

MIRA INFORM REPORT

Report No. :	535348
Report Date :	19.10.2018

IDENTIFICATION DETAILS

Name :	KARL MENZEL MASCHINENFABRIK GMBH & CO.
Registered Office :	Friedrichsdorfer Str. 61, D 33659 Bielefeld
Country :	Germany
Financials (as on) :	31.12.2016
Year of Establishment :	1925
Com. Reg. No.:	HRA 9784
Legal Form :	Ltd Partnership with Priv. Ltd. Company as General Partner
Line of Business :	<ul style="list-style-type: none"> • Manufacture of machinery for textile, apparel and leather production • Manufacture of other special-purpose machinery n.e.c.
No. of Employees :	74

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:

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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)
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

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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

KARL MENZEL MASCHINENFABRIK GMBH & CO.

Company Status: Active
Friedrichsdorfer Str. 61
D 33659 Bielefeld
Telephone: 0521/404140
Telefax: 0521/401531
Homepage: www.menzel-maschinenbau.de
E-mail: info@menzel.net

VAT NO.

DE126955282

COMPANY SUMMARY

LEGAL FORM: Ltd partnership with priv. ltd. company as general partner
Date of foundation: 1925
Registered on: 24.01.1955
Register of companies: Local court 33602 Bielefeld
under: HRA 9784

TOTAL CAP. CONTRIBUTION

EUR 2,000,000.00

Limited partner:

Menzel Familiengesellschaft mbH & Co. KG
Hellweg 130
D 33758 Schloß Holte-Stukenbrock
Legal form: Ltd partnership with priv. ltd.
company as general partner
Total cap. EUR 6,600,000.00
contribution:
Share: EUR 2,000,000.00
Registered on: 24.10.1996
Reg. data: 33602 Bielefeld, HRA 12469

General partner:

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KARL MENZEL BETEILIGUNGS GmbH
Friedrichsdorfer Str. 61
D 33659 Bielefeld
Legal form: Private limited company
Share capital: EUR 31,000.00
Registered on: 16.10.1996
Reg. data: 33602 Bielefeld, HRB 35600

Shareholder:

Menzel Familiengesellschaft mbH & Co. KG
Hellweg 130
D 33758 Schloß Holte-Stukenbrock
Legal form: Ltd partnership with priv. ltd.
company as general partner
Total cap. EUR 6,600,000.00
contribution:
Share: EUR 31,000.00
Registered on: 24.10.1996
Reg. data: 33602 Bielefeld, HRA 12469

Manager:

Peter Andreas Menzel
D 33758 Schloß Holte-Stukenbrock
born: 23.02.1960

Manager:

Constantin Menzel
D 33602 Bielefeld
having sole power of representation
born: 16.09.1974

BUSINESS ACTIVITIES

Main industrial sector

28940 Manufacture of machinery for textile, apparel and leather production

2899 Manufacture of other special-purpose machinery n.e.c.

FINANCIAL INFORMATION

Payment experience: No Complaints

Negative information: We have no negative information at hand.

REAL ESTATE

Type of ownership: Tenant
Address Friedrichsdorfer Str. 61
D 33659 Bielefeld

Land register documents were not available.

BANKERS

DEUTSCHE BANK, 33501 BIELEFELD
Sort. code: 48070020
BIC: DEUTDE3BXXX
SPARKASSE BIELEFELD, 33526 BIELEFELD
Sort. code: 48050161
BIC: SPBIDE3BXXX

FINANCIAL FIGURES

Gross profit or loss:2016	EUR	5,767,038.00
Profit: 2016	EUR	44,852.00
Equipment:	EUR	109,234.00
Ac/ts receivable:	EUR	2,409,762.00
Liabilities:	EUR	3,824,677.00
Employees:		74
- thereof permanent staff:		64
- Trainees:		10

BALANCE SHEETS

Balance sheet ratios 01.01.2016 - 31.12.2016
Equity ratio [%]: 19.12
Liquidity ratio: 0.89
Return on total capital [%]: 0.79

Balance sheet ratios 01.01.2015 - 31.12.2015
Equity ratio [%]: 19.07
Liquidity ratio: 0.88
Return on total capital [%]: -15.61

Balance sheet ratios 01.01.2014 - 31.12.2014

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Equity ratio [%]:	32.01
Liquidity ratio:	0.99
Return on total capital [%]:	-47.76

Balance sheet ratios 01.01.2013 - 31.12.2013

Equity ratio [%]:	39.03
Liquidity ratio:	1.51
Return on total capital [%]:	-32.72

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 dependancy 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 balancesheet:	Company balance sheet
Origin of the present balance sheet:	electronic German Federal Gazette

Financial year: 01.01.2016 - 31.12.2016

ASSETS	EUR	5,643,776.77
Fixed assets	EUR	125,549.89
Intangible assets	EUR	5,466.51
Concessions, licences, rights	EUR	5,466.51
Tangible assets	EUR	120,083.38
Land / similar rights	EUR	7,498.00
Plant / machinery	EUR	3,351.02
Other tangible assets / fixtures and fittings	EUR	109,234.36
Current assets	EUR	5,518,226.88
Stocks	EUR	1,982,312.44
Accounts receivable	EUR	2,409,762.07
Liquid means	EUR	1,126,152.37
LIABILITIES	EUR	5,643,776.77
Shareholders' equity	EUR	1,079,199.59
Provisions	EUR	739,900.00
Other / unspecified provisions	EUR	739,900.00
Liabilities	EUR	3,824,677.18
Other liabilities	EUR	3,824,677.18
Unspecified other liabilities	EUR	3,824,677.18

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thereof liabilities from tax /
financial authorities EUR 48,451.19

PROFIT AND LOSS ACCOUNT (cost-summary method) according to Comm.

Code (HGB)

Gross result (+/-)	EUR	5,767,037.63
Staff expenses	EUR	3,917,749.98
Wages and salaries	EUR	3,310,342.46
Social security contributions and expenses for pension plans and benefits	EUR	607,407.52
Total depreciation	EUR	48,475.73
Depreciation on tangible / intangible assets (incl. start-up and exp. of bus.	EUR	48,475.73
Other operating expenses	EUR	1,730,579.79
Operating result from continuing operations	EUR	70,232.13
Interest result (+/-)	EUR	-9,450.88
Interest and similar income	EUR	216.62
Interest and similar expenses	EUR	9,667.50
thereof paid to related companies	EUR	9,667.50
Financial result (+/-)	EUR	-9,450.88
Result from ordinary operations (+/-)	EUR	60,781.25
Expenses for transfer of profits to a parent company	EUR	44,851.59
Other taxes / refund of taxes	EUR	-15,929.66
Tax (+/-)	EUR	-15,929.66
Annual surplus / annual deficit	EUR	0.00

Type of balance sheet: Company balance sheet

Origin of the present
balance sheet:

electronic German Federal Gazette

Financial year: 01.01.2015 - 31.12.2015

ASSETS	EUR	5,423,623.09
Fixed assets	EUR	148,767.89
Intangible assets	EUR	2,415.51
Concessions, licences, rights	EUR	2,415.51
Tangible assets	EUR	146,352.38
Land / similar rights	EUR	8,833.00
Plant / machinery	EUR	4,107.02
Other tangible assets / fixtures and fittings	EUR	133,412.36
Current assets	EUR	5,274,855.20
Stocks	EUR	1,765,267.01
Accounts receivable	EUR	3,159,874.37
Liquid means	EUR	349,713.82

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PAGE NO. : 9

LIABILITIES	EUR	5,423,623.09
Shareholders' equity	EUR	1,034,348.00
Provisions	EUR	443,200.00
Other / unspecified provisions	EUR	443,200.00
Liabilities	EUR	3,946,075.09
Other liabilities	EUR	0.00
Unspecified other liabilities	EUR	0.00
thereof liabilities from tax /		
financial authorities	EUR	53,803.80
PROFIT AND LOSS ACCOUNT (cost-summary method) according to Comm.		
Code (HGB)		
Gross result (+/-)	EUR	4,773,723.01
Staff expenses	EUR	3,893,888.83
Wages and salaries	EUR	3,296,931.23
Social security contributions and		
expenses for pension plans and		
benefits	EUR	596,957.60
Total depreciation	EUR	47,976.28
Depreciation on tangible / intangible		
assets (incl. start-up and exp. of		
bus.	EUR	47,976.28
Other operating expenses	EUR	1,635,064.42
Operating result from continuing		
operations	EUR	-803,206.52
Interest result (+/-)	EUR	-28,817.11
Interest and similar income	EUR	353.21
Interest and similar expenses	EUR	29,170.32
thereof paid to related companies	EUR	29,097.32
Other financial result	EUR	701.40
Income from securities and loans from		
financial assets	EUR	701.40
Financial result (+/-)	EUR	-28,115.71
Result from ordinary operations (+/-)	EUR	-831,322.23
Income from assumption of loss by		
parent company	EUR	846,686.90
Income tax / refund of income tax (+/-)	EUR	-7.35
Other taxes / refund of taxes	EUR	-15,357.32
Tax (+/-)	EUR	-15,364.67
Annual surplus / annual deficit	EUR	0.00

There may have been some changes since our last research took place. Therefore, a freshly researched report will follow shortly.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.49
UK Pound	1	INR 96.87
Euro	1	INR 84.98
EUR	1	INR 84.13

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)