

MIRA INFORM REPORT

Report No. :	520897
Report Date :	25.07.2018

IDENTIFICATION DETAILS

Name :	REGNIS APPLIANCES (PRIVATE) LIMITED
Registered Office :	# 52, Ferry Road, off Borupana Road, Ratmalana
Country :	Sri Lanka
Date of Incorporation :	18.01.2010
Com. Reg. No.:	PV 70735
Legal Form :	Private Limited Liability Company (In Operation)
Line of Business :	Manufacturers Assemble and Distributors of Home Appliances
No. of Employees :	261 Approximately in Regnis Group

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 :	Good
Payment Behaviour :	Regular
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 (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 (GSP+), 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

Name of Subject of Inquiry	REGNIS APPLIANCES (PRIVATE) LIMITED
Legal Form & Status	Private Limited Liability Company (In Operation)
Managing Director / CEO Chairman	Mr Hiran Asoka Peiris Dr Saman Kelegama
Primary Line of Business	Manufacturers Assemble and Distributors of Home Appliances
Principal Place of Business	# 52, Ferry Road, off Borupana Road, Ratmalana Sri Lanka. Tel. No: (00 94 11) 2622 642 / 2635 401 Fax. No: (00 94 11) 2622 032 E-Mail: irzanc@singersl.com / singer@singersl.com Web Site: www.singersl.com
Employees	261 Approximately in Regnis Group

COMPANY DETAILS

Registration No	PV 70735
Date of Registration	18 th January 2010
Registered Office	# 52, Ferry Road, off Borupana Road, Ratmalana, Sri Lanka
Director Board / Ownership As At 09th August 2017	Abeykumara Mohan Pandithage Director Hiran Asoka Peiris Director Sarath Clement Ganegoda Director Nainabaduge Malin Priyanga Fernando Director Kelum Deshapriya Kospelawatta Director
Sated Share Capital	LKR 150,000,000.00
No. of Shares	15,000,000
Preferential Shares	NA
Nominal Value of Share	LKR 10.00
Auditors	KPMG Ford Rhodes Thornton & Company Chartered Accountants # 32A, Sir Mohamed Macan Marker Mawatha, P O Box 186, Colombo 03, Sri Lanka.
Company Secretaries	Hayleys Group Services (Pvt) Ltd # 400, Deans Road, Colombo 10, Sri Lanka. (01.01.2018)
Main Bank/s	Commercial Bank of Ceylon PLC, NDB Bank PLC, Hatton national Bank PLC, Sampath Bank PLC, Seylan Bank PLC, Peoples Bank, DFCC Bank PLC

SHAREHOLDERS

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NO.	NAME	NUMBER OF SHARES
1.	Regnis Lanka PLC (PQ 191) # 52, Ferry Road, Off Borupana Road, Ratmalana, Sri Lanka.	15,000,000

FINANCIAL DETAILS

Most recent available Financial Information

Regnis Appliances (Pvt) Ltd is a subsidiary wholly owned by Regnis (Lanka) PLC. The financials of the mother company is attached herewith.

CURRENT INVESTIGATION



COMPANY LOGO

History

The subject company was initially formed on 02nd March 2005 under N (PVS) 40714 under the Companies Act of Sri Lanka. The subject company was subsequently Re-registered on 21st January 2009 under PV 11117 under the Companies Act No 7, of 2007 as per the mandatory regulations of Sri Lanka. The company is a fully owned subsidiary of Regnis Lanka PLC which is a fully owned subsidiary of Singer Sri Lanka PLC which is a large scale business conglomerate in the Appliances sector.

Caption

We are Sri Lanka's leading manufacturer of white goods, producing a range of refrigerators and washing machines under the Singer and Sisil brands, at our factory in Ratmalana. Our products are sold through our parent company Singer (Sri Lanka) PLC , the nation's leading consumer goods retailer whose extensive distribution network of over 1,200 touch points is one of the largest in the country. Armed with deep insights and understanding of local customers, we combine innovation and Research & Development capabilities to produce goods which meet these needs. We also lead the industry in Green Innovation, and have leveraged on our design capabilities to manufacture energy-efficient products whilst placing equal importance on minimising the adverse environmental impacts of our production process.

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The Regnis Group comprises the Company, Regnis (Lanka) PLC and its fully owned subsidiary Regnis Appliances (Pvt) Ltd. Regnis Lanka is primarily engaged in the manufacture of refrigerators whilst its subsidiary focuses on the manufacture of washing machines, plastic chairs and plastic components for refrigerators. Regnis (Lanka) PLC is the most significant entity in the Group, accounting for 87% and 78% of Group assets and profits respectively in 2016. The Group is listed on the Main Board of the Colombo Stock Exchange, with a market capitalisation of Rs. 1,549.3 Mn as at December 31, 2016.

OPERATIONAL DETAILS

General

Regnis Appliances (Pvt) Ltd a fully owned subsidiary of Regnis Lanka PLC, was incorporated, as a fully-owned subsidiary of the Company under Board of Investment of Sri Lanka to manufacture and assemble Home Appliances. Regnis Appliances (Pvt) Ltd commenced manufacturing their 6 kg (Model 6 SA) Washing Machine. The company installed a 1850 ton Injection Moulding Machine to facilitate the production of large plastic components, previously sourced by external parties.

Products

Manufacturers of Washing Machines and Plastic Components for Refrigerators and Plastic Chairs

Employees

261 Approximately

Export Countries

NA

Import Countries

India, UK, Taiwan, China, Malaysia, Other European Countries

Associate / Subsidiary Companies

- Regnis Lanka PLC
- Singer (Sri Lanka) PLC
- Singer Industries (Ceylon) PLC
- Reality Lanka Ltd
- Singer Business School (Pvt) Ltd

Factory / Warehouse and Sales Outlets

Owned

PERSONAL DETAILS OF KEY PERSONS

Director 1

ITEM

DETAIL

Name

Abeyakumar Mohan Pandithage

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ID Number 511291887V
Nationality Sri Lankan
Gender Male
Date of Birth 8th May 1951
Age 67
Address # 119, Kynsey Road, Colombo 08, Sri Lanka.

Director 2

ITEM	DETAIL
Name	Hiran Asoka Peiris
ID Number	641310980V
Nationality	Sri Lankan
Gender	Male
Date of Birth	10 th May 1964
Age	54
Address	# 56/17, Mahakurunduwatta Road, Kumaragewatta, Battaramulla, Sri Lanka

Director 3

ITEM	DETAIL
Name	Sarath Clement Ganegoda
ID Number	622330369X
Nationality	Sri Lankan
Gender	Male
Date of Birth	20 th August 1962
Age	55
Address	# 37/7/1, Fairmount Residency, Perera Mawatha, Kotuwegoda, Rajagiriya, Sri Lanka.

Director 4

ITEM	DETAIL
Name	Nainabaduge Malin Priyanga Fernando
ID Number	NA
Nationality	Sri Lankan

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Gender Male
Date of Birth NA
Age NA
Address # 15/25, Sunanda Place, Sri Lanka.

Director 5

ITEM	DETAIL
Name	Kelum Deshapriya Kospelawatta
ID Number	673540040V
Nationality	Sri Lankan
Gender	Male
Date of Birth	19 th December 1967
Age	50
Address	# 1H, Jayanthi Uyana, Honnanthara North, Piliyandala, Sri Lanka

INFORMATION DENIED BY

Name : Mr. Anil Jain
Designation : Not Divulged
Contact No.: 0094-11-2622032
Date : 24.07.2018

Management non-co-operative [0094-11-2622642]

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.05
UK Pound	1	INR 90.30
Euro	1	INR 80.54
LKR	1	INR 0.43

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

INFORMATION DETAILS

Information Gathered by :	ACH
Analysis Done by :	NIS
Report Prepared by :	TPT

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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)