

## MIRA INFORM REPORT

<b>Report No. :</b>	531414
<b>Report Date :</b>	22.09.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	ELTEK POLAND SP. Z O.O.
<b>Registered Office :</b>	Komorowicka 47 43-300 Bielsko-Biala
<b>Country :</b>	Poland
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	01.01.2004
<b>Com. Reg. No.:</b>	0000213358
<b>Legal Form :</b>	Limited liability company - Sp. z.o.o.
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>• Manufacture of electric domestic appliances</li> <li>• Subject is engaged in the production of components for the appliance sector</li> </ul>
<b>No. of Employees :</b>	249 (2017)

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A+
------------------------	----

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular
<b>Litigation :</b>	Clear

#### NOTES :

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Poland	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

**POLAND - ECONOMIC OVERVIEW**

Poland has the sixth-largest economy in the EU and has long had a reputation as a business-friendly country with largely sound macroeconomic policies. Since 1990, Poland has pursued a policy of economic liberalization. During the 2008-09 economic slowdown Poland was the only EU country to avoid a recession, in part because of the government's loose fiscal policy combined with a commitment to rein in spending in the medium-term Poland is the largest recipient of EU development funds and their cyclical allocation can significantly impact the rate of economic growth.

The Polish economy performed well during the 2014-17 period, with the real GDP growth rate generally exceeding 3%, in part because of increases in government social spending that have helped to accelerate consumer-driven growth. However, since 2015, Poland has implemented new business restrictions and taxes on foreign-dominated economic sectors, including banking and insurance, energy, and healthcare, that have dampened investor sentiment and has increased the government's ownership of some firms. The government reduced the retirement age in 2016 and has had mixed success in introducing new taxes and boosting tax compliance to offset the increased costs of social spending programs and relieve upward pressure on the budget deficit. Some credit ratings agencies estimate that Poland during the next few years is at risk of exceeding the EU's 3%-of-GDP limit on budget deficits, possibly impacting its access to future EU funds. Poland's economy is projected to perform well in the next few years in part because of an anticipated cyclical increase in the use of its EU development funds and continued, robust household spending.

Poland faces several systemic challenges, which include addressing some of the remaining deficiencies in its road and rail infrastructure, business environment, rigid labor code, commercial court system, government red tape, and burdensome tax system, especially for entrepreneurs. Additional long-term challenges include diversifying Poland's energy mix, strengthening investments in innovation, research, and development, as well as stemming the outflow of educated young Poles to other EU member states, especially in light of a coming demographic contraction due to emigration, persistently low fertility rates, and the aging of the Solidarity-era baby boom generation.

Source : CIA

## **SUMMARY**

<b>Company name</b>	<b>Eltek Poland Sp. z o.o.</b>
<b>Operative address</b>	Komorowicka 47 43-300 Bielsko-Biala Poland
<b>Status</b>	Active
<b>Specification</b>	This company can meet all its obligations.
<b>Legal form</b>	Limited liability company - Sp. z.o.o.
<b>Registration number</b>	Trade register number: 0000213358
<b>VAT-number</b>	PL9372423776

Year	2017	Mutation	2016	Mutation	2015
Fixed assets	6.019.705	17,74	5.112.818	0,18	5.103.450
Total receivables	5.423.555	16,19	4.667.682	2,58	4.550.370
Total equity	7.086.261	41,30	5.014.983	68,02	2.984.841
Short term liabilities	6.408.436	50,38	4.261.363	-14,29	4.971.596
Net result	1.794.678	-16,03	2.137.378	63,53	1.307.001
Working capital	5.607.741	10,91	5.056.296	65,42	3.056.654
Quick ratio	1,27	-18,06	1,55	38,39	1,12

## **CONTACT INFORMATION**

<b>Company name</b>	Eltek Poland Sp. z o.o.
<b>Operative address</b>	Komorowicka 47 43-300 Bielsko-Biala Poland
<b>Correspondence address</b>	Komorowicka 47 43-300 Bielsko-Biala Poland
<b>Telephone number</b>	+48 33 8195560
<b>Fax number</b>	+48 33 8195570
<b>Email address</b>	epoland@eltekgroup.com
<b>Website</b>	www.eltekgroup.it

## **REGISTRATION**

<b>Registration number</b>	Trade register number: 0000213358
<b>VAT-number</b>	PL9372423776

Status	Active
Establishment date	2004-01-01
Legal form	Limited liability company - Sp. z.o.o.
Subscribed share capital	PLN 5.000.000

## **ACTIVITIES**

NACE	2751: Manufacture of electric domestic appliances
Goal	Engaged in the production of components for the appliance sector

## **RELATIONS**

Shareholders	ULTIMATE GLOBAL SHAREHOLDER Name: MRS BARBARA SASSONE Address: CAS CINA CORNACCHIA 55 City: ROSIGNANO MONFERRATO Country: IT Type: One or more named individuals or families
	ULTIMATE DOMESTIC SHAREHOLDER Name: ELTEK POLAND SP. Z O.O. National id number: 0000213358 Address: Komorowicka 47 City: BIELSKO-BIALA Country: PL Phone: +48 33 8195560 Fax: +48 33 8195570 Website: <a href="http://www.eltekgroup.it">www.eltekgroup.it</a> Type: Corporate Share direct: 100.00% Share total: 100.00% Turnover: 25.47320175 mil. PLN Total assets: 18.03552713 mil. PLN Profit loss before tax: 10.12200115 mil. PLN Profit loss after tax net income: 7.4930001 mil. PLN Shareholders funds: 29.58600083 mil. PLN
	SHAREHOLDERS Name: ELTEK - S.P.A. National id number: AL0128495 Address: STR VALENZA 5/A City: CASALE MONFERRATO

Country: IT  
Phone: +39 0142335511  
Website: [www.eltekgroup.it](http://www.eltekgroup.it)  
Type: Corporate  
Share direct: 99.00%  
Turnover: 151.34244059 mil. PLN  
Total assets: 109.44886461 mil. PLN  
Profit loss before tax: 41.80205706 mil. PLN  
Profit loss after tax net income: 32.27846453 mil. PLN  
Shareholders funds: 110.41873311 mil. PLN  
Number of employees: 1105

**Branches**

Name: ELTEK POLAND SP. ZO. O  
National id number: 09.384.078/0001-21  
Country: BR

## **MANAGEMENT**

**Management**

Fullname: Mr Aleksander Gurgul  
Type: Individual  
Gender: Male  
Number of involvements: 1  
Function: President  
Level of responsibility: Highest executive

## **EMPLOYEES**

Year	2017	2016
Annual	249	239

## **FINANCIAL ANALYSIS**

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

## KEY FIGURES

Year	2017	2016	2015	2014	2013
Quick ratio	1,27	1,55	1,12	1,07	0,96
Current ratio	1,88	2,19	1,61	1,49	1,38
Working capital/ balance total	0,31	0,35	0,23	0,23	0,21
Equity / balance total	0,39	0,35	0,23	0,17	0,07
Equity / Fixed assets	1,18	0,98	0,58	0,55	0,27
Working capital	5.607.741	5.056.296	3.056.654	2.282.711	1.991.406
Equity	7.086.261	5.014.983	2.984.841	1.673.519	636.277
Mutation equity	41,30	68,02	78,36	163,02	
Mutation short term liabilities	50,38	-14,29	7,65	-12,93	
Return on total assets (ROA)	13,44	18,79	12,69	14,15	14,49
Return on equity (ROE)	34,21	54,06	55,84	84,18	220,81
Gross profit margin	10,01	14,48	10,34	8,60	9,86
Net profit margin	7,05	10,61	6,80	5,91	6,67
Average collection ratio	3,98	4,73	3,87	3,86	3,17
Average payment ratio	4,70	4,32	4,22	4,30	5,13
Equity turnover ratio	3,59	4,02	6,44	10,65	26,46
Total assets turnover ratio	1,41	1,40	1,46	1,79	1,74
Fixed assets turnover ratio	4,23	3,94	3,77	5,83	7,01
Inventory conversion ratio	6,59	7,39	7,83	9,13	7,61
Turnover	25.474.469	20.145.284	19.219.816	17.816.423	16.833.785
Operating result	2.550.585	2.916.195	1.987.461	1.532.846	1.660.147
Net result after taxes	1.794.678	2.137.378	1.307.001	1.052.819	1.123.296
Cashflow	2.433.462	2.645.391	1.721.399	1.369.862	1.405.203
Gross profit	6.058.027	5.381.125	4.292.313	3.660.793	3.468.109
EBITDA	3.189.368	3.424.208	2.401.859	1.849.889	1.942.054

### Summary

The 2017 financial result structure is a positive working capital of 5.607.741 euro, which is in agreement with 31 % of the total assets of the company.

The working capital has increase with 10.91 % compared to previous year. The ratio with respect to the total assets of the company has however, declined.

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

The current ratio of the company in 2017 was 1.88. 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 1.27. 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 5.056.296 euro, which is in agreement with 35 % of the total assets of the company.

The working capital has increased with 65.42 % 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 2.19. 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 1.55. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

## **FINANCIAL STATEMENT**

<b>Auditor</b>	Name: Marcin Gora ( 4AUDYT SPOLKA Z O.O )
<b>Last annual account</b>	2017
<b>Remark annual account</b>	The company is obliged to file its financial statements.
<b>Type of annual account</b>	Corporate
<b>Annual account</b>	<b>Eltek Poland Sp. z o.o.</b> Komorowicka 47 43-300 Bielsko-Biala Poland

## **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	9.341	7.945	9.654	11.742	9.870
Tangible fixed assets	5.906.655	4.999.548	4.992.316	2.902.238	2.235.276
Other fixed assets	103.710	105.325	101.716	142.552	155.518
Fixed assets	6.019.705	5.112.818	5.103.450	3.056.297	2.400.906
Total stock	3.865.516	2.725.974	2.453.188	1.950.403	2.210.721
Total receivables	5.423.555	4.667.682	4.550.370	4.138.706	3.282.739
Liquid funds	2.718.244	1.914.923	1.004.208	797.305	1.106.444

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Other current assets	8.862	8.853	20.484	14.561	695.740
Current assets	12.016.177	9.317.659	8.028.250	6.900.975	7.295.643
Total assets	18.035.883	14.430.477	13.131.700	9.957.273	9.696.549
Total equity	7.086.261	5.014.983	2.984.841	1.673.519	636.277
Provisions	1.258.886	478.958	139.859	162.044	261.685
Long term liabilities	3.282.300	4.675.173	5.035.404	3.503.446	3.494.349
Accounts payable	5.029.075	3.267.355	4.253.699	4.058.154	4.331.404
Liabilities towards credit institutes	719	681	942	3.758	2.407
Other short term liabilities	1.378.643	993.327	716.955	556.587	970.185
Short term liabilities	6.408.436	4.261.363	4.971.596	4.618.264	5.304.237
Total liabilities	18.035.883	14.430.477	13.131.700	9.957.273	9.696.549

**Summary**

The total assets of the company increased with 24.98 % between 2016 and 2017.

The fixed asset growth of 17.74 % is lower than the total asset growth.

In 2017 the assets of the company were 33.38 % composed of fixed assets and 66.62 % by current assets. The assets are being financed by an equity of 39.29 %, and total debt of 60.71 %.

The total assets of the company increased with 9.89 % between 2015 and 2016.

In 2016 the assets of the company were 35.43 % composed of fixed assets and 64.57 % by current assets. The assets are being financed by an equity of 34.75 %, and total debt of 65.25 %.

**PROFIT AND LOSS**

Year	2017	2016	2015	2014	2013
Revenues	25.387.286	20.027.474	19.062.533	16.891.361	15.516.693
Net turnover	25.474.469	20.145.284	19.219.816	17.816.423	16.833.785
Wages and salaries	2.904.826	2.056.114	2.117.667	1.852.002	1.679.166
Amorization and depreciation	638.784	508.013	414.398	317.043	281.907
Production costs	15.626.851	12.071.780	12.323.154	11.363.536	10.896.881
Operating result	2.550.585	2.916.195	1.987.461	1.532.846	1.660.147
Financial income	240	227			
Financial expenses	126.463	204.976	320.923	124.234	255.185
Financial result	-125.984	-204.976	-320.923	-123.999	-254.944
Result on ordinary operations before taxes	2.424.361	2.711.219	1.666.774	1.408.846	1.404.962
Taxation on the result of ordinary activities	629.922	573.841	359.773	356.028	281.907
Result of ordinary activities after taxes	1.794.678	2.137.378	1.307.001	1.052.819	1.123.296
Net result	1.794.678	2.137.378	1.307.001	1.052.819	1.123.296

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

## Summary

The turnover of the company grew with 26.45 % between 2016 and 2017.

The operating result of the company declined with -12.54 % 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 -28.47 % of the analysed period, being equal to 13.44 in the year 2017.

Despite the decline the assets turnover did not change, the index remained the same at 1.41.

The Net Result of the company decreased by -16.03 % 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 -36.72 % of the analysed period, being 34.21 in the year 2017. The company's financial profitability has been positively affected by its financial structure.

The turnover of the company grew with 4.82 % between 2015 and 2016.

The operating result of the company grew with 46.73 % 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 48.07 % of the analysed period, being equal to 18.79 in the year 2016.

Despite the growth the assets turnover decreased, whose index evolved with -4.11 % to a level of 1.4.

The Net Result of the company increased by 63.53 % 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 -3.19 % of the analysed period, being 54.06 in the year 2016.

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

## **COUNTRY INFORMATION**

Population	38.0 million
Country risk	Low
Company risk	Low

## **PUBLICATIONS**

Remarks	Status: Active Category: Large company Last year: 2017 Turnover last year: 25.474.469 EUR Result last year: 1.794.678 EUR TOTAL assets last year: 18.035.883 EUR Number of employees: 249 Number of shareholders: 1 Number of subsidiaries: 0 Number of branches: 1
---------	--

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.85
UK Pound	1	INR 95.15
Euro	1	INR 84.68
PLN	1	INR 19.75

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

**INFORMATION DETAILS**

Analysis Done by :	PRI
Report Prepared by :	TRU

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**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)