

## MIRA INFORM REPORT

Report No. :	525994
Report Date :	22.08.2018

### IDENTIFICATION DETAILS

Name :	U.D. CEMERLANG TEXTILE
Registered Office :	Jalan Bongkaran No. 24 C, Pertokoan Bongkaran Megah, Bongkaran, Pabean Cantikan, Surabaya, 60161, East Java
Country :	Indonesia
Financials (as on) :	2017 [Summarized]
Date of Incorporation :	2008
Legal Form :	Sole Proprietary Company
Line of Business :	Trading, Retailer and Distribution of Textile Products
No. of Employees :	8

### 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

## **BASIC SEARCH**

**Name of Company:**

**U.D. CEMERLANG TEXTILE**

**Address :**

**Head Office**

Jalan Bongkaran No. 24 C  
Pertokoan Bongkaran Megah  
Bongkaran, Pabean Cantikan  
Surabaya, 60161  
East Java  
Indonesia

Phones - (62-31) 3545417, 3561424

Fax - (62-21) 3541424

Building Area - 2 storey

Office Space - 120 sq. meters

Region - Commercial

Status - Rent

**Date of Incorporation :**

2008's

**Legal Form :**

Sole Proprietary Company

**Company Reg. No. :**

Not Required

**Company Status :**

National Private Company

**Permit by the Government Department :**

Not Available

**Related Companies :**

None

## **CAPITAL AND OWNERSHIP**

**Capital Structure :**

Owned Capital : Rp. 300 million

**Owner:**

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Mr. Ubin Agus

## **BUSINESS ACTIVITIES**

**Lines of Business :**

Trading, Retailer and Distribution of Textile Products

**Production Capacity :**

None

**Total Investment :**

None

**Started Operation :**

2008's

**Brand Name :**

Cemerlang Textile

**Technical Assistance :**

None

**Number of Employee :**

8 persons

**Marketing Area :**

Local - 100%

**Main Customer :**

Tailor made and individuals

**Market Situation :**

Very Competitive

**Main Competitors :**

- a. DUNIA JAYA TEXTILE
- b. UD. NAGA JAYA
- c. RAJA DÉCOR
- d. SION TEXTILE
- e. Etc.

**Business Trend :**

Growing

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

**Banker :**

P.T. Bank CENTRAL ASIA Tbk  
Jalan Bongkaran No. 17-19  
Surabaya, East Java  
Indonesia

**Auditor :**

Internal Auditor

**Litigation :**

No litigation record in our database

## ***FINANCIAL FIGURE***

**Annual Sales (estimated) :**

2015 – Rp. 5.8 billion  
2016 – Rp. 6.5 billion  
2017 – Rp. 7.2 billion

**Net Profit (estimated) :**

2015 – Rp. 0.6 billion  
2016 – Rp. 0.7 billion  
2017 – Rp. 0.8 billion

**Payment Manner :**

No Complaints

**Financial Comments :**

Fairly strong

## ***KEY EXECUTIVES***

**Board of Management :**

Director - Mr. Ubin Agus

**Board of Commissioners :**

None

**Signatories :**

Director (Mr. Ubin Agus) is only the authorized person to sign the loan on behalf of the company

## **CAPABILITIES**

### **Management Capability :**

Good

### **Business Morality :**

Good

## **OVERALL PERFORMANCE**

Based on search and verification the correct name of Subject is UD. CEMERLANG TEXTILE not CEMERLANG as stated in your order ref. no. 525994 dated 18 August 2018.

U.D. CEMERLANG TEXTILE (U.D. CT) was set-up in Surabaya, East Java in 2008's with status of Sole Proprietary Company. The founding and owner of the company is Mr. Ubin Agus, a Chinese Indonesian businessman. Being as a sole proprietary company, the amount of its authorized capital was not mentioned at the time of its establishment. We estimate U.D. CEMERLANG TEXTILE has own capital of about Rp. 300 million and it will be rising in line with the progress of its business operation.

U.D. CEMERLANG TEXTILE (U.D. CT) has been operating in 2008 dealing with trading, retailer and distribution of textile products. The retail shops located at Jalan Bongkaran No. 24 C, Pertokoan Bongkaran Megah, Bongkaran, Pabean Cantikan, Surabaya, a big and largest textile trading in Surabaya, East Java. According information the retail sells of various textile products for woman, lady's and man's with various types among others are satin fabrics, doobby fabrics, doobby viscose batik, and others. Doobby weaving is widely produced in the regions of West Java, Central Java, Sumatra, and Sulawesi. The doobby fabric found on the market is doobby cotton and dooby silk. Doobby cotton fabric is a mixture of cotton and polyester. Doobby fabrics are widely used as batik material. The rough and textured doobby fabric surface effect making batik clothes made from doobby fabric gives a distinctive impression. Usually doobby fabric is used for shirts, blouses, dresses or skirts.

According information some of the products obtained from West Java, Central Java, East Java and the rest imported from India. Mr. Ubin Agus, Director and owner of the company explained the whole products marketed locally through tailor made, trader and shops and individuals in Surabaya, East Java, Sumatera, Sulawesi and surroundings. We observe UD. CT operation is classified a small size company of its kinds in Surabaya with operation had been developing well in the last three years.

In overall views we find the demand for textile products especially lady's menswear has kept on rising 6% to 8% per annum in the last five years. The sharp growth of the demand was in line with the progress achieved in textile products locals markets. The demand growth is estimated to continually rising by 6% over the next five years. Market competition is very sharp considering many other similar companies operating in the country. U.D. CEMERLANG TEXTILE in this case is in a sufficiently fairly good business position in view of the company has controlled a wide marketing network in Surabaya, East Java and surroundings.

Until this time U.D. CT has not been registered with Indonesian Stock Exchange, so that they had not obliged to announce their financial statement. The management of the company is very reclusive towards outsiders and rejected to disclose its financial condition.

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We observed that total sales turnover of the company in 2015 amounted to Rp. 5.8 billion increased to Rp. 6.5 billion in 2016 rose to Rp. 7.2 billion in 2017 and projected to go on rising by at least 4% in 2018. The operation in 2017 yielded an estimated net profit of at least Rp. 0.8 billion. So far, we did not heard that the company having been black listed by the Central Bank (Bank Indonesia). The company usually pays its debts punctually to suppliers.

The management of U.D. CT is led by Mr. Ubin Agus (55), a businessman and professional manager with experienced for more than 18 years in the field of trading, retailer and distribution of textile products. The company's management is handled by professional staff in the above business. They have wide relations with private businessmen within and outside the country. So far, we did not hear that the management of the company being filed to the district court for detrimental cases or involved in any business malpractices. The company's litigation record is clean and it has not registered with the black list of Bank of Indonesia. U.D. CEMERLANG TEXTILE is sufficiently fairly good for business transaction.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.66
UK Pound	1	INR 89.40
Euro	1	INR 80.25
IDR	1	INR 0.0048

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	VIV
<b>Report Prepared by :</b>	TPT

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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)