

## MIRA INFORM REPORT

Report No. :	525102
Report Date :	17.08.2018

### IDENTIFICATION DETAILS

Name :	P.T. DELTA DUNIA TEKSTIL
Registered Office :	Jalan Raya Palur Km. 7.1 Jaten, Karanganyar Central Java
Country :	Indonesia
Financials (as on) :	2017 (Summarized)
Date of Incorporation :	14.01.2003
Com. Reg. No.:	AHU-AH.01.03-0041437
Legal Form :	P.T. (Perseroan Terbatas) or Limited Liability Company.
Line of Business :	Spinning Mills and Weaving Industry.
No. of Employees :	7520 Persons

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> 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 :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

#### NOTES :

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto: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)
Indonesia	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

**INDONESIA - ECONOMIC OVERVIEW**

Indonesia, the largest economy in Southeast Asia, has seen a slowdown in growth since 2012, mostly due to the end of the commodities export boom. During the global financial crisis, Indonesia outperformed its regional neighbors and joined China and India as the only G20 members posting growth. Indonesia's annual budget deficit is capped at 3% of GDP, and the Government of Indonesia lowered its debt-to-GDP ratio from a peak of 100% shortly after the Asian financial crisis in 1999 to 34% today. In May 2017 Standard & Poor's became the last major ratings agency to upgrade Indonesia's sovereign credit rating to investment grade.

Indonesia still struggles with poverty and unemployment, inadequate infrastructure, corruption, a complex regulatory environment, and unequal resource distribution among its regions. President Joko WIDODO - elected in July 2014 – seeks to develop Indonesia's maritime resources and pursue other infrastructure development, including significantly increasing its electrical power generation capacity. Fuel subsidies were significantly reduced in early 2015, a move which has helped the government redirect its spending to development priorities. Indonesia, with the nine other ASEAN members, will continue to move towards participation in the ASEAN Economic Community, though full implementation of economic integration has not yet materialized.

Source : CIA

## **COMPANY NAME AND ADDRESS**

**P.T. DELTA DUNIA TEKSTIL**

### **BASIC SEARCH**

**Name of Company :**

**P.T. DELTA DUNIA TEKSTIL**

**Address :**

#### **Head Office**

Jalan Raya Palur Km. 7.1

Jaten, Karanganyar

Central Java

Indonesia

Phones - (62-271) 825251, 821110

Fax - (62-271) 826559, 827229

Email - [duniatex@gmail.com](mailto:duniatex@gmail.com) and [dnt.ika@gmail.com](mailto:dnt.ika@gmail.com)

Website - <http://www.duniatex.com>

Building Area - 1,560 sq. meters

Office Space - 280 sq. meters

Region - Industrial Zone

Status - Owned

#### **Factories**

a. Jl. Raya Timur Km. 10

Bumiaji, Gondang, Sragen

Central Java

Indonesia

Phones - (62-271) 887002, 8877008

Fax - (62-271) 887009

b. Jl. Raya Solo – Sragen Km. 10.8

Desa Kaling, Karanganyar

Central Java

Indonesia

Phones - (62-271) 821117

Fax - (62-271) 826599

## **COMPANY SUMMARY**

**Date of Incorporation :**

14 January 2003

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**Legal Form :**

P.T. (Perseroan Terbatas) or Limited Liability Company

**Company Reg. No. :**

The Ministry of Law and Human Rights

a.No. C-04467.HT.01.01.TH.2003

Dated 05 March 2003

b.No. AHU-09042.AH.01.02.Tahun 2008

Dated 25 February 2008

c. No. AHU-AH.01.10-33478

Dated 19 October 2011

d.No. AHU-AH.01.10-11936

Dated 03 April 2013

e.No. AHU-12644.40.22.2014

Dated 10 June 2014

f. No. AHU-AH.01.03-0041437

Dated 29 January 2018

**Company Status :**

Domestic Investment Company (PMDN)

**Permits by the Government Department :**

a. The Department of Finance

NPWP No. 02.304.214.6-528.000

b. The Capital Investment Coordinating Board

No. 02/33/I/PMDN/2003

Dated 20 February 2003

Related/Affiliated Companies :

a. P.T. DUNIA SETIA SANDANG ASLI TEXTILE (Textile Industry)

b. P.T. DELTA MERLIN SANDANG TEKSTIL (Textile Industry)

c. P.T. DUNIA SANDANG ABADI TEXTILE (Textile Industry)

d. P.T. DELTA MERLIN DUNIA TEXTILE (Textile Industry)

e. P.T. DAMAITEK (Textile Industry)

## ***CAPITAL AND OWNERSHIP***

**Capital Structure :**

Authorized Capital	- Rp. 1,000,000,000,000.-
Issued Capital	- Rp. 750,000,000,000.-
Paid up Capital	- Rp. 750,000,000,000.-

**Shareholders/Owners :**

**a. Mr. Sumitro - Rp. 700,000,000,000.- (93.33%)**

Address : Jl. Tegalarjo, RT.004/RW.004  
Jebres, Surakarta, Central Java  
Indonesia

**b. Mrs. Susana John Setiawan - Rp. 50,000,000,000.- ( 6.67%)**

Address : Jl. Tegalarjo, RT.004/RW.004  
Jebres, Surakarta, Central Java  
Indonesia

## **BUSINESS ACTIVITIES**

**Lines of Business :**

- a. Spinning Mills and Weaving Industry
- b. Investment holding by controlling 68.25% shares of PT. Delta Merlin Sandang Tekstil

**Production Capacity :**

- a. Spinning Mills - 200,000 bales p.a.
- b. Grey Fabrics - 100 million meters p.a.

**Total Investment :**

- a. Owned Capital - Rp. 750.0 billion
- b. Loan Capital - Rp 80.0 billion
- c. Total Investment - Rp. 830.0 billion

**Started Operation :**

Mid-2007

**Brand Name :**

Delta Dunia Tekstil

**Technical Assistance :**

None

**Number of Employee :**

7,520 persons

**Marketing Area :**

- a. Local - 50%
- b. Export - 50%

**Main Customers :**

- a. Garment Industries
- b. Foreign buyers in Europe, USA and Canada

**Market Situation :**

Very Competitive

**Main Competitors :**

- a. PT. Fuji Palapa Textile
- b. PT. Sri Rejeki Isman
- c. PT. Gunawantex
- d. PT. Trisulatex
- e. PT. Sinar Padasuka Textile
- f. PT. Badjatex
- g. Etc.

**Business Trend :**

Fluctuating

## ***BANKER, AUDITOR & LITIGATION***

**Bankers :**

- a. P.T. Bank MANDIRI Tbk.  
Karanganyar Branch  
Surakarata, Central Java  
Indonesia
- b. P.T. Bank CENTRAL ASIA Tbk  
Karanganyar Branch  
Surakarta, Central Java  
Indonesia

**Auditor :**

Internal Auditor

**Litigation :**

No litigation record in our database

## ***FINANCIAL FIGURE***

**Total Sales/Income (estimated) :**

2013 – Rp. 660.0 billion  
2014 – Rp. 702.0 billion  
2015 – Rp. 664.0 billion  
2016 – Rp. 635.0 billion  
2017 – Rp. 618.0 billion

**Net Profit (estimated) :**

2013 – Rp. 22.8 billion

2014 – Rp. 24.2 billion  
2015 – Rp. 22.9 billion  
2016 – Rp. 21.5 billion  
2017 – Rp. 20.9 billion

**Payment Manner:**

No Complaints

**Financial Comments:**

Fairly

## **KEY EXECUTIVES**

**Board of Management :**

President Director - Mr. Yohanes Hendrawan  
Director - Mr. Tan Sau Hwa  
Marketing Manager - Mrs. Indah Susanti

**Board of Commissioners :**

Commissioners - a. Mr. Hendra Wangsa Sasmita  
b. Mr. Gideon Haryanto

**Signatories :**

President Director (Mr. Yohanes Hendrawan) or Director (Mr. Tan Sau Hwa) which must be approved by Board of Commissioners (Mr. Hendra Wangsa Sasmita or Mr. Gideon Haryanto)

## **CAPABILITIES**

**Management Capability :**

Good

**Business Morality :**

Good

## **OVERALL PERFORMANCE**

P.T. DELTA DUNIA TEKSTIL (P.T. DDT) was established in Karanganyar (Central Java) based on Notarial Deed No. 8 dated 14 January 2003 made by Notary Pujiastuti Pangestu, SH., with the authorized capital of Rp. 1,000,000,000,000 of which Rp. 250,000,000,000 was issued and fully paid up. The founding shareholders of the company are Mr. Sumitro (80%) and Mrs. Susana John Setiawan (20%), both are Indonesian entrepreneurs of Chinese extraction. The Deed of establishment has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through Decree No. C-04467.HT.01.01.TH.2003 dated 5 March 2003.

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The articles of association of the company have frequently been revised. In February 2008, the issued capital was raised to Rp. 750,000,000,000 and fully paid up. Since at the time, the shareholders of the Company are Mr. Sumitro (86.6666%), Mrs. Susana John Setiawan (6.6666%) and Mrs. Indriati (6.6666%). The amendment to Notarial Deed has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through Decree No. AHU-09042.AH.01.02.Tahun 2008 dated 25 February 2008. In February 2013 based on Notary Deed No. 35 dated 18 February 2013 made by Notary Pujiastuti Pangestu, SH., the company board of director and the board of commissioner had been changed. The deed of amendments was approved by the Ministry of Law and Human Rights in its decision letter No. AHU-AH.01.10-11936 dated April 3, 2013.

In June 2014 based on Notary Deed of Pujiastuti Pangestu, SH., No. 18 dated June 9, 2014, concerning the change in composition of the Company's shareholders. Since then, the shareholders of the company are Mr. Mr. Sumitro (93.33%) and Mrs. Susana John Setiawan (6.67%). The amendment to Deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia through its Decree No. AHU-12644.40.22.2014 dated June 10 2014. Most recently by Notary Deed of Pujiastuti Pangestu, SH., No. 26 dated January 22, 2018, concerning the reappointment in composition of the Company's board of Directors and Commissioners. This amendment to Deed has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through its Decree No. AHU-AH.01.03-0041437 dated January 29, 2018.

P.T. DDT is a member of the DELTA MERLIN Group, a large sized company group in Central Java focusing its activities on textile industry. Initially, the parent company of the DELTA MERLIN Group was C.V. DUNIATEX, a textile company being established by Mr. Sugeng Hartono in 1994. However, in May 2001 the company renamed to P.T. DELTA MERLIN SANDANG TEXTILE focusing on spinning mills industry.

P.T. DDT obtained a Domestic Capital Investment (PMDN) facility issued by the Capital Investment Coordinating Board (BKPM) in 2003 to deal with spinning mill and weaving industry. Its plants is located at Jl. Raya Timur Km. 10, Bumiaji, Gandang, Sragen, Central Java and Jl. Raya Solo - Sragen Km. 10,8, Desa Kaling, Karanganyar, Central Java. According to its license, P.T. DDT has a production capacity of 200,000 bales of spinning yarns and 100 million of grey fabrics per year, with an investment of Rp. 830.0 billion comprising own capital of Rp. 750.0 billion and the rest from loans. The development of the project had ever been postponed as the impact of the economic crisis battering the country. In mid-2007, P.T. DDT started to operate commercially by keeping on adding machinery and other equipments of the plant. Some 50% of the company products are exported to various countries including Europe, the USA and Canada and the rest is locally marketed. In addition, P.T. DDT is also engaged in investment holding by controlling 68.25% shares of P.T. DELTA MERLIN SANDANG TEKSTIL (textile industry) and the rest is owned by Mr. Sumitro (31.75%). We observed that P.T. DDT is classified as a large-sized company of its kind in the country of which the operations fluctuated in the last five years.

Generally, the demand for spinning mill, weaving, textile chemicals, auxiliary, dyestuff and textile raw materials tended to be fluctuating within the last five years in line with the fluctuating of Indonesian textile industry in general. According to the Central Bureau of Statistics (BPS) the Indonesia textile products export in 2002 amounted to 1,425.9 tons (US\$ 3,075.9 million) to 1,307.5 tons (US\$ 3,064.6 million) in 2003 to 1,300.4 tons (US\$ 3,354.6 million) in 2004 to 1,427.3 tons (US\$ 3,704.0 million) in 2005 to 1,477.800 tons (US\$ 3,908.6 million) in 2006 to 1,473.6 tons (US\$ 4,178.0 million) in 2007 declined to 1,312,200 tons (US\$ 4,127.9 million) in 2008 to 1,369,600 tons (US\$ 3,602.8 million) in 2009 to 1,525,900 tons (US\$ 4,721.8 million) in 2010 declined to 1,493,3000 tons (US\$ 5,563.3 million) in 2011 rose again to 1,508,500 tons (US\$ 5,278.1 million) in 2012 to 1,633.1 thousand tons (US\$ 5,293.6 million) in 2013 and to 1,815.6 thousand tons (US\$ 5,379.9 million) in 2014 and dropped to 1,481.7 thousand tons (US\$ 4,415.0 million) in 2015 and rose again to 1,563.9 thousand tons (US\$ 4,60.0 million) in 2016. The export volume and value of the national TPT products in 2005 to 2016 are pictured on the following table.

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Year	Textile Products		Garment	
	(Thousand Ton)	(US\$ Million)	(Thousand Ton)	(US\$ Million)
2005	1,427.3	3,704.0	369.5	4,967.0
2006	1,477.8	3,908.6	399.6	5,608.1
2007	1,473.6	4,178.0	399.8	5,712.9
2008	1,312.2	4,127.9	417.6	6,092.2
2009	1,369.6	3,602.8	393.4	5,735.6
2010	1,525.9	4,721.8	445.2	6,598.0
2011	1,493.3	5,563.3	450.9	7,801.5
2012	1,508.5	5,278.1	450.2	7,304.8
2013	1,633.1	5,293.6	470.2	7,501.0
2014	1,815.6	5,379.9	463.9	7,450.9
2015	1,481.7	4,415.0	378.6	6,410.9
2016	1,563.9	4,660.0	425.9	7,212.6

Until this time P.T. DDT has not been registered with Indonesian Stock Exchange, so that they shall not obliged to announce their financial statement. Therefore, the company has no obligation to publish financial statement publicly. We have checked to Department of Trade and Industry and found that no financial statement has been reported. P.T. DDT's management is very reclusive to outsider and rejecting to disclose its financial condition but we estimated the total sales turnover of the company in 2014 amounted to Rp. 702.0 billion declined to Rp. 664.0 billion in 2015 to Rp. 635.0 billion in 2016 and dropped again to Rp. 618.0 billion in 2017. The operation in 2017 yielded a net profit at least Rp. 20.9 billion and the company has a total net worth of Rp. 745.0 billion. So far we did not hear that P.T. DDT has been black listed by Bank Indonesia (Central Bank) or having detrimental cases being settled in local district court. The company usually pays its debts punctually to suppliers.

Since in February 2013, P.T. DDT's management is headed by Mr. Yohanes Hendrawan (36) as president director, a young professional manager with more than 10 years of experience in textile industry and trading. In daily activities, he is assisted by Mr. Tan Sauw Hwa (57) as director. But the prime-mover of the Company is Mr. Sumitro (49), the founder and business stakes owner of the Company. Initially, Mr. Sumitro is a Commissioner of PT. DDT, but since February 2013 he pulled out and was replaced by Mr. Hendra Wangsa Sasmita (68) and Mr. Prasetyo Kris Widada (43). This relates to a case of copyright infringement fabric products from PT. SRITEX made by Mr. Sumitro and his mother Mrs. Indriati through PT. Delta Merin Dunia Textile. Both suspects charged under Article 72 Paragraph 1 and 2 of the Law of the Republic of Indonesia No. 19 of 2002 regarding Copyright Juncto Article 55 of the Penal Code and Section 56 of the Criminal Code. But in June 2013, PT. SRITEX revokes the lawsuit and the case eventually ended peacefully.

Considering the operation of P.T. DDT declined in the last three years and economic condition in the country is still unstable, we recommend to treat prudently in extending any new loan to the company.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.23
UK Pound	1	INR 89.37
Euro	1	INR 79.97
IDR	1	INR 0.0048

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIY
<b>Report Prepared by :</b>	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)