

MIRA INFORM REPORT

Report No. :	537843
Report Date :	05.11.2018

IDENTIFICATION DETAILS

Name :	HYDROTECH ENGINEERING S.R.L.
Registered Office :	Via Vittorio Emanuele II 9, 35026 Conselve
Country :	Italy
Financials (as on) :	31.12.2017
Date of Incorporation :	05.11.2001
Com. Reg. No.:	PD0328298
Legal Form :	Limited Liability Company – SRL
Line of Business :	Manufacture of Other General-Purpose Machinery N.E.C.
No. of Employees :	15 [2017]

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	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Good
Payment Behaviour :	No Complaints
Litigation :	Clear

NOTES :

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

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Italy	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

ITALY - ECONOMIC OVERVIEW

Italy's economy comprises a developed industrial north, dominated by private companies, and a less-developed, highly subsidized, agricultural south, with a legacy of unemployment and underdevelopment. The Italian economy is driven in large part by the manufacture of high-quality consumer goods produced by small and medium-sized enterprises, many of them family-owned. Italy also has a sizable underground economy, which by some estimates accounts for as much as 17% of GDP. These activities are most common within the agriculture, construction, and service sectors.

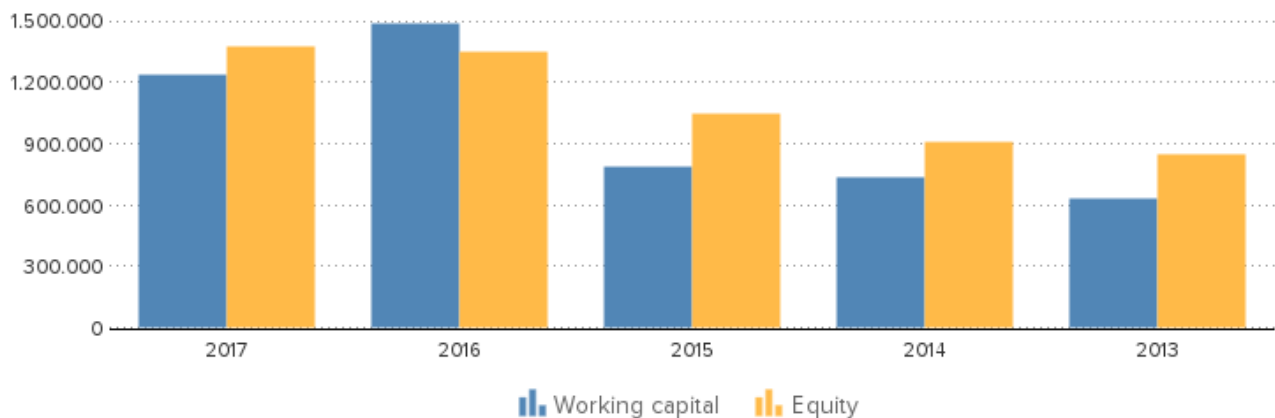
Italy is the third-largest economy in the euro zone, but its exceptionally high public debt and structural impediments to growth have rendered it vulnerable to scrutiny by financial markets. Public debt has increased steadily since 2007, reaching 131% of GDP in 2017. Investor concerns about Italy and the broader euro-zone crisis eased in 2013, bringing down Italy's borrowing costs on sovereign government debt from euro-era. The government still faces pressure from investors and European partners to sustain its efforts to address Italy's longstanding structural economic problems, including labor market inefficiencies, a sluggish judicial system, and a weak banking sector. Italy's economy returned to modest growth in late 2014 for the first time since 2011. In 2015-16, Italy's economy grew at about 1% each year, and in 2017 growth accelerated to 1.5% of GDP. In 2017, overall unemployment was 11.4%, but youth unemployment remained high at 37.1%. GDP growth is projected to slow slightly in 2018.

Source : CIA

SUMMARY

Company name	HYDROTECH ENGINEERING S.R.L.
Operative address	Via Vittorio Emanuele li 9 35026 Conselve Italy
Status	Active
Legal form	Limited Liability Company - SRL
Registration number	Trade register number: PD0328298
VAT-number	IT03677280285

Year	2017	Mutation	2016	Mutation	2015
Fixed assets	651.630	39,28	467.865	29,82	360.385
Total receivables	3.975.279	76,36	2.254.041	-27,33	3.101.956
Total equity	1.374.532	2,08	1.346.498	28,34	1.049.138
Short term liabilities	4.029.227	11,70	3.607.054	-45,26	6.589.501
Net result	178.395	-48,66	347.497	149,22	139.436
Working capital	1.234.160	-17,24	1.491.215	89,22	788.067
Quick ratio	1,19	4,39	1,14	52,00	0,75



CONTACT INFORMATION

Company name	Hydrotech Engineering S.R.L.
Operative address	Via Vittorio Emanuele li 9 35026 Conselve Italy
Correspondence address	Via Vittorio Emanuele li 9 35026 Conselve

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Telephone number Italy
Website +39 0445350389
www.hydrotechengineering.com

REGISTRATION

Registration number Trade register number: PD0328298
VAT-number IT03677280285
Status Active
Establishment date 2001-11-05
Legal form Limited Liability Company - SRL
Subscribed share capital EUR 50.000

ACTIVITIES

NACE 2829: Manufacture of other general-purpose machinery n.e.c.
Goal An Italy based engineering and construction company for industrial and civil water treatment plants, focused on wastewater recycling and zero discharge

RELATIONS

Shareholders ULTIMATE GLOBAL SHAREHOLDER
Name: MR FILIPPO BRIANI
Address: VIA MATTEOTTI 14B
City: MASERA' DI PADOVA
Country: IT
Type: One or more named individuals or families
Share direct: 52.00%

SHAREHOLDERS
Name: MR FILIPPO BRIANI
Address: VIA MATTEOTTI 14B
City: MASERA' DI PADOVA
Country: IT
Type: One or more named individuals or families
Share direct: 52.00%

Name: CHIMICA ECOLOGICA S.P.A.
National id number: VI0191762
Address: VLE DELL'ARTIGIANATO 13/BIS
City: VILLAVERLA

Country: IT
Phone: +39 0445350252
Website: www.chimeco.net
Type: Corporate
Share direct: 30.00%
Turnover: 2.51813647 mil. EUR
Total assets: 2.70157688 mil. EUR
Profit loss before tax: 0.35525319 mil. EUR
Profit loss after tax net income: 0.2835972 mil. EUR
Shareholders funds: 1.44064505 mil. EUR
Number of employees: 14

Name: SHAREHOLDERS REPRESENTED BY FIDUCIARIA
PROFESSIONISTI VENETI - F.P.V. S.R.L. - UNIPERSONALE
Type: Other unnamed shareholders, aggregated
Share direct: 18.00%

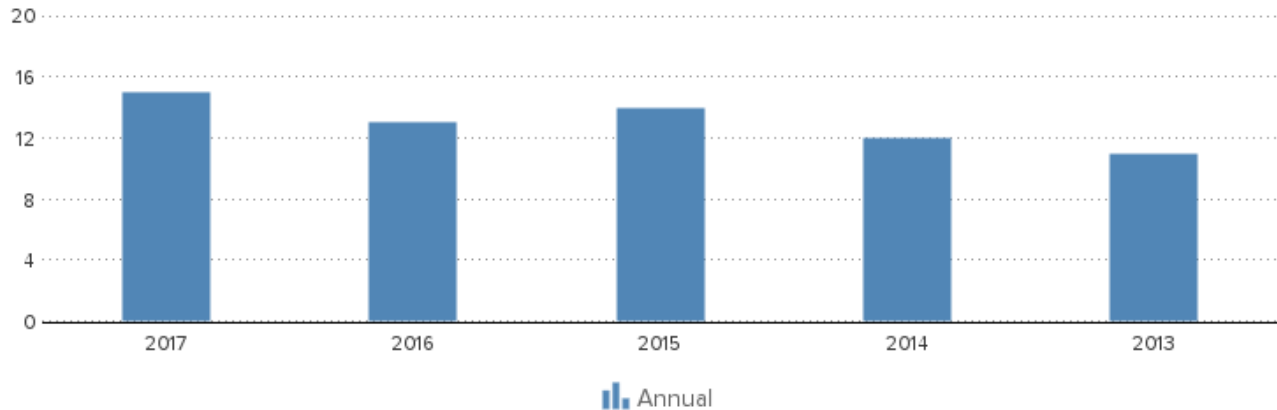
MANAGEMENT

Management

Fullname: Mr Filippo Briani
Type: Individual
Gender: Male
date of birth: 1973/05/22
Age: 45
Country: Italy
Number of involvements: 1
Function: Director
Level of responsibility: Member
Appointment date: 2014/03/31
Resignation date: 2019/03/31

EMPLOYEES

Year	2017	2016	2015	2014	2013
Annual	15	13	14	12	11



FINANCIAL ANALYSIS

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

KEY FIGURES

Year	2017	2016	2015	2014	2013
Quick ratio	1,19	1,14	0,75	1,05	1,12
Current ratio	1,31	1,41	1,12	1,22	1,36
Working capital/ balance total	0,21	0,27	0,10	0,17	0,23
Equity / balance total	0,23	0,24	0,14	0,21	0,32
Equity / Fixed assets	2,11	2,88	2,91	3,39	2,80
Working capital	1.234.160	1.491.215	788.067	739.154	627.632
Equity	1.374.532	1.346.498	1.049.138	909.703	848.587
Mutation equity	2,08	28,34	15,33	7,20	
Mutation short term liabilities	11,70	-45,26	96,91	91,04	
Return on total assets (ROA)	4,71	9,04	3,24	2,59	2,05
Return on equity (ROE)	20,26	37,39	23,90	12,39	6,48
Gross profit margin	3,43	7,76	3,33	3,73	3,68
Net profit margin	1,98	4,48	1,21	1,23	0,06
Average collection ratio	2,23	2,15	1,75	1,49	1,56
Average payment ratio	2,26	3,44	3,73	2,18	1,97
Equity turnover ratio	6,54	5,76	11,01	5,47	3,22
Total assets turnover ratio	1,52	1,39	1,49	1,14	1,02
Fixed assets turnover ratio	13,81	16,56	32,06	18,54	9,00

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Inventory conversion ratio	18,52	7,72	4,76	8,77	6,45
Turnover	8.996.116	7.749.110	11.555.563	4.980.451	2.732.320
Operating result	308.431	601.256	384.873	185.600	100.463
Net result after taxes	178.395	347.497	139.436	61.115	1.696
Cashflow	268.605	410.355	169.887	92.329	37.496
Gross profit	1.131.789	1.410.404	1.164.730	793.175	649.530
EBITDA	398.641	664.114	415.324	216.814	136.263

Summary The 2017 financial result structure is a positive working capital of 1.234.160 euro, which is in agreement with 21 % of the total assets of the company.

The working capital has diminished with -17.24 % compared to previous year. The ratio, with respect to the total assets of the company has however, declined.

The deterioration between 2016 and 2017 has mainly been caused by a change of the current liabilities.

The current ratio of the company in 2017 was 1.31. When the current ratio is below 1.5, the company may have problems meeting its short-term obligations.

The quick ratio in 2017 of the company was 1.19. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

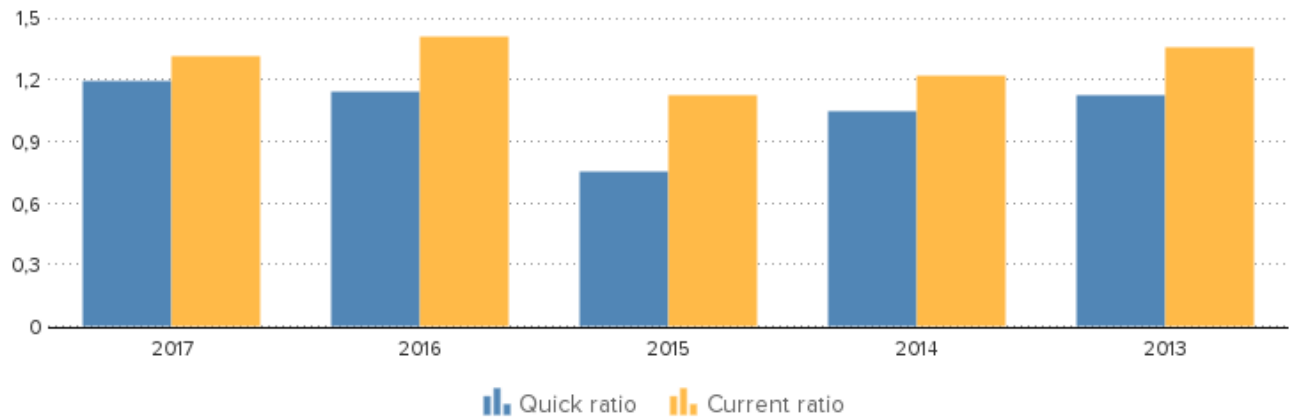
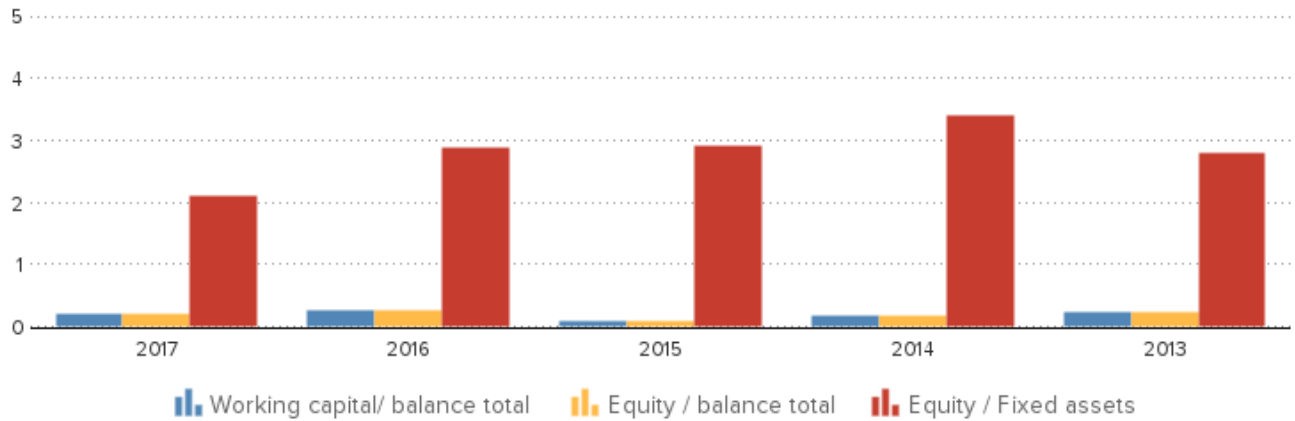
The 2016 financial result structure is a positive working capital of 1.491.215 euro, which is in agreement with 27 % of the total assets of the company.

The working capital has increased with 89.22 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

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

The current ratio of the company in 2016 was 1.41. 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 1.14. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.



FINANCIAL STATEMENT

Auditor

Name: Fongaro Silvia Lucia

Last annual account

date: 2017-06-19

Remark annual account

2017

Type of annual account

The company is obliged to file its financial statements.

Annual account

Corporate

Hydrotech Engineering S.R.L.

Via Vittorio Emanuele li 9

35026 Conselve

Italy

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BALANCE

Year End date	2017 2017-12-31	2016 2016-12-31	2015 2015-12-31	2014 2014-12-31	2013 2013-12-31
Type of annual account	Corporate	Corporate	Corporate	Corporate	Corporate
Intangible fixed assets	166.079	192.250	158.494	46.478	50.252
Tangible fixed assets	292.822	242.305	134.883	141.920	157.781
Other fixed assets	192.729	33.310	67.008	80.219	95.403
Fixed assets	651.630	467.865	360.385	268.617	303.436
Total stock	485.807	1.003.648	2.428.017	567.667	423.929
Total receivables	3.975.279	2.254.041	3.101.956	2.280.612	1.384.494
Liquid funds	687.371	1.691.017	734.788	855.516	443.946
Other current assets	114.930	149.563	1.112.807	381.884	126.985
Current assets	5.263.387	5.098.269	7.377.568	4.085.679	2.379.354
Total assets	5.915.017	5.566.134	7.737.953	4.354.296	2.682.790
Total equity	1.374.532	1.346.498	1.049.138	909.703	848.587
Provisions		2.395			
Long term liabilities	511.258	610.187	99.314	98.068	82.481
Accounts payable	2.945.768	3.165.433	4.654.389	2.671.486	1.213.127
Liabilities towards credit institutes	214.527	193.560	1.623.597	494.180	396.011
Other short term liabilities	868.932	248.061	311.515	180.859	142.584
Short term liabilities	4.029.227	3.607.054	6.589.501	3.346.525	1.751.722
Total liabilities	5.915.017	5.566.134	7.737.953	4.354.296	2.682.790

Summary

The total assets of the company increased with 6.27 % between 2016 and 2017.

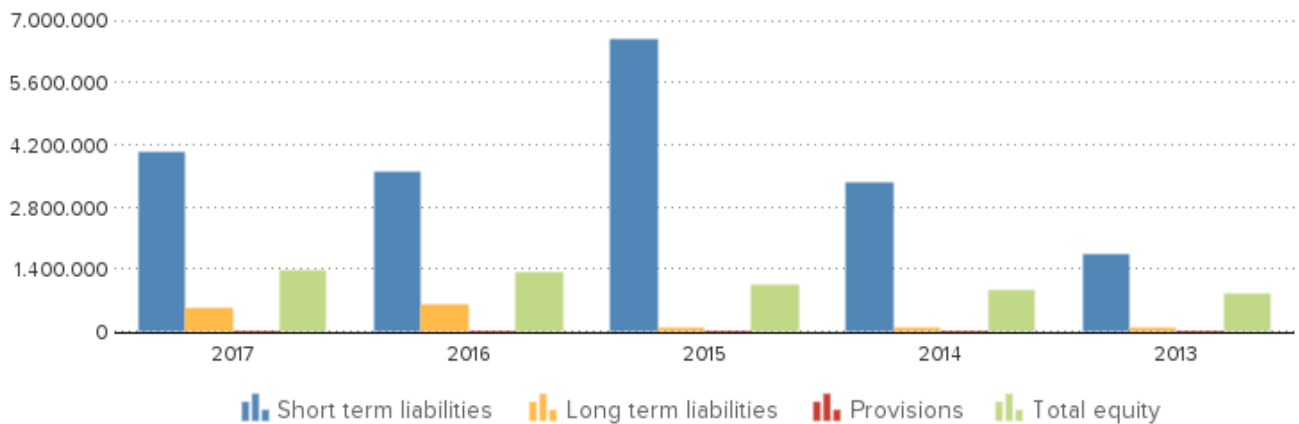
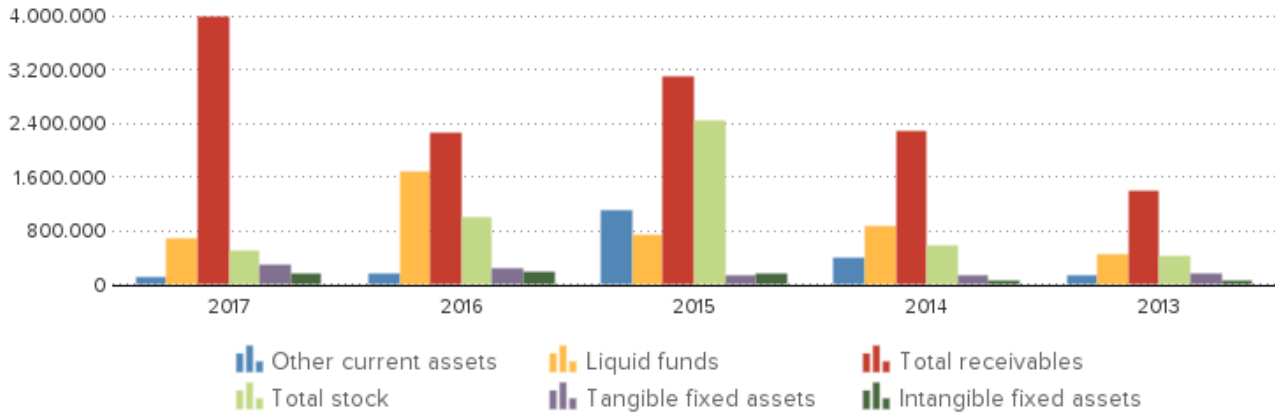
The total asset increase is retrievable in the fixed asset growth of 39.28 %.

In 2017 the assets of the company were 11.02 % composed of fixed assets and 88.98 % by current assets. The assets are being financed by an equity of 23.24 %, and total debt of 76.76 %.

The total assets of the company decreased with -28.07 % between 2015 and 2016.

Despite the total assets decrease, non current assets grew with 29.82 %.

In 2016 the assets of the company were 8.41 % composed of fixed assets and 91.59 % by current assets. The assets are being financed by an equity of 24.19 %, and total debt of 75.81 %.



PROFIT AND LOSS

Year	2017	2016	2015	2014	2013
Revenues	8.487.256	9.583.106	9.330.005	4.966.924	3.153.793
Net turnover	8.996.116	7.749.110	11.555.563	4.980.451	2.732.320
Wages and salaries	713.173	738.425	748.078	574.464	510.843
Amorization and depreciation	90.210	62.858	30.451	31.214	35.800
Production costs	6.113.955	4.558.154	8.631.922	3.383.021	1.363.673
Operating result	308.431	601.256	384.873	185.600	100.463
Financial income	20.117	8.518	1.328	1.897	2.424
Financial expenses	50.008	106.371	135.433	74.773	47.895
Financial result	-29.891	-97.853	-134.105	-72.876	-45.471
Result on ordinary operations before taxes	278.540	503.403	250.768	112.724	54.992

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Taxation on the result of ordinary activities	100.145	155.906	111.332	51.609	53.296
Result of ordinary activities after taxes	178.395	347.497	139.436	61.115	1.696
Net result	178.395	347.497	139.436	61.115	1.696
Summary					

The turnover of the company grew with 16.09 % between 2016 and 2017.

The operating result of the company declined with -48.7 % between 2016 and 2017. 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 -47.9 % of the analysed period, being equal to 4.71 in the year 2017.

Despite the decline the assets turnover increased by 9.35 % reaching 1.52.

The Net Result of the company decreased by -48.66 % between 2016 and 2017.

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 -45.81 % of the analysed period, being 20.26 in the year 2017.

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

The turnover of the company decreased by -32.94 % between 2015 and 2016.

The operating result of the company grew with 56.22 % between 2015 and 2016. 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 179.01 % of the analysed period, being equal to 9.04 in the year 2016.

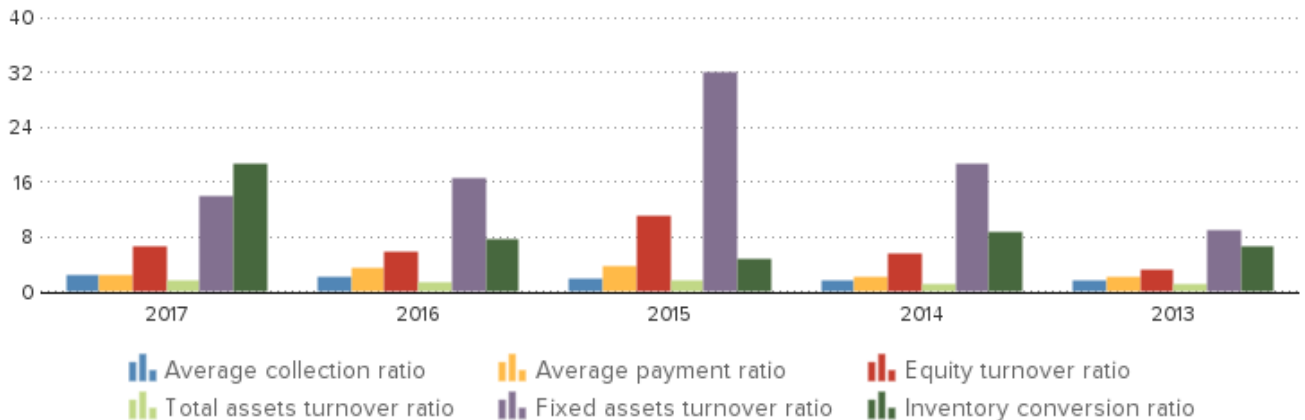
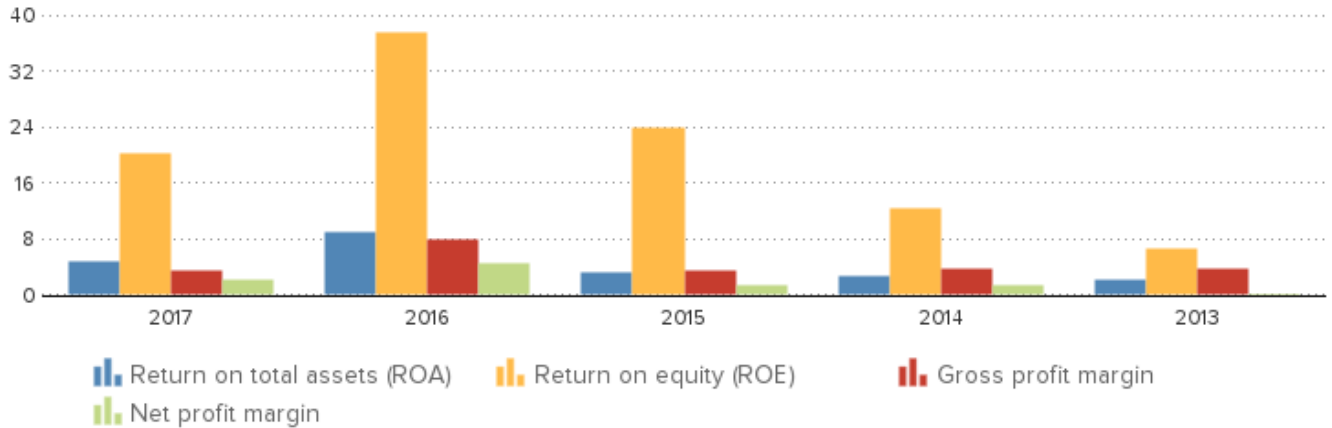
Despite the growth the assets turnover decreased, whose index evolved with -6.71 % to a level of 1.39.

The Net Result of the company increased by 149.22 % between 2015 and 2016.

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 56.44 % of the analysed period, being 37.39 in the year 2016.

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



COUNTRY INFORMATION

Population	60.7 million
GDP per capita	30507 USD
Country risk	Below average
Company risk	Low

PUBLICATIONS

Remarks	Status: Active Category: Medium sized company
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Last year: 2017
Turnover last year: 8.996.116 EUR
Result last year: 178.395 EUR
TOTAL assets last year: 5.915.017 EUR
Number of employees: 15
Number of shareholders: 3
Number of subsidiaries: 0
Number of branches: 0

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.87
UK Pound	1	INR 94.75
Euro	1	INR 83.23
Euro	1	INR 83.24

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

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	TPT

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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)