

MIRA INFORM REPORT

Report No. :	539175
Report Date :	13.11.2018

IDENTIFICATION DETAILS

Name :	C.TESSILE S.P.A.
Registered Office :	Via Pietro Giannone 9, 20154 Milano
Country :	Italy
Financials (as on) :	31.12.2017
Date of Incorporation :	19.09.1997
Com. Reg. No.:	MI1539006
Legal Form :	Joint stock company - SPA
Line of Business :	<ul style="list-style-type: none"> • Textile weaving • Engaged in the production of Italian shirtings
No. of Employees :	108 (2017)

RATING & COMMENTS

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

MIRA's Rating :

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Good
Payment Behaviour :	Regular
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.

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	C.Tessile S.P.A.				
Operative address	Via Pietro Giannone 9 20154 Milano Italy				
Status	Active				
Specification	This company can meet all its obligations.				
Legal form	Joint stock company - SPA				
Registration number	Trade register number: MI1539006				
VAT-number	IT12239440154				
Year	2017	Mutation	2016	Mutation	2015
Fixed assets	2.734.350	-16,01	3.255.379	-21,65	4.154.761
Total receivables	9.042.377	-16,10	10.777.504	-6,70	11.551.062
Total equity	9.219.856	3,21	8.932.985	12,15	7.965.260
Short term liabilities	12.188.946	-14,77	14.300.823	-15,99	17.022.048
Net result	73.854	-92,37	967.725	25,22	772.845
Working capital	9.182.062	-17,85	11.177.309	26,96	8.803.684
Quick ratio	0,97	-5,83	1,03	13,19	0,91

CONTACT INFORMATION

Company name	C.Tessile S.P.A.
Operative address	Via Pietro Giannone 9 20154 Milano Italy
Correspondence address	Via Pietro Giannone 9 20154 Milano Italy
Telephone number	+39 031899410
Fax number	+39 031 899422
Email address	info@canclini.it
Website	www.canclini.it

REGISTRATION

Registration number	Trade register number: MI1539006
VAT-number	IT12239440154
Status	Active
Establishment date	1997-09-19
Legal form	Joint stock company - SPA
Subscribed share capital	EUR 1.550.120

ACTIVITIES

NACE
Goal

1320: Textile weaving
Engaged in the production of Italian shirtings

RELATIONS

Shareholders

ULTIMATE GLOBAL SHAREHOLDER
Name: CHARME S.R.L.
National id number: MI1625752
Address: VIA PIETRO GIANNONE 9
City: MILANO
Country: IT
Website: www.charmeroma.com
Type: Corporate
Share direct: 99.22%
Turnover: 40.54032959 mil. EUR
Total assets: 29.05862785 mil. EUR
Profit loss before tax: 1.281498 mil. EUR
Profit loss after tax net income: 0.98809674 mil. EUR
Shareholders funds: 12.46201477 mil. EUR

SHAREHOLDERS
Name: CHARME S.R.L.
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Shareholders funds: 12.46201477 mil. EUR
Number of employees: 240

Name: SHAREHOLDERS REPRESENTED BY AREPO
FIDUCIARIA S.R.L.
Type: Other unnamed shareholders, aggregated
Share direct: 0.78%

Structure

SUBSIDIARIES
Name: C.TESSILE KÖNNYUIPARI ÉS KERESKEDELMI
KORLÁTOLT FELELOSSÉGU TÁRSASÁG

National id number: 01-09-943580
Address: Váci utca 81. 4. em.
City: BUDAPEST
Country: HU
Type: Corporate
Share direct: 100.00%
Turnover: 3.74385191 mil. EUR
Total assets: 2.56816568 mil. EUR
Profit loss before tax: 0.77968426 mil. EUR
Profit loss after tax net income: 0.70685258 mil. EUR
Shareholders funds: 1.95640693 mil. EUR
Number of employees: 142

Name: COTTON CLUB S.R.L.
National id number: CO0324224
Address: VIA XXV APRILE 71
City: GUANZATE
Country: IT
Type: Corporate
Share direct: 100.00%
Turnover: 0.25614279 mil. EUR
Total assets: 0.3794708 mil. EUR
Profit loss before tax: -0.23042131 mil. EUR
Profit loss after tax net income: -0.23042131 mil. EUR
Shareholders funds: 0.0395788 mil. EUR
Number of employees: 1

Name: COTTON POWER LTD
Country: CN
Type: Corporate
Share direct: 100.00%

Name: HAUSAMMANN + MOOS 1811 SRL
National id number: MI1747783
Address: VIA PIETRO GIANNONE 9
City: MILANO
Country: IT
Type: Corporate
Website: www.hausammann-moos.ch
Share direct: 100.00%
Turnover: 2.92192514 mil. EUR
Total assets: 2.00170845 mil. EUR
Profit loss before tax: -0.00986624 mil. EUR
Profit loss after tax net income: -0.03007021 mil. EUR
Shareholders funds: 0.31493515 mil. EUR
Number of employees: 6

Name: MILANO LUXORY GARMENTS LTD
Country: IN

Type: Corporate
Share direct: 100.00%

Name: MILANO LUXURY GARMENTS PRIVATE LIMITED
National id number: U18204KA2011PTC065986
Address: No. 3, "Amrutamshu"
City: BANGALORE
Country: IN
Type: Corporate
Share direct: 100.00%

Name: FRAIZZOLI 1923 S.R.L.
National id number: MI2517902
Address: VIA VITTOR PISANI 8/A
City: MILANO
Country: IT
Type: Corporate
Share direct: 90.00%

Name: TINTO FILO TESSILE S.R.L.
National id number: MI1753516
Address: VIA SANTA MARIA VALLE 1/A
City: MILANO
Country: IT
Type: Corporate
Share direct: 25.00%
Turnover: 0 mil. EUR
Total assets: 0.05256041 mil. EUR
Profit loss before tax: -0.00120889 mil. EUR
Profit loss after tax net income: 0.00036117 mil. EUR
Shareholders funds: 0.00719477 mil. EUR

Name: ERELID SA
National id number: B 123.129 (Luxembourg)
Address: 31, Bld Grande-Duchesse Charlotte
City: LUXEMBOURG
Country: LU
Type: Corporate
Share direct: 1.11%
Total assets: 0.00772857 mil. EUR
Profit loss before tax: -27.92249398 mil. EUR
Profit loss after tax net income: -27.92599271 mil. EUR
Shareholders funds: -48.41479183 mil. EUR

Branches

Name: CANCLINI TESSILE
National id number: 500385547-00012
Address: VIA GIANNONE 9
Country: FR

MANAGEMENT

Management

Fullname: Mr Gianfranco Stella
Type: Individual
Gender: Male
date of birth: 1934/08/22
Age: 84
Country: Italy
Number of involvements: 8
Function: Chairman of the Board of Directors
Level of responsibility: President / Chairman
Appointment date: 2018/07/02
Resignation date: 2020/12/31

Fullname: Mr Gianfranco Stella
Type: Individual
Gender: Male
date of birth: 1934/08/22
Age: 84
Country: Italy
Number of involvements: 8
Function: Adviser
Level of responsibility: Member
Appointment date: 2018/07/02
Resignation date: 2020/12/31

Fullname: Mr Mauro Canclini
Type: Individual
Gender: Male
date of birth: 1969/06/19
Age: 49
Country: Italy
Number of involvements: 1
Function: Adviser
Level of responsibility: Member
Appointment date: 2018/07/02
Resignation date: 2020/12/31

Fullname: Mr Simone Canclini
Type: Individual
Gender: Male
date of birth: 1966/05/18
Age: 52
Country: Italy
Number of involvements: 11
Function: Adviser
Level of responsibility: Member
Appointment date: 2015/06/26

Resignation date: 2020/12/31

Fullname: Mr Simone Canclini
Type: Individual
Gender: Male
date of birth: 1966/05/18
Age: 52
Country: Italy
Number of involvements: 11
Function: Special Proxy
Level of responsibility: Proxyholders
Appointment date: 2003/12/05

Fullname: Mr Simone Canclini
Type: Individual
Gender: Male
date of birth: 1966/05/18
Age: 52
Country: Italy
Number of involvements: 11
Function: Managing Director
Level of responsibility: Highest executive
Appointment date: 2018/07/26
Resignation date: 2020/12/31

Fullname: Ms Maria Pia Fasola
Type: Individual
Gender: Female
date of birth: 1939/07/15
Age: 79
Country: Italy
Number of involvements: 1
Function: Adviser
Level of responsibility: Member
Appointment date: 2018/07/02
Resignation date: 2020/12/31

Fullname: Ms Maria Pia Fasola
Type: Individual
Gender: Female
date of birth: 1939/07/15
Age: 79
Country: Italy
Number of involvements: 1
Function: Managing Director
Level of responsibility: Highest executive
Appointment date: 2018/07/26
Resignation date: 2020/12/31

Fullname: Ms Maria Rosa Busnelli
Type: Individual
Gender: Female
date of birth: 1957/06/20
Age: 61
Country: Italy
Number of involvements: 1
Function: Special Proxy
Level of responsibility: Proxyholders
Appointment date: 1999/11/24

Fullname: Mr Massimo Caligaris
Type: Individual
Gender: Male
date of birth: 1960/10/23
Age: 58
Country: Italy
Number of involvements: 1
Function: Special Proxy
Level of responsibility: Proxyholders
Appointment date: 1998/09/30

Fullname: Mr Vittorio Canclini
Type: Individual
Gender: Male
date of birth: 1935/03/24
Age: 83
Country: Italy
Number of involvements: 4
Function: Special Proxy
Level of responsibility: Proxyholders
Appointment date: 2003/12/05

Fullname: Mr Riccardo Garbagnati
Type: Individual
Gender: Male
date of birth: 1961/01/31
Age: 57
Country: Italy
Number of involvements: 18
Function: Chairman of the Board of Statutory Auditors
Level of responsibility: President / Chairman; Auditor
Appointment date: 2018/07/02
Resignation date: 2020/12/31

EMPLOYEES

Year	2017	2016	2015	2014	2013
Annual	108	109	97	87	75

FINANCIAL ANALYSIS

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

KEY FIGURES

Year	2017	2016	2015	2014	2013
Quick ratio	0,97	1,03	0,91	0,83	0,70
Current ratio	1,75	1,78	1,52	1,46	1,39
Working capital/ balance total	0,38	0,39	0,29	0,27	0,24
Equity / balance total	0,38	0,31	0,27	0,26	0,24
Equity / Fixed assets	3,37	2,74	1,92	1,82	1,53
Working capital	9.182.062	11.177.309	8.803.684	7.469.292	6.721.137
Equity	9.219.856	8.932.985	7.965.260	7.192.415	6.881.711
Mutation equity	3,21	12,15	10,75	4,51	
Mutation short term liabilities	-14,77	-15,99	5,92	-7,00	
Return on total assets (ROA)	0,74	3,77	3,00	2,20	0,97
Return on equity (ROE)	1,93	12,11	11,31	8,41	4,02
Gross profit margin	1,15	1,30	1,23	2,39	1,81
Net profit margin	0,22	2,52	1,95	0,88	0,13
Average collection ratio	2,79	2,69	2,33	2,20	1,85
Average payment ratio	3,75	3,57	3,43	3,07	3,14
Equity turnover ratio	3,68	4,30	4,98	4,92	4,65
Total assets turnover ratio	1,41	1,34	1,32	1,29	1,12
Fixed assets turnover ratio	12,42	11,81	9,54	8,94	7,11
Inventory conversion ratio	3,54	3,56	3,83	3,46	2,71
Turnover	33.949.089	38.440.890	39.635.050	35.404.967	32.021.752
Operating result	389.361	501.188	488.921	844.850	578.404
Net result after taxes	73.854	967.725	772.845	310.704	41.095
Cashflow	926.623	2.007.004	1.567.199	1.048.081	710.393
Gross profit	6.023.960	7.247.289	6.418.428	5.696.195	4.675.401
EBITDA	1.242.130	1.540.467	1.283.275	1.582.227	1.247.702

Summary The 2017 financial result structure is a positive working capital of 9.182.062 euro, which is in agreement with 38 % of the total assets

of the company.

The working capital has diminished with -17.85 % 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 1.75. A company with a current ratio between 1.5 and 3.0 generally indicates good short-term financial strength.

The quick ratio in 2017 of the company was 0.97. A company with a Quick Ratio of less than 1 cannot currently pay back its current liabilities.

The 2016 financial result structure is a positive working capital of 11.177.309 euro, which is in agreement with 39 % of the total assets of the company.

The working capital has increased with 26.96 % 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 1.78. A company with a current ratio between 1.5 and 3.0 generally indicates good short-term financial strength.

The quick ratio in 2016 of the company was 1.03. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

FINANCIAL STATEMENT

Auditor

Name: Amelio Salvatore
date: 2018-07-02

Name: De Bartolomeis Giovanna
date: 2018-07-02

Name: Romagnoli Claudio
date: 2018-07-02

Name: Romagnoli Paolo
date: 2018-07-02

Last annual account

Remark annual account

Type of annual account

Annual account

2017
The company is obliged to file its financial statements.
Corporate
C.Tessile S.P.A.
Via Pietro Giannone 9
20154 Milano

Italy

BALANCE

Year	2017	2016	2015	2014	2013
End date	2017-12-31	2016-12-31	2015-12-31	2014-12-31	2013-12-31
Type of annual account	Corporate	Corporate	Corporate	Corporate	Corporate
Intangible fixed assets	331.136	370.322	301.237	218.087	73.335
Tangible fixed assets	1.978.105	2.405.533	2.596.371	2.483.213	2.477.287
Other fixed assets	425.109	479.524	1.257.153	1.256.851	1.950.703
Fixed assets	2.734.350	3.255.379	4.154.761	3.958.151	4.501.325
Total stock	9.578.489	10.791.324	10.353.898	10.231.725	11.830.249
Total receivables	9.042.377	10.777.504	11.551.062	11.538.731	10.205.857
Liquid funds	683.659	945.030	1.029.172	192.019	80.475
Other current assets	2.066.483	2.964.274	2.891.600	1.577.063	1.884.573
Current assets	21.371.008	25.478.132	25.825.732	23.539.538	24.001.154
Total assets	24.105.358	28.733.511	29.980.493	27.497.689	28.502.479
Total equity	9.219.856	8.932.985	7.965.260	7.192.415	6.881.711
Provisions	1.193.454	1.271.890	1.730.150	1.763.396	1.811.661
Long term liabilities	1.503.102	4.227.813	3.263.035	2.471.632	2.529.090
Accounts payable	5.254.340	7.071.734	9.165.218	7.443.080	6.455.484
Liabilities towards credit institutes	5.495.792	5.423.697	6.194.542	7.169.694	9.627.827
Other short term liabilities	1.438.814	1.805.392	1.662.288	1.457.472	1.196.706
Short term liabilities	12.188.946	14.300.823	17.022.048	16.070.246	17.280.017
Total liabilities	24.105.358	28.733.511	29.980.493	27.497.689	28.502.479

Summary

The total assets of the company decreased with -16.11 % between 2016 and 2017.

This total assets decrease has been reflected in a reduction of non current assets of -16.01 %.

In 2017 the assets of the company were 11.34 % composed of fixed assets and 88.66 % by current assets. The assets are being financed by an equity of 38.25 %, and total debt of 61.75 %.

The total assets of the company decreased with -4.16 % between 2015 and 2016.

This downturn is mainly retrievable in the fixed asset decrease of -21.65 %.

In 2016 the assets of the company were 11.33 % composed of fixed assets and 88.67 % by current assets. The assets are being financed by an equity of 31.09 %, and total debt of 68.91 %.

PROFIT AND LOSS

Year	2017	2016	2015	2014	2013
Revenues	33.486.852	37.655.822	38.316.029	35.155.537	28.825.854
Net turnover	33.949.089	38.440.890	39.635.050	35.404.967	32.021.752
Wages and salaries	4.944.502	5.060.411	4.599.431	4.114.449	3.511.627
Amorization and depreciation	852.769	1.039.279	794.354	737.377	669.298
Production costs	11.351.306	12.671.140	14.533.905	12.359.157	12.705.429
Operating result	389.361	501.188	488.921	844.850	578.404
Financial income	16.636	597.387	602.349	12.341	17.978
Financial expenses	227.966	16.435	190.635	252.456	319.604
Financial result	-211.330	580.952	411.714	-240.115	-301.626
Result on ordinary operations before taxes	178.031	1.082.140	900.635	604.735	276.778
Taxation on the result of ordinary activities	104.177	114.415	138.854	310.064	235.683
Result of ordinary activities after taxes	73.854	967.725	761.781	294.671	41.095
Extraordinary income			11.064	16.033	
Extraordinary result before taxation			11.064	16.033	
Net result	73.854	967.725	772.845	310.704	41.095
Summary					

The turnover of the company decreased by -11.68 % between 2016 and 2017.

The operating result of the company declined with -22.31 % 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 -80.37 % of the analysed period, being equal to 0.74 in the year 2017.

Despite the decline the assets turnover increased by 5.22 % reaching 1.41.

The Net Result of the company decreased by -92.37 % between 2016 and 2017.

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 -84.06 % of the analysed period, being 1.93 in the year 2017.

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

The turnover of the company decreased by -3.01 % between 2015 and 2016.

The operating result of the company grew with 2.51 % 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 25.67 % of the analysed period, being equal to 3.77 in the year 2016.

This growth has contributed to the increase in assets turnover, increasing by 1.52 % reaching 1.34.

The Net Result of the company increased by 25.22 % 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 7.07 % of the analysed period, being 12.11 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: Large company Last year: 2017 Turnover last year: 33.949.089 EUR Result last year: 73.854 EUR TOTAL assets last year: 24.105.358 EUR Number of employees: 108 Number of shareholders: 2 Number of subsidiaries: 9 Number of branches: 1
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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.91
UK Pound	1	INR 93.99
Euro	1	INR 82.43
Euro	1	INR 81.60

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

INFORMATION DETAILS

Analysis Done by :	VIV
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)