

## MIRA INFORM REPORT

<b>Report No. :</b>	525259
<b>Report Date :</b>	17.08.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	EAST WEST MARKETING (PRIVATE) LIMITED
<b>Registered Office :</b>	# 297/2, George R De Silva Mawatha, Colombo 13
<b>Country :</b>	Sri Lanka
<b>Date of Incorporation :</b>	08.08.1991
<b>Com. Reg. No.:</b>	N (PVS) 7959
<b>Legal Form :</b>	Private Limited Liability
<b>Line of Business :</b>	Manufacturers, Importer and Distributor of FMCG Items.
<b>No. of Employees :</b>	260

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	Slow but Correct
<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.

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**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Sri Lanka	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

**SRI LANKA - ECONOMIC OVERVIEW**

Sri Lanka is attempting to sustain economic growth while maintaining macroeconomic stability under the IMF program it began in 2016. The government's high debt payments and bloated civil service, which have contributed to historically high budget deficits, remain a concern. Government debt is about 79% of GDP and remains among the highest of the emerging markets. In the coming years, Sri Lanka will need to balance its elevated debt repayment schedule with its need to maintain adequate foreign exchange reserves.

In May 2016, Sri Lanka regained its preferential trade status under the European Union's Generalized System of Preferences Plus, enabling many of its firms to export products, including its top export garments, tax free to the EU. In 2017, Parliament passed a new Inland Revenue Act in an effort to increase tax collection and broaden the tax base in response to recommendations made under its IMF program. In November 2017, the Financial Action Task Force on money laundering and terrorist financing listed Sri Lanka as non-compliant, but reported subsequently that Sri Lanka had made good progress in implementing an action plan to address deficiencies.

Tourism has experienced strong growth in the years since the resolution of the government's 26-year conflict with the Liberation Tigers of Tamil Eelam. In 2017, the government promulgated plans to transform the country into a knowledge-based, export-oriented Indian Ocean hub by 2025.

Source : CIA

## ***COMPANY PROFILE***

### **01) Basic Information**

- |                                |  |
|--------------------------------|--|
| a. Name of Subject of Inquiry  | <b>EAST WEST MARKETING (PRIVATE) LIMITED</b>   |
| b. Legal Form & Status         | <b>Private Limited Liability Company (In Operation)</b>  |
| c. Chairman                    | <b>Mr Jayantha Dharmadasa</b>  |
| d. Primary Line of Business    | <b>Manufacturers, Importer and Distributor of FMCG Items</b>   |
| e. Principal Place of Business | <b># 297/2, George R De Silva Mawatha, Colombo 13,<br/>Sri Lanka.<br/>Tel. No: (00 94 11) 7 441 111<br/>Fax. No: (00 94 11) 2 331 435<br/>E-Mail: <a href="mailto:eastwest@ewm.lk">eastwest@ewm.lk</a><br/>Web Site: <a href="http://www.ewm.lk">http://www.ewm.lk</a></b> |
| f. Employees                   | <b>260 Approximately</b>   |

## ***COMPANY DETAILS***

- |  |  |                                    |
|--|--|------------------------------------|
| a. Registration No   | <b>N (PVS) 7959</b>  |                                    |
| Date of Registration   | <b>08<sup>th</sup> August 1991</b>                                       |                                    |
| b. Re-registration No  | <b>PV 1335</b>   |                                    |
| Date of Re-registration  | <b>05<sup>th</sup> December 2007</b>                                     |                                    |
| c. Registered Office   | <b># 297/2, George R De Silva Mawatha, Colombo 13, Sri Lanka</b>         |                                    |
| d. Director Board / Ownership<br>As At<br>10 <sup>th</sup> November 2017 | <b>Hewa Komanage Jayantha Dharmadasa</b><br><b>Tracy Dian Dharmadasa</b> | <b>Director</b><br><b>Director</b> |

	<b>Ugitha Harshith Dharmadasa</b>	<b>Director</b>
e. Sated Share Capital	<b>LKR 50,000,000.00</b>	
f. No. of Shares	<b>5,000,000</b>	
g. Preferential Shares	<b>NA</b>	
h. Nominal Value of Share	<b>LKR 10.00</b>	
i. Auditors	<b>Abeyesinghe &amp; Company # 236 – 1/1, Thimbirigasyaya Road, Colombo 05</b>	
j. Company Secretaries	<b>Corporate Arcade Ltd # 9/1, Edmonton Road, Kirulapona, Colombo 06, Sri Lanka.</b>	
k. Main Bank/s	<b>Commercial Bank of Ceylon PLC</b>	

## ***SHAREHOLDERS***

NO.	NAME	NUMBER OF SHARES
1.	<b>Ugitha Harshith Dharmadasa</b>	<b>5,000,000</b>

## ***FINANCIAL DETAILS***

Most recent available Financial Information  
NA

## ***CURRENT INVESTIGATION***



### **Company Logo**

### **History.**

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The subject company was initially formed on **08<sup>th</sup> August 1991** under **N (PVS) 7959** under the Companies Act of Sri Lanka. The subject company was subsequently Re-registered on **05<sup>th</sup> December 2007** under **PV 1335** under the Companies Act No 7, of 2007 as per the mandatory regulations of Sri Lanka.

**Caption**

The Company's distribution focus was initiated with a young, dynamic and highly motivated team. The growth was dramatic with enhanced top and bottom lines. All these resulted in the incorporation of a limited liability company on 8th August 1991. Thus East West Marketing (Private) Limited was established. In mid-1993 when Palm Oil drove the growth of the cooking oil category to an unprecedented momentum we took the initiative of positioning our own brand of Palm Oil in addition to edible oils such as Vegetable, Soya, Sunflower and Corn Oil, bringing more growth.

With EWM's visionary leadership, Turkey brand became a household and a flagship brand name for cooking oil in Sri Lanka. Since then the company has launched a number of leading brands in the FMCG, and Bakery Products categories.

Nawaloka Holdings, a leading diversified conglomerate in Sri Lanka, entered the FMCG sector through its recent acquisition of East West Marketing (EWM) in September 2015. The Chairman of Nawaloka Holdings Jayantha Dharmadasa said, "Nawaloka has always been associated with quality. We have proven this over and over again in the past 70 years. And with the recent acquisition of EWM we continue in this great tradition of supplying quality products to the market at affordable prices."

EWM is listed in all Modern Trade Outlets such as Arpico, Keells, Cargills, Laughs etc in Sri Lanka.

**Operational Details.**

**General**

The subject company was bought over by Nawaloka Group, which is a well reputed business conglomerate in Sri Lanka into many diverse industry segments such as Aviation, Construction, Health and Medical, Pharmaceuticals, FMCG, Leisure etc.. and is among the top companies in Sri Lanka. The subject company was bought by Nawaloka Constructions Co. (Pvt) Ltd. In 2015 adding more strength and power to its business. The company has its own marketing and distribution networks and uses modern and general trade along with niche market products targeting bakers and bakery owners for its range of bakery items.

**Products**

Milk Powder, Vegetable Oil, Palm Oil, Cooking Oil, Soya Oil, Sunflower Oil, Coconut Oil, Soya, Yeast, Bakery Products, Cheese, Milk, Rice, Sauce, Vinegar, Noodles, Mustad, Margarine, TVP, Flour, Fruit Nectar, Canned Fish, Tea,

**FMCG SBU**



**Turkey Brand Cooking Oil is the No. 1 in Sri Lanka in the premium quality bottled oil category. The varieties are: Vegetable Oil, Sunflower Oil, Soya Bean Oil, Corn Oil, Canola Oil.Coconut Oil**

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**Turkey Food: Noodles, Sauce & Vinegar, Canned Fish, TVP, Margarine & Vegetable Fat, Flour, Cool Fruit Nectar, Basmathi Rice, Others**



**Melbourne Cheese: Processed Cheese, Sandwich Slices, Cheese Slices, Cheddar Cheese**



**Bakery SBU**



**Bakery Ingredients : Turkey Brand Products, Bake Rich Brand Products, Saf and Nevada Yeast, Bake Choc Flavours, Magimix Bread Improver**

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**Bakery Equipment: Cake Mixer, Spiral Mixer, Dough Moulder, Bun Divider and Rounder, Deck Oven, Bread Slicer,**  
**Employees**  
260 Approximately

**Export Countries**

NA

**Import Countries**

France, New Zealand, Australia, Singapore

**Associate / Subsidiary Companies**

Nawaloka Construction Co. (Pvt) Ltd  
Nawaloka Holdings

**Factory / Warehouse Complex**

**Warehouse Complex:**

242/1, Canal Road, Elakanda Hendala, Wattala, Sri Lanka.

**Factory Complex:**

No.101/9, Negombo Road, Peliyagoda, Sri Lanka.

## ***PERSONAL DETAILS OF KEY PERSONS***

**Director 1**

ITEM

Name

DETAIL

**Hewa Komanage Jayantha Dharmadasa**

ID Number

**483122195V**

Nationality

**Sri Lankan**

Gender

**Male**

Date of Birth

**07<sup>th</sup> November 1948**

Age

**69 Years**

Address

**# 7, Longdon Terrace, Colombo 07**

**Director 2**

ITEM

DETAIL

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Name **Tracy Dian Dharmadasa**  
ID Number **816793203V**  
Nationality **Sri Lankan**  
Gender **Female**  
Date of Birth **27<sup>th</sup> June 1981**  
Age **37 Years**  
Address **# 66/9B, Green Path, Colombo 03**

**Director 3**

ITEM **DETAIL**  
Name **Ugitha Harshith Dharmadasa**  
ID Number **741191415V**  
Nationality **Sri Lankan**  
Gender **Male**  
Date of Birth **28<sup>th</sup> April 1974**  
Age **44 Years**  
Address **# 7, Longdon Terrace, Colombo 07**

***INFORMATION DECLINED***

**Management non-cooperative (Tel No.:00094117-441111 / 0009411-23331435)**

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.22
UK Pound	1	INR 89.36
Euro	1	INR 79.97
LKR	1	INR 0.44

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

**INFORMATION DETAILS**

<b>Information Gathered by :</b>	TEJ
<b>Analysis Done by :</b>	VIV
<b>Report Prepared by :</b>	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)