

MIRA INFORM REPORT

Report No. :	537208
Report Date :	26.10.2018

IDENTIFICATION DETAILS

Name :	QUALITY SRL
Registered Office :	Pza Giovannelli 52 35027 Noventa Padovana
Country :	Italy
Financials (as on) :	31.12.2017
Date of Incorporation :	18.11.2002
Com. Reg. No.:	PD0336359
Legal Form :	Limited Liability Company
Line of Business :	Wholesale of watches and jewellery
No. of Employees :	4

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 :	Satisfactory
Payment Behaviour :	Slow but Correct
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

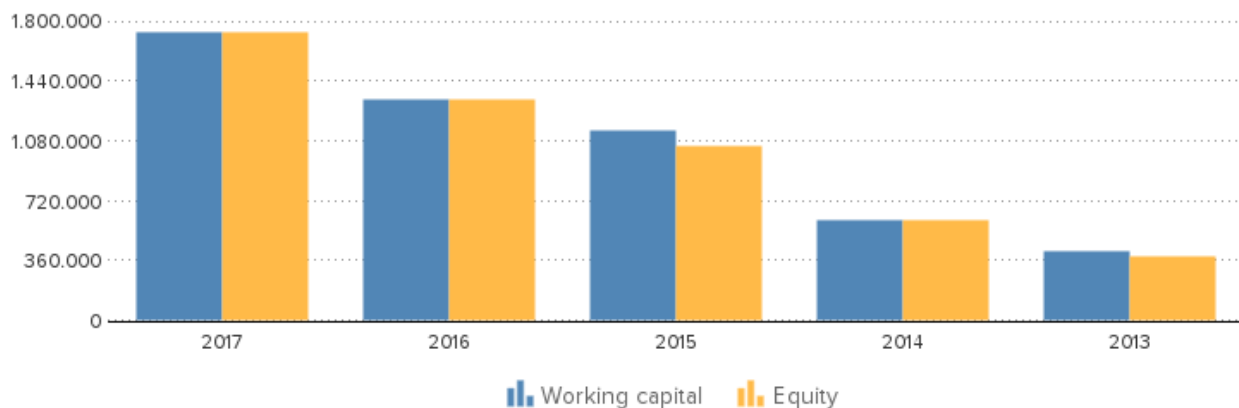
Italy's economy comprises a developed industrial north, dominated by private companies, and a less-developed, highly subsidized, agricultural south, with a legacy of unemployment and underdevelopment. The Italian economy is driven in large part by the manufacture of high-quality consumer goods produced 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

COMPANY NAME AND SUMMARY

Company name	Quality SRL				
Operative address	Pza Giovannelli 52 35027 Noventa Padovana Italy				
Status	Active				
Legal form	Limited liability company - SRL				
Registration number	Trade register number: PD0336359				
VAT-number	IT03772860288				
Year	2017	Mutation	2016	Mutation	2015
Fixed assets	14.543	-16,46	17.408	-9,93	19.328
Total receivables	744.836	6,52	699.265	-20,95	884.574
Total equity	1.731.200	30,40	1.327.621	26,49	1.049.555
Short term liabilities	169.994	-48,72	331.470	0,76	328.962
Net result	367.579	32,19	278.067	-37,85	447.395
Working capital	1.736.512	31,13	1.324.256	15,99	1.141.711
Quick ratio	7,64	116,43	3,53	-1,40	3,58



CONTACT INFORMATION

Company name	Quality SRL
Operative address	Pza Giovannelli 52 35027 Noventa Padovana Italy
Correspondence address	Pza Giovannelli 52 35027 Noventa Padovana Italy
Telephone number	+39 0492610912
Website	www.qualitysecurity.it

REGISTRATION

Registration number	Trade register number: PD0336359
VAT-number	IT03772860288
Status	Active
Establishment date	2002-11-18
Legal form	Limited liability company - SRL
Subscribed share capital	EUR 30.000

ACTIVITIES

NACE 4648: Wholesale of watches and jewellery

RELATIONS

Shareholders

ULTIMATE GLOBAL SHAREHOLDER
Name: MR MICHELE PASQUETTO
Address: VIA G. PASCOLI 6
City: STRA
Country: IT
Type: One or more named individuals or families
Share direct: 50.00%

SHAREHOLDERS
Name: MR MICHELE PASQUETTO
Address: VIA G. PASCOLI 6
City: STRA
Country: IT
Type: One or more named individuals or families
Share direct: 50.00%

Name: MR ANDREA PAOLO BETTO
Address: PIA ZZA DON RINO BRASOLA 5
City: CERVARESE SANTA CROCE
Country: IT
Type: One or more named individuals or families
Share direct: 25.00%

Name: MR GIORDANO BALLOTTA
Address: VIA P.F. CALVI 22
City: NOALE
Country: IT
Type: One or more named individuals or families

Share direct: 25.00%

MANAGEMENT

Management

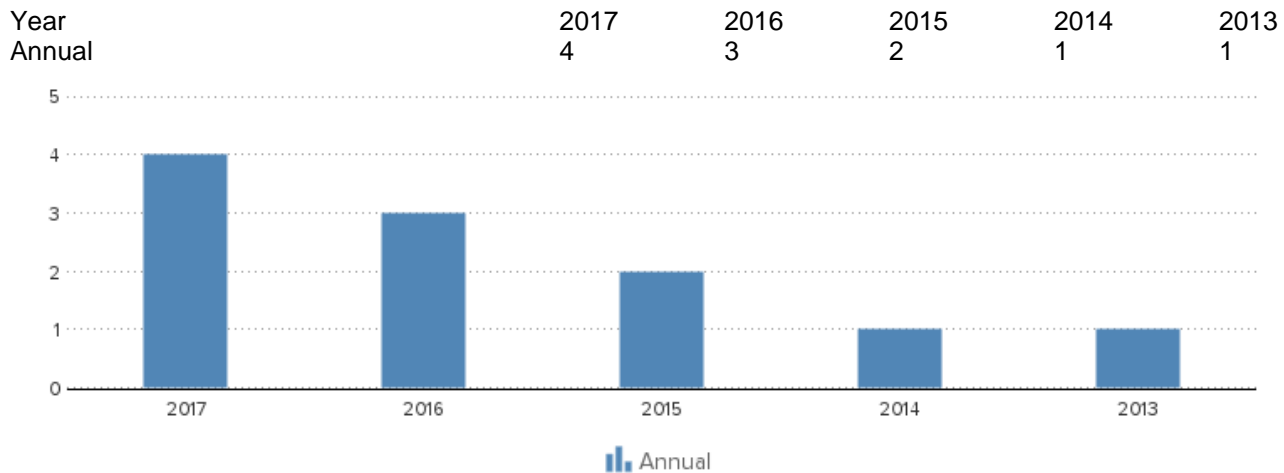
Fullname: Mr Michele Pasquetto
Type: Individual
Gender: Male
date of birth: 1965/09/08
Age: 53
Country: Italy
Number of involvements: 2
Function: Chairman of the Board of Directors
Level of responsibility: President / Chairman
Appointment date: 2011/10/10

Fullname: Mr Michele Pasquetto
Type: Individual
Gender: Male
date of birth: 1965/09/08
Age: 53
Country: Italy
Number of involvements: 2
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2011/10/10

Fullname: Mr Giordano Ballotta
Type: Individual
Gender: Male
date of birth: 1964/09/21
Age: 54
Country: Italy
Number of involvements: 2
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2011/10/10

Fullname: Mr Andrea Paolo Betto
Type: Individual
Gender: Male
date of birth: 1970/08/04
Age: 48
Country: Italy
Number of involvements: 2
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2011/10/10

EMPLOYEES



FINANCIAL ANALYSIS

Trend	Constant
Profitability	Positive
Solvability	More than sufficient
Liquidity	More than sufficient
Show amount in	Euro

KEY FIGURES

Year	2017	2016	2015	2014	2013
Quick ratio	7,64	3,53	3,58	2,77	2,21
Current ratio	11,22	5,00	4,47	3,41	2,49
Working capital/ balance total	0,90	0,79	0,77	0,69	0,58
Equity / balance total	0,90	0,79	0,70	0,69	0,55
Equity / Fixed assets	119,04	76,26	54,30	31,87	23,38
Working capital	1.736.512	1.324.256	1.141.711	598.717	410.221
Equity	1.731.200	1.327.621	1.049.555	602.161	388.208
Mutation equity	30,40	26,49	74,30	55,11	
Mutation short term liabilities	-48,72	0,76	32,21	-9,92	
Return on total assets (ROA)	26,62	23,56	43,24	35,69	39,34
Return on equity (ROE)	29,54	29,69	61,39	51,36	71,25
Gross profit margin	25,95	21,32	30,08	23,86	23,05
Net profit margin	18,28	14,90	20,41	16,55	16,66
Average collection ratio	11,83	5,63	6,67	5,20	4,15

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Average payment ratio	2,70	2,67	2,48	2,13	
Equity turnover ratio	1,16	1,41	2,09	2,15	2,95
Total assets turnover ratio	1,05	1,12	1,47	1,49	1,63
Fixed assets turnover ratio	138,24	107,22	113,44	68,40	68,97
Inventory conversion ratio	3,31	3,85	7,46	8,10	14,94
Turnover	2.010.469	1.866.404	2.192.548	1.292.624	1.144.989
Operating result	521.692	397.925	659.464	308.418	263.968
Net result after taxes	367.579	278.067	447.395	213.951	190.809
Cashflow	412.165	288.488	461.215	228.181	199.706
Gross profit	659.738	487.893		366.779	317.105
EBITDA	566.278	408.346	673.284	322.648	272.865
Summary	The 2017 financial result structure is a positive working capital of 1.736.512 euro, which is in agreement with 90 % of the total assets of the company.				

The 2017 financial result structure is a positive working capital of 1.736.512 euro, which is in agreement with 90 % of the total assets of the company.

The working capital has increased with 31.13 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

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

The current ratio of the company in 2017 was 11.22. If the current ratio exceeds 3.0, the company may not be using its current assets or its short-term financing facilities efficiently .

The quick ratio in 2017 of the company was 7.64. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

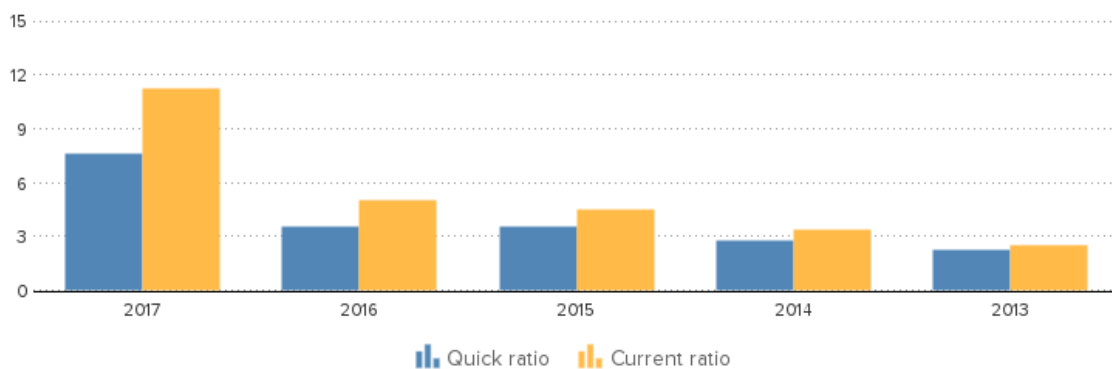
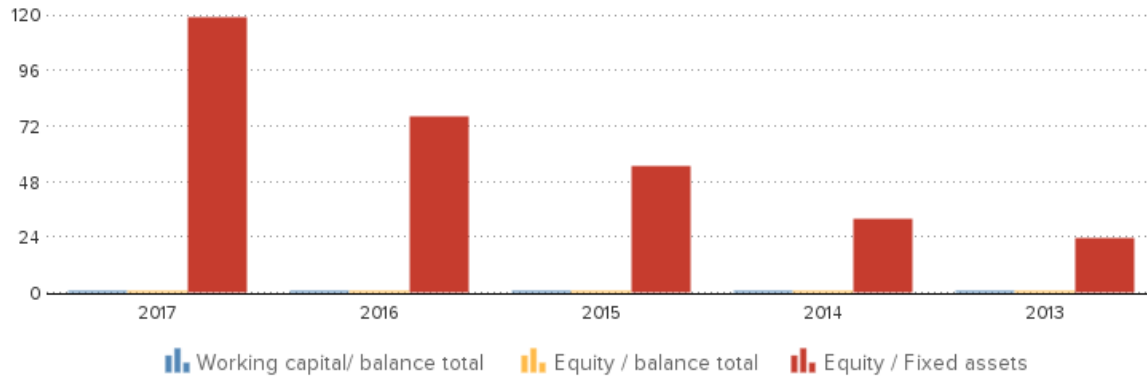
The 2016 financial result structure is a positive working capital of 1.324.256 euro, which is in agreement with 79 % of the total assets of the company.

The working capital has increased with 15.99 % 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 5. If the current ratio exceeds 3.0, the company may not be using its current assets or its short-term financing facilities efficiently .

The quick ratio in 2016 of the company was 3.53. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.



FINANCIAL STATEMENT

Last annual account	2017
Remark annual account	The company is obliged to file its financial statements.
Type of annual account	Corporate
Annual account	Quality SRL Pza Giovannelli 52 35027 Noventa Padovana 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	970	1.650	5.383	10.787	12.790
Tangible fixed assets	13.573	15.758	13.945	8.110	3.811

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Fixed assets	14.543	17.408	19.328	18.897	16.601
Total stock	608.262	485.219	293.714	159.502	76.623
Total receivables	744.836	699.265	884.574	607.366	
Liquid funds	514.702	393.166	276.371	73.951	127.373
Other current assets	38.706	78.076	16.014	6.712	482.426
Current assets	1.906.506	1.655.726	1.470.673	847.531	686.422
Total assets	1.921.049	1.673.134	1.490.001	866.428	703.023
Total equity	1.731.200	1.327.621	1.049.555	602.161	388.208
Provisions	12		101.627	8.251	33.651
Long term liabilities	19.843	14.043	9.857	7.202	4.963
Accounts payable		187.625	219.856	173.072	
Other short term liabilities	169.994	143.845	109.106	75.742	276.201
Short term liabilities	169.994	331.470	328.962	248.814	276.201
Total liabilities	1.921.049	1.673.134	1.490.001	866.428	703.023
Summary	The total assets of the company increased with 14.82 % between 2016 and 2017.				

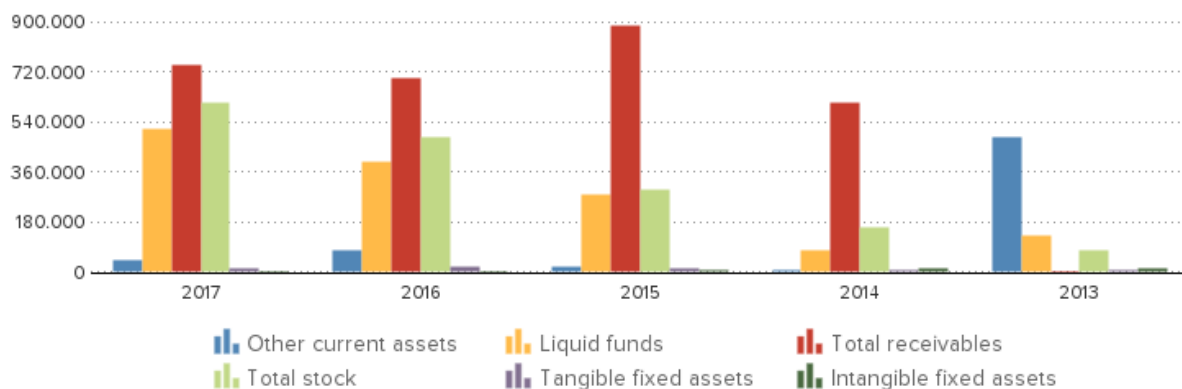
Despite the assets growth, the non current assets decreased with - 16.46 %.

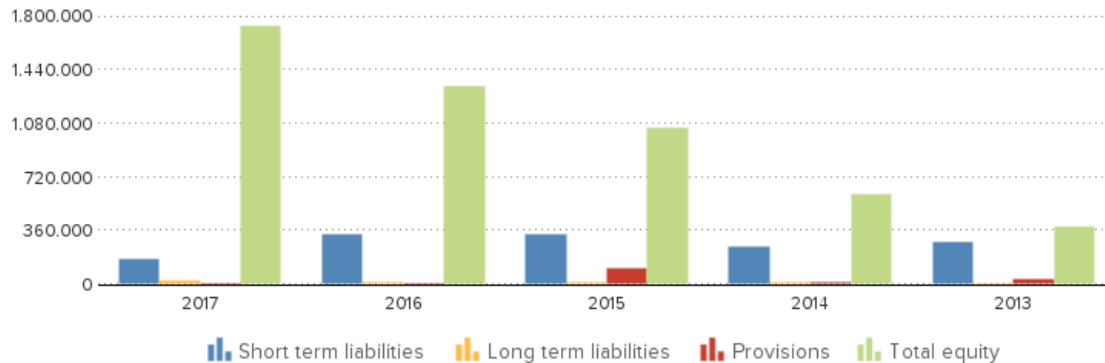
In 2017 the assets of the company were 0.76 % composed of fixed assets and 99.24 % by current assets. The assets are being financed by an equity of 90.12 %, and total debt of 9.88 %.

The total assets of the company increased with 12.29 % between 2015 and 2016.

Despite the assets growth, the non current assets decreased with - 9.93 %.

In 2016 the assets of the company were 1.04 % composed of fixed assets and 98.96 % by current assets. The assets are being financed by an equity of 79.35 %, and total debt of 20.65 %.





PROFIT AND LOSS

Year	2017	2016	2015	2014	2013
Revenues	1.955.698	1.866.404	2.192.548	1.292.624	1.144.989
Net turnover	2.010.469	1.866.404	2.192.548	1.292.624	1.144.989
Wages and salaries	103.679	83.360	57.363	43.275	43.841
Amorization and depreciation	44.586	10.421	13.820	14.230	8.897
Production costs	704.467	780.595	974.492	592.344	571.547
Operating result	521.692	397.925	659.464	308.418	263.968
Financial income	10.001	130	232	1	2
Financial expenses	20.224	3.944	15.359	-831	-12.616
Financial result	-10.223	-3.814	-15.127	832	12.618
Result on ordinary operations before taxes	511.469	394.111	644.337	309.250	276.586
Taxation on the result of ordinary activities	143.890	116.044	196.942	95.315	85.777
Result of ordinary activities after taxes	367.579	278.067	447.395	213.935	190.809
Extraordinary income				16	
Extraordinary result before taxation				16	
Net result	367.579	278.067	447.395	213.951	190.809
Summary	The turnover of the company grew with 7.72 % between 2016 and 2017.				

The operating result of the company grew with 31.1 % between 2016 and 2017. 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 12.99 % of the analysed period, being equal to 26.62 in the year 2017.

Despite the growth the assets turnover decreased, whose index evolved with -6.25 % to a level of 1.05.

The Net Result of the company increased by 32.19 % 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 0 % of the

analysed period, being 29.54 in the year 2017.

The company's financial profitability has not been affected by its financial structure.

The turnover of the company decreased by -14.88 % between 2015 and 2016.

The operating result of the company declined with -39.66 % 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 -45.51 % of the analysed period, being equal to 23.56 in the year 2016.

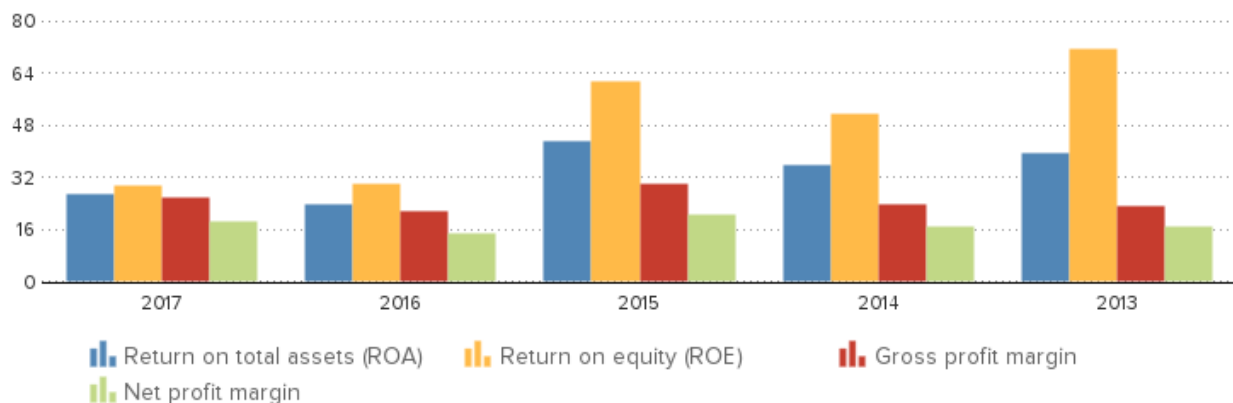
This fall has contributed to a asset turnover decrease, whose index evolved from -23.81 to a level of 1.12.

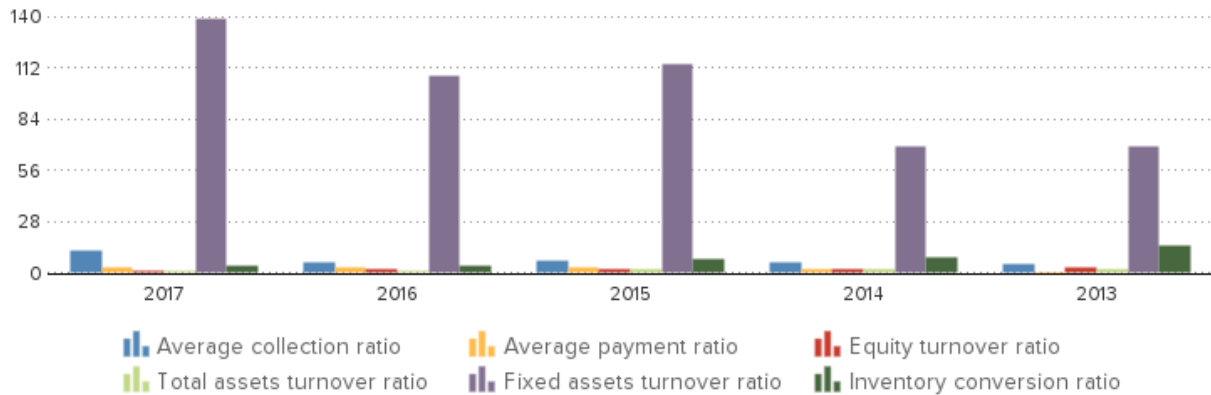
The Net Result of the company decreased by -37.85 % between 2015 and 2016.

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 -51.64 % of the analysed period, being 29.69 in the year 2016.

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





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
	Last year: 2017
	Turnover last year: 2.010.469 EUR
	Result last year: 367.579 EUR
	TOTAL assets last year: 1.921.049 EUR
	Number of employees: 4
	Number of shareholders: 3
	Number of subsidiaries: 0
	Number of branches: 0

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.27
UK Pound	1	INR 94.62
Euro	1	INR 83.65
Euro	1	INR 83.27

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

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	DNS

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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)