INR 80.00

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

**INFORMATION DETAILS**

Analysis Done by :	NIY
Report Prepared by :	SYL

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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)