Early Warning System

IFC-45821

M&J Garments

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Quick Facts

Countries	Bangladesh
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2022-05-27
Borrower	M&J Group (Garments)
Investment Type(s)	Loan
Investment Amount (USD)	$ 11.70 million
Loan Amount (USD)	$ 11.70 million
Project Cost (USD)	$ 26.40 million

Project Description

According to IFC, the proposed Project involves capacity expansion of three entities of M&J Group through increasing denim manufacturing capacity at Columbia Garments Limited (“CGL”) and Columbia Apparels Limited (“CAL”) and washing capacity at Columbia Washing Plant Limited (“CWPL”) (collectively the “Borrowers” or the “Companies”). The Borrowers’ capacity will increase from 11.65 million pieces per year to 15.45 million pieces per year for both readymade garments (RMG) and washing, with this expansion. The proposed expansion will be carried out at the existing locations of the three Companies in Gazipur, Bangladesh.

Investment Description

- International Finance Corporation (IFC)

Aggregate total Project cost is estimated at ~US$26.4 million and is proposed to be financed with long-term debt totalling US$11.7 million with the balance US$14.7 million through equity.

Proposed IFC investment is an A Loan of up to US$11.7 million with a tenor of eight years including a two-year grace period.

Private Actor Relationship

The Group is a family-owned business, founded by Late Mr. Mofizuddin Talukder, father of the principal Sponsors. The Companies have similar shareholding structure owned by the Sponsors – Mr. Salahuddin Ahmed (25% shareholding), Mr. Tarique Ahmed (33.3%), Mr. Munir Ahmed (33.3%), and Maheer Ahmed (8.3%). The Sponsors hold 100% stake in all the companies within the M&J Group.

Private Actors Description

M&J Group is one of the top tier denim garment manufacturing and exporting groups comprising of three cut and stitching plants and two washing plants.

The Group's initial focus was on milling flour in Bangladesh in 1965 and in 1989 the company opened their first garment factory. The Group is presently a leading manufacturer in Bangladesh comprised of eight companies whose activities include garment manufacturing, laundry and food products. Relative to garment manufacturing the Group's clientele are leading international jeans brands and retailers in USA, EU, Asia and Australia. Core business activities in this sector include research and development, product design, cutting, sewing, washing, finishing and marketing of products made by their factories. While the company is a new investment client for IFC, they are an existing IFC advisory partner in both the IFC led Advisory Partnership for Cleaner Textile (PaCT) and Better Work Bangladesh (BWB) collaboration with the United Nation's International Labour Organization (ILO). For more information about M&J Group facilities and production activities see https://www.mj-group.com/about-new/about.php.

Contact Information

M&J Group – Columbia Garments Limited (CGL), Columbia Apparels Limited (CAL), and Colombia Washing Plant Limited (CWPL)
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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