

MIRA INFORM REPORT

Report No. :	534130
Report Date :	20.10.2018

IDENTIFICATION DETAILS

Name :	CONCORD APPAREL (PVT) LTD
Registered Office :	Block No. "AO" Seethawaka Industrial Park, Avissawella
Country :	Sri Lanka
Date of Incorporation :	27.04.2000
Com. Reg. No.:	PV 17045
Legal Form :	Private Limited Liability Company
Line of Business :	Manufacturer, export and distribution of all kinds of garments such as leisurewear, sportswear for all age groups.
No. of Employees :	800 Approximately

RATING & COMMENTS

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

MIRA's Rating :

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	Slow but Correct
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.

ECGC Country Risk Classification List

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

GENERAL - BASIC INFORMATION AT A GLANCE

- a. Name of Subject of Inquiry : CONCORD APPAREL (PVT) LTD
b. Legal Form & Status : **Private Limited Liability Company (In Operation)**
c. Managing Director : **Prasanna Kumara Jayasinghe**
d. Primary Line of Business :
Manufacture, Export and distribution of garments
- e. Place of Business :
**Block No."AO"
Seethawaka Industrial Park,
Avissawella ,
Sri Lanka .**
- Tel. No: (00 94 36) 223 1860 / 223 2489
Fax No: (00 94 36) 223 1869**
- E-mail: concord@concord.lk
prasanna@blaclader.com
info@concord.lk**
- g. No. of Employees : **Approx 800**

COMPANY DETAILS - REGISTRATION AND SHAREHOLDER DETAILS

- a. Registration No : **N (PVS) 25977**
Date of Registration : **27th April 2000**
- b. Registration No : **PV 17045**
Date of Registration : **26th November 2009**
- c. Registered Office : **Factory Lot Ao, Seethawaka Industrial Park, Avissawella.**
- d. Board of Directors : **Prasanna Kumara Jayasinghe** **Managing Director**
As At : **Claes Marcus Lenaart Gustavsson** **Director**
14th August 2018
- e. Issued Share Capital : **Rs 423,876,000.00**
Issued Shares : **4,238,760**
- f. Nominal Value of Share : **Not stated vide Companies Act #7 of 2007**
- g. Major Share Holders : **Guston Ltd** **No. of Shares**
As At : **Prasanna Kumara Jayasinghe** **4,238,759**
14th August 2018 : **Wijeratne And Company, #15, Maitland Crescent, Col.7** **01**
- h. Auditors : **Wijeratne And Company, #15, Maitland Crescent, Col.7**
- i. Company Secretaries : **Professional Assignment and Secretarial Services (Pvt) Ltd,**

j. Bankers : #45A, Park Lane, Rajagiriya.
Peoples Bank

FINANCIAL DETAILS

Most recent available Financial Information

The company has declined to provide information on its finances without the identity of the client

However, it should be noted that the particular industry/ segment the company is involved has very good Growth potential and as such it can be expected for the company to have a good income prospects

Note: Based on the corporate laws of Sri Lanka, legal entities which are Private Company with Limited Liability is not required to make public disclosure of their annual financials. Therefore no financials are available for this entity

CURRENT INVESTIGATION

History.

Company logo



The Subject Company is **CONCORD APPAREL (PVT) LTD** is a Private Limited Liability Company incorporated on **27th April 2000** under registration number **N (PVS) 25977** and the company was re-registered on **26th November 2009** under registration number **PV 17045**

Subject is a subsidiary of **Guston Limited.**

Concord Group is having three other factories at Talawa, Tambuttegama and Mirigama.

Location.

The Subject Company is located at the client, **Block no."AO" Seethawaka Industrial Park, Avissawella, approx. 50 kilo meters south-east of Colombo city.**

Operational Details.

General

The subject company primary line of business is **Manufacturer, Export and distribution of all kinds of garments** such as leisurewear, sportswear for all age groups

Products

Men's and boy's suits, Ensembles, Jackets, jeans, Blazers, Trousers, Bib & Brace Overalls Breeches, Women's Shorts, industrial & Hospital uniforms

BRANDS: Blacklader, Molinel, Fjoll Raven, Kohl's, Tesco, Next

Subject has obtained the following certifications:

ISO 9001 and 14001

Export Countries

Europe Countries

No of Employees

Approx. 800 (Group approx. 2,500)

DIRECTORS' DETAILS

Name Claes Marcus Lenaart Gustaysson
ID Number P/P F 1587848
Nationality Switzerland

Name Prasanna Kumara Jayasinghe
ID Number 680863814 V
Nationality Sri Lankan
Gender Male
Date of Birth 26th March 1968
Address #428/75, Eden gardens, Samagi Mawatha, Hokandara South

Trade references

Sri Lanka Apparel Exporters Association
Board of Investment (BOI)
Export Development Board

SUMMARY

Since no financial information has been forthcoming from the company, it is not possible to comment on the merits or otherwise of the company.

No computerised data bases exist to make checks whether the partners or the company has any legal action or lawsuit initiated against any of them but informal (but not in-depth) checks do not indicate any such cases in the public knowledge

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.44
UK Pound	1	INR 95.65
Euro	1	INR 84.17
LKR	1	INR 0.43

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	POJ

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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)