

MIRA INFORM REPORT

Report No. :	533421
Report Date :	10.10.2018

IDENTIFICATION DETAILS

Name :	BRASRÁFIA INDÚSTRIA E COMÉRCIO DE EMBALAGENS LTDA
Registered Office :	Avenida Sete, Nº. 4015, Quadra 03, Lote,12 A, Polo Empresarial Oeste - Nucleo Industrial 79108-620 - Campo Grande/Ms
Country :	Brazil
Financials (as on) :	31.12.2017
Date of Incorporation :	12.02.2007
Legal Form :	Limited Liability Company
Line of Business :	Trade of natural and synthetic fiber yarn packaging.
No. of Employees :	233 Employee

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 :	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

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Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Brazil	A2	A2

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

BRAZIL - ECONOMIC OVERVIEW

Brazil is the eighth-largest economy in the world, but is recovering from a recession in 2015 and 2016 that ranks as the worst in the country's history. In 2017, Brazil's GDP grew 1%, inflation fell to historic lows of 2.9%, and the Central Bank lowered benchmark interest rates from 13.75% in 2016 to 7%.

The economy has been negatively affected by multiple corruption scandals involving private companies and government officials, including the impeachment and conviction of Former President Dilma ROUSSEFF in August 2016. Sanctions against the firms involved — some of the largest in Brazil — have limited their business opportunities, producing a ripple effect on associated businesses and contractors but creating opportunities for foreign companies to step into what had been a closed market.

The succeeding TEMER administration has implemented a series of fiscal and structural reforms to restore credibility to government finances. Congress approved legislation in December 2016 to cap public spending. Government spending growth had pushed public debt to 73.7% of GDP at the end of 2017, up from over 50% in 2012. The government also boosted infrastructure projects, such as oil and natural gas auctions, in part to raise revenues. Other economic reforms, proposed in 2016, aim to reduce barriers to foreign investment, and to improve labor conditions. Policies to strengthen Brazil's workforce and industrial sector, such as local content requirements, have boosted employment, but at the expense of investment.

Brazil is a member of the Common Market of the South (Mercosur), a trade bloc that includes Argentina, Paraguay and Uruguay - Venezuela's membership in the organization was suspended In August 2017. After the Asian and Russian financial crises, Mercosur adopted a protectionist stance to guard against exposure to volatile foreign markets and it currently is negotiating Free Trade Agreements with the European Union and Canada.

Source : CIA

COMPANY NAME

BRASRÁFIA INDÚSTRIA E COMÉRCIO DE EMBALAGENS LTDA

ADDRESSES

MAIN ADDRESS: AVENIDA SETE, Nº. 4015, QUADRA 03, LOTE, 12 A, POLO
EMPRESARIAL OESTE - NUCLEO INDUSTRIAL
ZIP CODE/CITY: 79108-620 - CAMPO GRANDE/MS
PHONE: 67 3365-6500
E-MAIL: roberto@brasrafia.com.br
WEB SITE: www.brasrafia.com.br

BRANCHES:

NOT AVAILABLE.

LEGAL DATA

MAIN ACTIVITIES:

TRADE OF NATURAL AND SYNTHETIC FIBER YARN PACKAGING.

LEGAL FORM:

LIMITED LIABILITY COMPANY

INCORPORATION DATE: 12/02/2007
REGISTER DATE: 02/03/2007
BALANCE SHEET FILING DATE: 31/12
TAX CONTRIBUTOR NUMBER(CNPJ): 08.672.803/0001-02
STATE REGISTER: 28.341.779-0

SHARE CAPITAL: R\$ 1.500.000,00

BOARD OF DIRECTORS:

EGON ERVINO SEIB
ROBERT EDUARDO AIME

MANAGING PARTNER
MANAGING PARTNER

AUTHORIZED USE OF SIGNATURE

THE MANAGING PARTNERS ARE AUTHORIZED TO SIGN ON BEHALF OF THE COMPANY.

SHAREHOLDERS / PARTNERS:

CARLA JEOVANA THOMA SEVERO	60%
IGOR ANDRE SEIB	11%
EGON ERVINO SEIB	11%
SUSAN TAMYRES SEIB	9%
ROBERT EDUARDO AIME	6%
ROBERTO SOTT	3%

AFFILIATES / SUBSIDIARIES:

NOT AVAILABLE.

COMPANY'S BACKGROUND

THE SUBJECT WAS ESTABLISHED ON MARCH 02, 2007 TO BE ENGAGED IN THE SAID LINE OF BUSINESS.

PARTNERS:

EGON ERVINO SEIB, BRAZILIAN, MARRIED, MANAGER, RESIDENTIAL ADDRESS AT RUA OLÁRIO DE OLIVEIRA DRANÇA, 429, QUADRA 1, LOTE 1, VILLAGE 2 - CAMPO GRANDE/MS, HOLDER OF DOCUMENTS, RG 1.954.523 SSP/SC AND CPF 297.149.589-20;

IGOR ANDRE SEIB, BRAZILIAN, SINGLE, TRADER, RESIDENTIAL ADDRESS AT RUA OLÁRIO DE OLIVEIRA DRANÇA, 429, QUADRA 1, LOTE 1, VILLAGE 2 - CAMPO GRANDE/MS, HOLDER OF DOCUMENTS, RG 3.299.500 SSP/SC AND CPF 039.855.819-16;

SUSAN TAMYRES SEIB, BRAZILIAN, SINGLE, TRADER, RESIDENTIAL ADDRESS AT RUA OLÁRIO DE OLIVEIRA DRANÇA, 429, QUADRA 1, LOTE 1, VILLAGE 2 - CAMPO GRANDE/MS, HOLDER OF DOCUMENTS, RG 3.299.501 SSP/SC AND CPF 054.433.419-10.

FURTHER DETAILS ARE SO FAR NOT KNOWN.

PUBLIC INFORMATION:

NO DETRIMENTAL FILES WERE FOUND.

FINANCIAL INFORMATION

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GENERAL BALANCE SHEETS AS OF 31/12/2017, 31/12/2016 AND 31/12/2015.
(FIGURES ARE IN REAIS).

ASSETS

CURRENT:	31/12/2017	31/12/2016	31/12/2015
CASH AND BANKS	424.870,94	1.011.454,24	640.537,50
CLIENTS	5.139.544,38	4.869.374,24	4.408.817,53
INVENTORY	8.780.621,98	7.358.778,88	6.994.662,57
ADVANCES	1.281.052,18	80.393,66	553.735,47
RECOVERABLE TAXES	681.104,80	641.340,45	342.792,46
OTHER CREDITS	236.447,33	4.700,43	3.963,12
	-----	-----	-----
TOTAL CURRENT ASSETS	16.543.641,61	13.966.041,90	12.944.508,65
LONG-TERM RECEIVABLES:			
JUDICIAL DEPOSITS	38.378,26	34.683,06	27.059,40
	-----	-----	-----
TOTAL LONG-TERM RECEIVABLES	38.378,26	34.683,06	27.059,40
FIXED ASSETS:			
FIXED ASSETS	12.643.045,22	9.247.836,42	9.115.698,55
INTANGIBLE	198.101,32	228.406,85	256.814,03
	-----	-----	-----
TOTAL FIXED ASSETS	12.841.146,54	9.476.243,27	9.372.512,58
	=====	=====	=====
TOTAL ASSETS	29.423.166,41	23.476.968,23	22.344.080,63

LIABILITIES:

CURRENT:	31/12/2017	31/12/2016	31/12/2015
SUPPLIERS	3.681.852,70	2.359.536,52	1.237.606,89
LOANS AND FINANCING	406.461,83		127.396,78
TAX LIABILITIES	66.160,83	79.129,91	214.149,20
SOCIAL / LABOR OBLIGATIONS	1.893.936,79	1.614.654,10	1.320.327,60
ADVANCE FROM CLIENTS	173.341,12	80.402,09	168.671,94
OTHER DEBTS	96.105,46	251.700,09	230.247,15
	-----	-----	-----
TOTAL CURRENT LIABILITIES	6.317.858,73	4.385.422,71	3.298.399,56

LONG TERM LIABILITIES:

LOANS AND FINANCING	838.392,97		
	-----	-----	-----
TOTAL LONG TERM LIABILITIES	838.392,97		

NET EQUITY:

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SHARE CAPITAL	1.500.000,00	1.500.000,00	1.500.000,00
PROFIT RESERVES	17.586.202,35	14.998.041,41	12.044.462,60
ACCRUED PROFIT (LOSS)	3.180.712,36	2.593.504,11	5.501.218,47
	-----	-----	-----
TOTAL NET EQUITY	22.266.914,71	19.091.545,52	19.045.681,07
	=====	=====	=====
TOTAL LIABILITIES	29.423.166,41	23.476.968,23	22.344.080,63

PROFIT AND LOSS ACCOUNTS AS OF 31/12/2017, 31/12/2016 AND 31/12/2015.
 (FIGURES ARE IN REAIS).

	31/12/2017	31/12/2016	31/12/2015
GROSS SALES	53.812.719,08	49.869.414,92	55.265.471,76
(-) TAXES ON SALES	12.023.150,39	11.084.715,88	12.289.922,25
	-----	-----	-----
NET SALES	41.789.568,69	38.784.699,04	42.975.549,51
(-) COST OF SOLD GOODS	35.799.343,02	33.653.284,79	34.137.494,94
	-----	-----	-----
GROSS PROFIT	5.990.225,67	5.131.414,25	8.838.054,57
OPERATING REVENUE (EXPENSE)	-4.530.044,40	-4.277.855,60	-4.375.423,37
FINANCIAL REVENUE(EXPENSE)	-1.302.178,53	-1.041.105,06	-1.167.968,67
	-----	-----	-----
OPERATIONAL PROFIT (LOSS)	158.002,74	-187.546,41	3.294.662,53
NON-OPERATING RESULT	3.062.487,94	2.781.050,52	3.333.418,43
CONTRIBUTION/INCOME TAX	-39.778,32		-1.126.862,49
	-----	-----	-----
NET PROFIT (LOSS)	3.180.712,36	2.593.504,11	5.501.218,47

MONTHLY SALES

2018

	2018

JANUARY	R\$ 4.291.917,84
FEBRUARY	R\$ 3.287.580,12
MARCH	R\$ 3.914.235,34
APRIL	R\$ 3.560.681,34
MAY	R\$ 4.144.245,73
JUNE	R\$ 4.986.588,76
JULY	R\$ 5.394.618,34
AUGUST	R\$ 5.224.911,99
SEPTEMBER	R\$ 4.454.493,31
OCTOBER	
NOVEMBER	
DECEMBER	
TOTAL	R\$ 39.259.272,77

<u>RATIOS:</u>	31/12/2017	31/12/2016	31/12/2015
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QUICK RATIO	1,23		1,51		1,80	
CURRENT RATIO	2,62		3,18		3,92	
ACCOUNTS RECEIVABLE TURNOVER	8,13	TIME	7,97	TIME	9,75	TIME
		S		S		S
DAYS' SALES IN RECEIVABLES	44,28	DAYS	45,20	DAYS	36,93	DAYS
INVENTORY TURNOVER	4,08	TIME	4,57	TIME	4,88	TIME
		S		S		S
ACCOUNTS PAYABLE PERIOD	37,02	DAYS	25,24	DAYS	13,05	DAYS
RETURN ON ASSETS	1,42	TIME	1,65	TIME	1,92	TIME
		S		S		S
SALES TURNOVER ON NET EQUITY	1,88	TIME	2,03	TIME	2,26	TIME
		S		S		S
NET WORTH TIE-UP	,57		,48		,48	
INDEBTEDNESS	,32		,23		,17	
EQUITY RATIO	75,68	%	81,32	%	85,24	%
WORKING CAPITAL RATIO	161,86	%	218,47	%	292,45	%
GENERAL SOLVENCY	4,11		5,35		6,77	
RETURN ON NET EQUITY	14,28	%	13,58	%	28,88	%
RETURN ON SALES (PROFIT MARGIN)	7,61	%	6,69	%	12,80	%
GROSS PROFIT MARGIN	14,33	%	13,23	%	20,57	%
OPERATIONAL RESULT	,38	%	-,48	%	7,67	%
SALES TURNOVER ON LIABILITIES	6,61	TIME	8,84	TIME	13,03	TIME
		S		S		S
FOREIGN CURRENCY ON ASSETS						
FOREIGN CURRENCY ON LIABILITIES						

COMMENTS ON THE FINANCIAL INFORMATION:

FOLLOWS ATTACHED WORKSHEET WITH MAIN FINANCIAL RATIOS

THE FIGURES AVAILABLE SHOW GOOD FINANCIAL STANDING. IT HAS HIGH LIQUIDITY RATIOS AND POSITIVE WORKING CAPITAL, AS WELL AS LOW LEVEL OF INDEBTEDNESS. FURTHER, IT SHOWS RECOVERY IN SALES AND POSITIVE RESULT.

REAL ESTATE:

NOT AVAILABLE

VEHICLES:

NOT AVAILABLE

MACHINES:

NOT AVAILABLE

INSURANCE

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NOT AVAILABLE

BANKING REFERENCES

	BRANCH/PHONE:
BANCO DO BRASIL S/A	3686 / 67 3358-6900
ITAÚ UNIBANCO S/A	0091 / 67 3389-4724

REMARKS: IN BRAZIL THE BANKS ARE PROHIBITED BY LAW TO PROVIDE INFORMATION OR ANY KIND OF COMMENTS ABOUT THEIR CLIENTS. DUE TO THIS LAW PROHIBITION WE ARE UNABLE TO PROVIDE ANY BANKING DETAILS.

ACCORDING TO THE CENTRAL BANK OF BRAZIL OFFICIAL REPORT, THE COMPANY HAS NO RETURNED CHECKS UP TO DATE. (IN THE TERMS OF "CIRCULAR 1682 BRAZILIAN CENTRAL BANK"). DATE RESEARCHED: OCTOBER 08, 2018.

ACTIVITIES COMMENTS

TRADE OF NATURAL AND SYNTHETIC FIBER YARN PACKAGING.

IMPORT AND EXPORT:

IMPORTS FROM:
CHINA, INDIA AND ARGENTINA.

EXPORTS TO:
NOT AVAILABLE

MAIN CLIENTS:

DOMESTIC CLIENTS:	PHONE:
ALIMENTOS DALLAS INDUSTRIA E COMERCIO LTDA.	(67) 3456-4200
BIG SAL IND E COM SUPRIN P NUTRICA0 ANIMAL LTDA	(69) 2183-7000
COOP. CENTRAL DOS PROD. RURAIS DE MG LTDA.	(31) 3249-3735
HORII AGROINDUSTRIAL DE MINERIOS LTDA	(67) 3268-2500
POTENSAL NUTRICA0 E SAUDE ANIMAL LTDA.	(18) 3263-9000

STAFF:

THE COMPANY HAS: 233 EMPLOYEE(S)

CONCEPT AND FULFILMENT

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THE SUBJECT IS A WELL ESTABLISHED COMPANY, OPERATING SINCE 2007. SO FAR IT HAS A CLEAR TRADE HISTORY AND NO PAYMENT PROBLEM IS NOTED.

THE COMPANY HAS TRADE RELATIONS WITH SOME LOCAL SUPPLIERS BUT UP TO DATE ONLY SMALL PAYMENTS WERE REPORTED AND THE SUBJECT IS NOT SAID TO BE USER OF TRADE CREDIT FACILITIES.

MAIN SUPPLIERS:

DOMESTIC SUPPLIERS:

ANJO QUIMICA DO BRASIL LTDA
BRASKEM S/A
CROMEX BAHIA LTDA
GERDAU COMERCIAL DE ACO S/A
INDACO IND COM LTDA
PASSATEC PASSAMANARIA TECELEGEM LTDA
PETEL MAT. DE CONSTRUÇÃO E EQUIP. LTDA
ROMAGNOLO PROD ELETRICOS LTDA

PHONE:

(48) 3461-8000
(51) 3457-5300
(11) 3856-1000
(67) 3365-6600

(67) 3351-7744

PAYMENT HISTORY:

NO PAYMENT RECORD IS REGISTERED.

FINAL OPINION

BASED ON THE OVERALL INFORMATION AVAILABLE IT IS BELIEVED THAT GOOD TRADE RELATIONS MAY BE ESTABLISHED. CREDIT FACILITIES MAY BE EXTENDED WITHIN TERMS AND AMOUNTS ADEQUATE TO THE COMPANY'S SIZE AND FINANCIAL STRENGTH.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 74.10
UK Pound	1	INR 96.99
Euro	1	INR 85.11
BRL	1	INR 19.98

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	POJ

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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)