Early Warning System

IFC-43150

Sunshine

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Quick Facts

Countries	Sri Lanka
Specific Location	Ratmalana Industrial Zone
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2020-11-19
Borrower	Sunshine Holdings PLC
Sectors	Agriculture and Forestry, Construction, Education and Health, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 7.00 million
Project Cost (USD)	$ 14.70 million

Project Description

According to the bank's website, "The proposed IFC investment is up to US$7 million A Loan to two subsidiaries of Sunshine Holdings PLC (“Group”). The use of proceeds shall be US$5 million to the Watawala Ceylon Tea Company for the acquisition of a Sri Lankan based confectionary manufacturing company (“Daintee”), and US$2 million for the expansion of roof top solar projects through Sunshine Energy and its subsidiary company Sky Solar."

Founded in 1967, Sunshine Group is a listed Sri Lankan conglomerate with a market capitalization of US$38 million. Its businesses cover (1) healthcare made up of pharmaceutical products/equipment’s distribution and retail (2) consumer made up of branded tea and confectionary, (3) agribusiness made up of plantations and dairy production; and, (4) renewable energy, comprising of mini hydro, and roof top solar.

Established in 1998, Watawala Tea Ceylon Ltd. is the largest branded tea company in Sri Lanka. It produces high quality Ceylon tea. Its products are sold to hotels, restaurants, cafes, boutique outlets, souvenir shops and e-commerce platforms. Its main operations involve acquisition of teas through auction, with outsourcing of manufacturing and packaging to Sunshine Tea (a related party to the Group), distribution, sales and marketing of the products.

Daintee established in 1984 operates two factories manufacturing sugar confectionery products for the Sri Lankan market, including Toffees, Jellies, Chocolates, Gum, Desserts, Biscuits, Snacks, Cereals, Teas, Peanuts and Wafer coated snacks.

Established in 2012, Sunshine Energy has built a portfolio of three mini hydropower plants contributing 6.65MW of power to the national grid. In 2017, Sky Solar was incorporated and now manages roof top solar projects with a cumulative capacity of 1MW. Roof top solar development comprises of assessing roof structural suitability, installation of panels and invertors, and connection to the national grid (the later component completed by the national energy provider Ceylon Electricity Board). Sky Solar engages in revenue share arrangements with the roof owner, supports funding and project management with installation and operational maintenance (O&M) conducted by an Engineering Procurement and Construction (EPC) partner JSF Holdings PVT .

Investment Description

- International Finance Corporation (IFC)

Private Actors Description

According to IFC, "SUN is listed on the Colombo Stock Exchange with a market capitalization of US$45.5 million as at October 12, 2020. SUN’s majority shareholder is G. Sathasivam and his family. SBI Ven Holdings Pte Ltd has a minority stake in the company."

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Sunshine Holdings PLC	Client	-

Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org