

## MIRA INFORM REPORT

<b>Report No. :</b>	545474
<b>Report Date :</b>	24.12.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	IRIS FABRICS LTD.
<b>Registered Office :</b>	Civil Sarwar Complex (5 <sup>th</sup> & 6 <sup>th</sup> Floor), Plot# 42/A, Road# 17, Sector# 14, Uttara, Dhaka-1230
<b>Country :</b>	Bangladesh
<b>Financials (as on) :</b>	30.06.2017 [Summarized]
<b>Date of Incorporation :</b>	11.10.2005
<b>Com. Reg. No.:</b>	C-59314
<b>Legal Form :</b>	Public (but not listed)
<b>Line of Business :</b>	Manufacturer, Knitting, Dyeing, Exporter, Printing and Importer of Cotton Blended Fabrics, Dyeing, T-Shirts, Polo Shirts, Vest, Lingerie.
<b>No. of Employees :</b>	2300

**RATING & COMMENTS**

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

**MIRA's Rating :**

A

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.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Bangladesh	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

**BANGLADESH - ECONOMIC OVERVIEW**

Bangladesh's economy has grown roughly 6% per year since 2005 despite prolonged periods of political instability, poor infrastructure, endemic corruption, insufficient power supplies, and slow implementation of economic reforms. Although more than half of GDP is generated through the services sector, almost half of Bangladeshis are employed in the agriculture sector, with rice as the single-most-important product.

Garments, the backbone of Bangladesh's industrial sector, accounted for more than 80% of total exports in FY 2016-17. The industrial sector continues to grow, despite the need for improvements in factory safety conditions. Steady export growth in the garment sector, combined with \$13 billion in remittances from overseas Bangladeshis, contributed to Bangladesh's rising foreign exchange reserves in FY 2016-17.

The recent influx of over 700,000 additional refugees from Burma will place pressure on the Bangladeshi government's budget and the country's rice supplies, which declined in 2017 in part because of record flooding. Recent improvements to energy infrastructure, including the start of liquefied natural gas imports in 2018, represent a major step forward in resolving a key growth bottleneck.

Source : CIA

## **COMPANY NAME**

IRIS FABRICS LTD.

## **EXECUTIVE SUMMARY**

### **IDENTIFICATION DETAILS**

**Correct company Name** : Iris Fabrics Ltd.  
**Head Office** : Civil Sarwar Complex (5<sup>th</sup> & 6<sup>th</sup> Floor), Plot# 42/A, Road# 17,  
Sector# 14, Uttara, Dhaka-1230, Bangladesh.  
**Tel No** : 88-02-7914886, 7914896  
**Fax No** : 88-02-9860062  
**E-mail** : info@irisgroupbd.com, admin@irisgroupbd.com,  
**Website** : www.irisgroupbd.com  
**Date/ Year of** : 11.10.2005  
**Incorporation**  
**Incorporation No.** : C-59314  
**Legal Form (General)** :  Public Listed Co  Public (but not listed)  Private Co  State-  
owned Co  
 Sole Proprietorship  Partnership  Not Registered  
 others (please specify) \_\_\_\_\_  
**Legal form (Specific)** :  LTD  CORP  INC  CO  
 others (please specify) \_\_\_\_\_  
**Issuing Authority** :  Registrar of Joint Stock Companies & Firms  City Corporation  
 Municipal Administration  Union Council  
 Cantonment Board  Chief Controller of Import  
& Export (CCIE)

## **OTHER REGISTRY & CERTIFICATION DETAILS**

**Taxpayer's Identification No** : 171416323568 **Date of Registration** : N/A  
**(TIN)**  
**Issuing Authority** : National Board of Revenue  
**Value Added Tax(VAT) No** : 000203465 **Date of Registration** : N/A  
**Issuing Authority** : National Board of Revenue  
**Import Registration Certificate No** : Ba-0174163 **Date of Registration** : N/A  
**Issuing Authority** : Chief Controller of Import & Export (CCIE)  
**Export Registration certificate No** : Ra-0083149 **Date of Registration** : N/A

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Issuing Authority : Chief Controller of Import & Export (CCIE)  
 Trade License No : 82 Date of Registration : N/A  
 Issuing Authority : Zirani Union Parishad  
 Organization Name : Bangladesh Knitwear Manufacturers & Exports Association  
 Membership No : 1300

## **FINANCIALS- SUMMARY**

Year	Turnover/ Sales	Assets	Income/ (Loss)
30 <sup>th</sup> June, 2016	BDT 3443714382	BDT 2035223343	BDT 89134180
30 <sup>th</sup> June, 2017	BDT 4049146978	BDT 3107544724	BDT 238718074

## **FULLCHECK REPORT DETAILS**

### **Information Parted By**

Name : Mr. Ahsan Ali  
 Designation : Assistant General Manager  
 Contract : 88-01817049518

### **Locations Details**

**Business Address** : Civil Sarwar Complex (5<sup>th</sup> & 6<sup>th</sup> Floor), Plot# 42/A, Road# 17,  
 Sector# 14, Uttara, Dhaka-1230, Bangladesh.  
**Tel No** : 88-02-7914886, 7914896  
**E-mail** : 88-02-9860062  
**Fax No** : info@irisgroupbd.com, admin@irisgroupbd.com,  
**Website** : www.irisgroupbd.com

**Location** :  Owned  Rented  Leased  Area  Sq. ft.

**Type of Office** :  Commercial Office Bldg.  Semi-commercial office Bldg.  
 Retail shop  Industrial Park  
 Business Center  Home Office  
 Residential Bldg.

### **Factory Address:**

**Address** : Zirani Bazar, Kashimpur, Joydebpur, Gazipur-1349, Bangladesh.  
**Tel No** : 88-02-7788142-3  
**Fax No** : Nil

**Branch Address:**

**Address** : N/A  
**Tel No** : N/A  
**Fax No** : N/A

**Employee:**

**No. of In Office** : 48      **In Factory** : 2252  
**Employees In Branch** : N/A      **Total** : 2300

**Details:**

## **OWNERSHIP/SHAREHOLDERS**

<b>Names of Shareholders</b>	<b>No. of Share</b>	<b>Country</b>
Mr. Mohammad Rasheed Alam	11000	Bangladesh.
Mr. Md. Abdul Mazed	5000	Bangladesh.
Mr. Md. Samsul Hoque Munshi	3000	Bangladesh.
Mr. Al-Haj Shamsul Haque Dulal	1000	Bangladesh.
General Public	5980000	Bangladesh.

## **DIRECTORS**

**Name** : Mr. Md. Abdul Mazed  
**Designation** : Chairman  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Mohammad Rasheed Alam  
**Designation** : Managing Director  
**Nationality** : Bangladeshi.  
**Email address** : N/A  
**Other details** : N/A

**Name** : Mr. Md. Samsul Hoque Munshi  
**Designation** : Director

Nationality : Bangladeshi.  
Email address : N/A  
Other details : N/A

Name : Mr. Al-Haj Shamsul Haque Dulal  
Designation : Director  
Nationality : Bangladeshi.  
Email address : N/A  
Other details : N/A

## **MANAGEMENT**

Name : Mr. Mohammad Rasheed Alam  
Job Description : Managing Director  
Nationality : Bangladeshi  
Email address : N/A  
Other details : N/A

Name : Mr. Probin Sarkar  
Job Description : Executive Director  
Nationality : Bangladeshi  
Email address : probin@irisgroupbd.com  
Other details : N/A

Name : Mr. Iftakher Alam Dollar  
Job Description : Manager (Commercial)  
Nationality : Bangladeshi  
Email address : dollar@irisgroupbd.com  
Other details : 88-01817049492

Name : Mr. Ahsan Ali  
Job Description : Assistant General Manager  
Nationality : Bangladeshi  
Email address : N/A  
Other details : 88-01817049518

Name : Mr. Jadab Majmder  
Job Description : Assistant General Manager (Finance & Accounts)  
Nationality : Bangladeshi  
Email address : jadab@irisgroupbd.com  
Other details : 88-01817049514

## **BUSINESS OPERATIONS**

Nature of Activity : Manufacturer  Knitting  Dyeing  Distributor   
Exporter  Printing  Importer  Others

### Range of Products:

Products : Cotton Blended Fabrics, Dyeing, T-Shirts, Polo Shirts, Vest, Lingerie etc.  
Product Detailed : N/A  
Descriptions  
Production Capacity : Knitting: 410 Tons per Month  
Dyeing: 450 Tons per Month  
Garments:40,000 doz. Month  
Last Year Production : N/A  
Import Products : N/A  
Export Products : N/A

### Trading Terms:

Purchasing Terms: L/C  Cash  Others   
Credit :  30 days  60 days  90 days  \_\_\_\_\_ days  
Selling Terms : L/C  Cash  Others   
Credit :  30 days  60 days  90 days  \_\_\_\_\_ days

## **DETAILED DATA**

Trade : Overseas Clients : Fila  
Reference & : Ovs  
Related Parties : LPP,  
H & M  
Armani  
Dunnes  
Auchan  
B-Young  
Exel SRL  
Tapealoeil  
Instyle Spa  
Local Clients : Nil  
Overseas Suppliers : Nil  
Local Suppliers : Nil  
Trade Markets : Exports(Country) : USA, Europe, Australia

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Imports(Country)	:	China, Pakistan, India
Brand Name	:	N/A
Certified	:	N/A
Name of Auditors	:	N/A
Operation Status	:	Active

## **CAPITAL STRUCTURE**

Authorized Capital	:	BDT 150 Million
Paid-up Capital	:	BDT 6000000000
No. of Shares	:	6000000
Share Value	:	BDT 1000.00 Each
Main Assets	:	BDT 3107544724

## **FINANCIAL STATEMENT- DETAILED**

### Statement of Financial Position :

	Currency Denomination	: BDT
	Financial Year Ending	: 1 : 30 <sup>th</sup> June'2017
Financial Highlights	2017	2016
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant & Equipment	917983416	728334255
Preliminary Expenses	69000	69000
Unallocated Revenue Expenses	1790000	1790000
	919842416	730193255
<b>Current Assets</b>		
Closing Inventory	1236903160	417512139
Advance, Deposit & Prepayments	82624217	10796828
Loan Given To Iris Design Limited	70713066	70713066
Export Proceed Unrealized	-	24187240
Fixed Deposit	15372788	-
Cash & Cash Equivalent	782089077	781820815
	2187702309	1305030088
<b>Total Property &amp; Assets</b>	<b>3107544724</b>	<b>2035223343</b>
<b>Equity &amp; Liabilities</b>		
<b>Owners' Equity</b>		

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Share Capital	60000000	20000000
Provision For Bonus Share	-	40000000
Tax Holiday Reserve	19080190	19080190
Retained Earnings	753427338	514709264
	<b>832507528</b>	<b>593789454</b>
<b>Liabilities &amp; Provisions</b>		
Bank Liability	2057524257	1264565866
Payables & Accruals	217512939	176868023
<b>Total Equity &amp; Liabilities</b>	<b>3107544724</b>	<b>2035223343</b>

**Statement of Comprehensive Income:**

Currency : BDT  
Denomination : 1  
Financial Year Ending : 30<sup>th</sup> June'2017

Financial Highlights	2017	2016
Sales (Export)	4049146978	3443714382
Add: Cash Incentive	131922832	54012008
<b>Total Revenue</b>	<b>4181069810</b>	<b>3497726390</b>
Less: Cost of Production	3741811184	3221420241
<b>Gross Profit</b>	<b>439258626</b>	<b>276306149</b>
Less: Operating Expenses	140164997	143013344
	299093630	133292805
Less: Financial Charges	28119131	21875080
<b>Operating Profit</b>	<b>270974499</b>	<b>111417725</b>
Add: Income From FDR Interest	400793	-
<b>Net Profit Before Tax</b>	<b>271375291</b>	<b>111417725</b>
Less: Income Tax	32657217	22283545
<b>Net Profit After Tax</b>	<b>238718074</b>	<b>89134180</b>

**Statement of Cash Flows :**

Currency : BDT  
Denomination : 1  
Financial Year Ending : 30<sup>th</sup> June'2017

Financial Highlights	2017	2016
<b>Cash Flows From Operating Activities</b>		
Profit/(Loss) After Taxation	238718074	89134180
<b>Adjustments For:</b>		
Depreciation	155436830	125540048
<b>Working Capital Changes:</b>		
(Increase)/Decrease In Inventory	(819391022)	(55119203)
(Increase)/Decrease In Advance & Prepayments	(71827389)	(3913255)

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(Increase)/Decrease In Loan Given	-	(41016760)
(Increase)/Decrease In Accounts Receivable	24187240	8451344
(Increase)/Decrease In Fixed Deposit	(15372788)	-
(Increase)/Decrease In Provision For Taxation	-	(343035)
(Increase)/Decrease In Payables & Accruals	40644916	163762785
<b>Net Cash From Operating Activities</b>	<b>(447604138)</b>	<b>286496104</b>
<b>Cash Flows From Investing Activities</b>		
Purchase Of Property, Plant & Equipment	(345085991)	(290724453)
<b>Net Cash Used In Investing Activities</b>	<b>(345085991)</b>	<b>(290724453)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds/(Payment) of Bank Liability	792958391	329058127
<b>Net Cash Used In Financing Activities</b>	<b>792958391</b>	<b>329058127</b>
<b>Net Increase In Cash &amp; Cash Equivalents</b>	<b>268262</b>	<b>324829778</b>
<b>Cash &amp; Cash Equivalents At Beginning of Year</b>	<b>781820815</b>	<b>456991038</b>
<b>Cash &amp; Cash Equivalents At End of Year</b>	<b>782089077</b>	<b>781820815</b>

## **ASSOCIARES/SUBSIDIARIES/ RELATED PARTIES**

<b>Name of The Group</b>	: Iris Group
<b>Name of Mother Company</b>	: Nil
<b>Subsidiary</b>	: Nil
<b>Sister Concerns</b>	: Iris Design Ltd Iris Fashion Ltd. Iris Knitwear Ltd Mark Style Limited. Iris S.S. Print Industries Ltd.

## **ADVERSE DATA MONITORING**

<b>Dishonored Checks</b>	: No Record Found
<b>Debt</b>	: No Record Found
<b>Litigation</b>	: Clear
<b>Performance Defaults</b>	: No Record Found
<b>Adverse Local Media Coverage/ Adverse Filing History</b>	: No Record Found

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## **SITE VISIT COMMENTARY**

Our representative visited their Head office which is situated at Civil Sarwar Complex (5<sup>th</sup> & 6<sup>th</sup> Floor), Plot# 42/A, Road# 17, Sector# 14, Uttara, Dhaka-1230, Bangladesh. It is situated at residential Area.

## **GENERAL COMMENTS**

The subject company is engaged in Manufacturer, Importer, Dyeing, Printing, Knitting & Exporter. It is reputed company in this line of business.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.04
UK Pound	1	INR 88.70
Euro	1	INR 80.21
BDT	1	INR 0.84

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

**INFORMATION DETAILS**

Analysis Done by :	NIS
Report Prepared by :	SYL

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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)