

MIRA INFORM REPORT

Report No. :	529281
Report Date :	18.09.2018

IDENTIFICATION DETAILS

Name :	VERALCO (CYPRUS) LIMITED
Formerly Known As :	G.G. TRADE-AIM LIMITED
Registered Office :	118 Anexartisias, Apt.201, Limassol
Country :	Cyprus
Financials (as on) :	December, 2017
Date of Incorporation :	20.09.2007
Com. Reg. No.:	C208569
Legal Form :	Limited Company
Line of Business :	Wholesale of metals and metal ores - This class includes: - wholesale of ferrous and non-ferrous metal ores - wholesale of ferrous and non-ferrous metals in primary forms - wholesale of ferrous and non-ferrous semi-finished metal products n.e.c. - wholesale of gold and other precious metals
No. of Employees :	5

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 :	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 (31.12.2017)	Current Rating (01.04.2018)
Cyprus	B2	B2

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

CYPRUS - ECONOMIC OVERVIEW

The area of the Republic of Cyprus under government control has a market economy dominated by a services sector that accounts for more than four-fifths of GDP. Tourism, finance, shipping, and real estate have traditionally been the most important services. Cyprus has been a member of the EU since May 2004 and adopted the euro as its national currency in January 2008.

During the first five years of EU membership, the Cyprus economy grew at an average rate of about 4%, with unemployment between 2004 and 2008 averaging about 4%. However, the economy tipped into recession in 2009 as the ongoing global financial crisis and resulting low demand hit the tourism and construction sectors. An overextended banking sector with excessive exposure to Greek debt added to the contraction. Cyprus' biggest two banks were among the largest holders of Greek bonds in Europe and had a substantial presence in Greece through bank branches and subsidiaries. Following numerous downgrades of its credit rating, Cyprus lost access to international capital markets in May 2011. In July 2012, Cyprus became the fifth euro-zone government to request an economic bailout program from the European Commission, European Central Bank and the International Monetary Fund - known collectively as the "Troika."

Shortly after the election of President Nikos ANASTASIADES in February 2013, Cyprus reached an agreement with the Troika on a \$13 billion bailout that triggered a two-week bank closure and the imposition of capital controls that remained partially in place until April 2015. Cyprus' two largest banks merged and the combined entity was recapitalized through conversion of some large bank deposits to shares and imposition of losses on bank bondholders. As with other EU countries, the Troika conditioned the bailout on passing financial and structural reforms and privatizing state-owned enterprises. Despite downsizing and restructuring, the Cypriot financial sector remains burdened by the largest stock of non-performing loans in the euro zone, equal to nearly half of all loans. Since the bailout, Cyprus has received positive appraisals by the Troika and outperformed fiscal targets but has struggled to overcome political opposition to bailout-mandated legislation, particularly regarding privatizations. The rate of non-performing loans (NPLs) is still very high at around 49%, and growth would accelerate if Cypriot banks could increase the pace of resolution of the NPLs.

In October 2013, a US-Israeli consortium completed preliminary appraisals of hydrocarbon deposits in Cyprus' exclusive economic zone (EEZ), which estimated gross mean reserves of about 130 billion cubic meters. Though exploration continues in Cyprus' EEZ, no additional commercially exploitable reserves have been identified. Developing offshore hydrocarbon resources remains a critical component of the government's economic recovery efforts, but development has been delayed as a result of regional developments and disagreements about exploitation methods.

Economy - overview: Even though the whole of the island is part of the EU, implementation of the EU "acquis communautaire" has been suspended in the area administered by Turkish Cypriots, known locally as the "Turkish Republic of Northern Cyprus" ("TRNC"), until political conditions permit the reunification of the island. The market-based economy of the "TRNC" is roughly one-fifth the size of its southern neighbor and is likewise dominated by the service sector with a large portion of the population employed by the government. In 2012 - the latest year for which data are available - the services sector, which includes the public sector, trade, tourism, and education, contributed 58.7% to economic output. In the same year, light manufacturing and agriculture contributed 2.7% and 6.2%, respectively. Manufacturing is limited mainly to food and beverages, furniture and fixtures, construction materials, metal and non-metal products, textiles and clothing. The "TRNC" maintains few economic ties with the Republic of Cyprus outside of trade in construction materials. Since its creation, the "TRNC" has heavily relied on financial assistance from Turkey, which supports the "TRNC" defense, telecommunications, water and postal services. The Turkish Lira is the preferred currency, though foreign currencies are widely accepted in business

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transactions. The "TRNC" remains vulnerable to the Turkish market and monetary policy because of its use of the Turkish Lira. The "TRNC" weathered the European financial crisis relatively unscathed - compared to the Republic of Cyprus - because of the lack of financial sector development, the health of the Turkish economy, and its separation from the rest of the island. The "TRNC" economy experienced growth estimated at 2.8% in 2013 and 2.3% in 2014 and is projected to grow 3.8% in 2015.

Source : CIA

BASIC INFORMATION

Registered Name	VERALCO (CYPRUS) LIMITED		
English Name	VERALCO (CYPRUS) LIMITED		
Registered Address	118 Anexartisias, Apt.201, Limassol, Cyprus		
Headquarters:	118 Anexartisias, Suite 201, Limassol, 3040, Cyprus		
Telephone	+35725746127 / +35725746214		
Fax	+35725746458		
E-mail	info@veralco.eu		
Web Site	http://www.veralco.com.eu		
Legal Type	Limited Company		
Registration No	C208569	Registration Date	20/09/2007
Start Date	20/09/2007	Years of Operation:	11
Last annual report	23/12/2013	Latest Annual Account Date	31/12/2016
Last return	23/11/2015	Tax Reg. No:	CY 10208569B
CINFO ID:	CYC23128725		
Status:	Registered and operational		

SUMMARY

Employees	September 2018 Company	December 2017 Company	December 2016 Company
Total Number	5	4	5

Financial Summary	December 2016 EUR	December 2015 EUR	December 2014 EUR
Revenue	539,267.00	430,610.00	924,973.00
Pre Tax Profit	1,916.00	16,478.00	24,993.00
Working Capital	223,124.00	226,277.00	255,858.00
Total Equity	250,137.00	248,618.00	282,624.00
Long Term Debts	-	-	-
Trend	EVEN	DOWN	-

Additional Info:

Legal Advisor: SUXESS MANAGEMENT LIMITED, 40 Kimonos, 3095, Limassol, Tel: 25342042

Correspondence: VERALCO (CYPRUS) LIMITED, 118 Anexartisias, Apt.201, Limassol, 3040, Tel: 25746127

PAYMENT RECORDS

Payment Habits:	No complaints	A check against all available information sources revealed that no late payment incidents against Subject Company exist.
Financial strength	Satisfactory	Please note that the maximum credit and financial strength is based on the Audited Financial Statements of 2016.

Auditors
TOP PRO AUDIT & TAX LIMITED

BUSINESS HISTORY

Date	Event Name	Old Value	New Value
25/10/2007	Change of name	G.G. TRADE-AIM LIMITED	VERALCO (CYPRUS) LIMITED

CAPITAL

Authorized Capital	20,000.00	EUR	Issued Capital	2,000.00	EUR
Nominal No Of Shares	20,000.00		Issued No Of Shares	2,000.00	
Nominal value	1.00	EUR	Paid Up	2,000.00	EUR

CORPORATE STRUCTURE

Directors	Position	Acts As	ID	Occupation	Age	Appointed	Other dir.
NIKOLAIDOU LOUTZINA ANNA	Director / Secretary		K00131502(Passport)	Businesswoman	33	23/11/2015	No

1 Pavlou Liasidi, Kanika Park View, Block A, Apt.202, Mesa Geitonia, 4004, Limassol, Cyprus

Other Directorship: No Information Found

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Other Shareholding: No Information Found

Secretary	Position	Acts As	ID	Occupation	Age	Appointed	Other dir.
NIKOLAIDOU LOUTZINA ANNA	Director / Secretary		K00131502(Passport)	Businesswoman	33	23/11/2015	No

1 Pavlou Liasidi, Kanika Park View, Block A, Apt.202, Mesa Geitonia, 4004, Limassol, Cyprus

Other Directorship: No Information Found

Other Shareholding: No Information Found

Shareholders	ID / Reg. No.	Acts As	Nationality	Shares	%	Shares Breakdown	Class	Type
NIKOLAIDOU LOUTZINA ANNA	K00131502(Passport)		CYPRIOT	2000	100	-	-	-

1 Pavlou Liasidi, Kanika Park View, Block A, Apt.202, Mesa Geitonia, 4004, Limassol, Cyprus

Other Directorship: No Information Found

Other Shareholding: No Information Found

OPERATION

Activity Code	Description
NACE 2.1 4672	Wholesale of metals and metal ores - This class includes: - wholesale of ferrous and non-ferrous metal ores - wholesale of ferrous and non-ferrous metals in primary forms - wholesale of ferrous and non-ferrous semi-finished metal products n.e.c. - wholesale of gold and other precious metals - - This class excludes: - wholesale of metal scrap, see 46.77

Line of Business

According to the person interviewed, the subject is involved in the trade of municipal castings and other engineering related products.

According to the subject's website, the subject provides the following products:

Our Products

- Access Cover
- Gully Gratings
- Channel Gratings
- Kerb Gully
- Surface Boxes
- Accessories & Components
- Metal Fabricated Cover
- Other rainwater & storm water drainage systems

Projects:

- The Athens Olympics 2004
- The Athens Metro
- Sewerage and Drainage project Limassol Amathus Phase I Contract A
- Paphos Sewerage and Drainage Project Phase I Contract D
- Dubai Festival City - Consult
- 714 Villas Emirates Hills 7/8 - Arif Bint oak
- Mall of Emirates - W.A.P
- Dubai Heritage Cultural - R.T.A
- British Embassy Street - R.T.A

The subject complies with the requirements of EN ISO 9001 and EN 124.

According to the subject's annual report for the year ended 31 December 2016, the principal activities of the subject are the sale of cast iron products as well as the mediation for the sale of various products. In addition, it is active in the rental and rental of offices.

Export to		Percentage
Bahrain, United Arab Emirates, Oman		
Export Terms		Percentage
Cash against documents	& credit for 30 - 90 days.	
Import from		Percentage
China, France, Greece, India, United Kingdom		
Import Terms		Percentage
Cash Against Documents	& cash upon shipment	

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Market Territory

Reportedly, the subject has both local and international presence.

Sales

Sells To: Group Companies

Selling Terms: Cash

Sells to: Companies

Purchases

Purchasing Terms: Cash

Premises

Type: Headquarters
Address: 118 Anexartias, Suite 201, Limassol, 3040, Cyprus
Headquarters comprise of: Offices
Headquarters are: Rented

Banks

BANK OF CYPRUS PUBLIC COMPANY LIMITED
51 Stasinou, Strovolos, 2002, Nicosia, Cyprus

Affiliates and Subsidiaries	Relation	Country	Year Reg.
VERALCO TRADING LIMITED	Affiliated Company	-	

CHARGES

No	Date registered	Date prepared	Type	Description/No	Amount	Sequence	Beneficiary
1	27/12/2007	17/12/2007	Floating Charge on all Company's Assets		25,000.00 CYP	-	Cyprus Popular Bank Public Co Ltd
			Total Number	Total Amount (EUR)			
			1	42,715.04			
			1	42,715.04			

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NEGATIVES

A check against our records revealed that no negative payment incidents against the subject company, such as unpaid bills or bankruptcies exist.

FINANCIAL STATEMENT

Corporate financial statement

Balance Sheet	December 2016	December 2015	December 2014
	EUR	EUR	EUR
FIXED ASSETS			
Property, plant and equipment	27,013	22,341	26,732
Intangible assets	-	-	34
Total fixed assets	27,013	22,341	26,766
CURRENT ASSETS			
Inventories	63,830	79,288	64,192
Trade and other receivables	108,374	120,695	123,821
Tax Refundable	1,366	1,434	-
Cash at bank and in hand	91,263	75,520	122,165
Total current assets	264,833	276,937	310,178
Total assets	291,846	299,278	336,944
CAPITAL AND RESERVES			
Share capital	2,000	2,000	2,000
Retained earnings	248,137	246,618	280,624
Total equity	250,137	248,618	282,624
LONG-TERM LIABILITIES			
Total long-term liabilities		0	0
CURRENT LIABILITIES			
Trade and other payables	40,566	48,865	13,380
Current income tax liabilities	-	-	1,027
Borrowings	1,143	1,795	39,913
Total Current Liabilities	41,709	50,660	54,320
Total liabilities	41,709	50,660	54,320
Total equity and liabilities	291,846	299,278	336,944

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Profit/Loss Account	December 2016	December 2015	December 2014
	EUR	EUR	EUR
Revenue	539,267	430,610	924,973
Cost of sales	483,909	353,484	788,113
Gross profit	55,358	77,126	136,860
Other Operating income	49,766	3,586	-
Selling and distribution expenses	6,328	5,990	8,252
Administrative expenses	95,131	80,948	108,309
OPERATING PROFIT/LOSS	3,665	-6,226	20,299
Finance Income	459	25,076	8,030
Finance costs	2,208	2,372	3,336
Profit/Loss before income tax	1,916	16,478	24,993
Tax	397	-429	3,728
Profit/Loss for the year	1,519	16,907	21,265

Key Ratios	December 2016	December 2015	December 2014
PROFITABILITY RATIOS			
Gross Profit margin on sales	0.1	0.18	0.15
Return on assets (ROA)	0.01	0.06	0.06
LIQUIDITY RATIOS			
Current Ratio	6.35	5.47	5.71
TURNOVER RATIOS			
Sales to Net Working Capital Ratio	2.42	1.9	3.62
Total assets turnover (times)	1.85	1.44	2.75
Debtors days outstanding	73.35	102.31	48.86
Creditors days outstanding	30.60	50.46	6.20
Inventory Turnover	8.45	5.43	14.41

2016 vs 2015

Revenue	25.23%
Cost of sales	36.90%
Gross profit	-28.22%
Selling & Distribution Expenses	5.64%
Admin. Expenses	17.52%
Profit before taxation	-88.37%
Property, plant and equipment	20.91%
Inventories	-19.50%

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Trade and other receivables	-10.21%
Trade and other payables	-16.98%
Cash at bank and in hand	20.85%
Retained Earnings	0.62%
Other Operating income	1287.79%
Borrowings	-36.32%
Net Cash Flow from Operations for 2016 is €30,883	0.26%

Please note that the majority of Trade and Other Receivables for the year 2016 refer to Deposits and Prepayments for the amount of €58,044:

2016	
€	
Trade receivables	30,643
Receivables from associated companies	7,048
Deposits and Prepayments	58,044
Other receivables	12,639
	108,374

The fair values of trade and other receivables due within one year approximate to their carrying amount as presented above.

Please note that the majority of Trade and other Payables for the year 2016 refer to:

2016	
€	
Clients' prepayments	14,287
Value Added Tax	6,914
Shareholders' current accounts – credit balances	3,512
Accruals	4,353
Rent owing	4,300
Prepayments of rent receivables	7,200
	40,566

Shareholders' current accounts – credit balances do not bear interest and have no predetermined repayment date.

The fair values of trade and other payables due within one year approximate to their carrying amount as presented above.

Please note that the Short term Borrowings for the year 2016 refer to:

2016

€

Short term-Borrowings
Bank overdrafts

1,143

In addition bank loans and overdrafts are secured as follows:

Personal guarantees of the company's directors/shareholders.

ADDITIONAL INFORMATION

We contacted the subject where we talked with Mr. Gavriel Groutides, Company Manager, who confirmed us the information regarding the subject company. In addition, he asked for written request to send us any recent audited financial statements and the name of the ultimate recipient of this report. A request was forwarded to the subject but until now, we have received no reply. Should any additional information become available, we will provide you with a revised report.

Please note that the Annual report for the year 2016 was obtained from Official Sources

Contact Information

Name: Mr. Gavriel Groutides
Position: company
Title: manager

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.55
UK Pound	1	INR 94.94
Euro	1	INR 84.39
Euro	1	INR 84.95

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)