

LC Discrepancy ratio achievement of 3.86% in Oct'17

It is Penfabric's policy to sell and ship under clean LC. Shipments under discrepancy are to be avoided as far as possible in order to ensure bills are secured for payment from our customers. In the past, the Company have been using LG to gauge the discrepancy ratio when the Company needs the financing but such practice have ceased as the Company has been in a strong financial position for many years. Shipments under discrepancy are to be avoided as far as possible in order to ensure bills are secured for payment from our customers. The formation of a LC Discrepancy Reduction Committee in year 2007 involving Sales/Accounts/Production to monitor LC discrepancies have been working to keep the LC discrepancy ratios low.

From the highest peak at 45.08% in Jan 2007, we achieved an all-time low of 5.02% in Dec 2015. Without looking back and with a new target of less than 5%, the team's effort paid off when we achieved results of 3.35% in Nov 2016 and again this year with a commendable 3.86% in Oct 2017 – with both results being the historical lowest ratios in Penfabric so far. Thus, the team was given a small souvenir as a token of appreciation from Mr. HS Teh in a ceremony held at the IP Gallery on 24 Nov 2017 morning together with all other sales staffs of Penfabric.

Our committee will continue strengthening our efforts in monitoring and reducing the LC discrepancy ratio towards the ultimate target of "zero" discrepancy.



