

## MIRA INFORM REPORT

<b>Report No. :</b>	541963
<b>Report Date :</b>	01.12.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	NARYANA SILVER
<b>Registered Office :</b>	Jalan Raya Celuk Sukawati No. 30, Br. Celuk, Sukawati, Gianyar, 80582, Bali Province
<b>Country :</b>	Indonesia
<b>Financials (as on) :</b>	2017 [Summarized]
<b>Date of Incorporation :</b>	1992
<b>Legal Form :</b>	Sole Proprietary Company
<b>Line of Business :</b>	Trading and Retailer of Jewelry
<b>No. of Employees :</b>	7

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> January 2017)

<b>MIRA's Rating :</b>	<b>A</b>
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	Slow but correct
<b>Litigation :</b>	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 (30.06.2018)	Current Rating (30.09.2018)
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.

Poverty and unemployment, inadequate infrastructure, corruption, a complex regulatory environment, and unequal resource distribution among its regions are still part of Indonesia's economic landscape. 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 :**

**NARYANA SILVER**

**Address :**

**Head Office**

Jalan Raya Celuk Sukawati No. 30  
Br. Celuk, Sukawati  
Gianyar, 80582  
Bali Province  
Indonesia  
Phone - (62-361) 298079  
Fax - (62-361) 298079  
Building Area - 1 storey  
Office Space - 300 sq. meters  
Region - Commercial  
Status - Rent

**Date of Incorporation :**

1992'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. 250 million

**Owner:**

**Mr. Ketut Naryana**

## ***BUSINESS ACTIVITIES***

**Lines of Business :**

Trading and Retailer of Jewelry

**Production Capacity :**

None

**Total Investment :**

None

**Started Operation :**

1992's

**Brand Name :**

Naryana Silver

**Technical Assistance :**

None

**Number of Employee :**

7 persons

**Marketing Area :**

Local - 100%

**Main Customer :**

Domestic and International Tourist

**Market Situation :**

Very Competitive

**Main Competitors :**

- a. ARTA SILVER
- b. BALI SAKTI SILVER
- c. CANDI SILVER
- d. PRAVEN JEWELRY
- e. Etc.

**Business Trend :**

Growing

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

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**Banker :**

P.T. Bank CENTRAL ASIA Tbk  
Jalan Raya Celuk Sukawati  
Gianyar, Bali Province  
Indonesia

**Auditor :**

Internal Auditor

**Litigation :**

No litigation record in our database

## **FINANCIAL FIGURE**

**Annual Sales (estimated) :**

2015 – Rp. 3.8 billion  
2016 – Rp. 4.5 billion  
2017 – Rp. 5.0 billion

**Net Profit (estimated) :**

2015 – Rp. 0.3 million  
2016 – Rp. 0.4 million  
2017 – Rp. 0.5 million

**Payment Manner :**

Slow but correct

**Financial Comments :**

Fairly strong

## **KEY EXECUTIVES**

**Board of Management :**

Director - Mr. Ketut Naryana

**Board of Commissioners :**

None

**Signatories :**

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

## ***CAPABILITIES***

**Management Capability :**

Fairly Good

**Business Morality :**

Fairly Good

## ***OVERALL PERFORMANCE***

NARYANA SILVER (NS) was established in Gianyar, Bali Province with the status of Sole Proprietary Company. Founder and owner of the company is Mr. Ketut Naryana, an indigenous businessman of Bali tribe. As in common in cases of company with sole proprietary company status, the amount of its capitalization was not mentioned at the time of its establishment. We estimate NARYANA SILVER has own capital of Rp. 250 million and it will be rising in line with the progress of its business operation.

NARYANA SILVER (NS) is a sole proprietary company has been operating in 1992's dealing with trading and retailer of jewelry and accessories. The company has collection more than 90 sterling silver with combination with genuine gemstones and others unique material. Besides they also receive customers design to produce. Jewelry by high quality and also good experiences into producing a silver jewelry and presents best design of rings, bracelets, earrings, necklaces, pendants, etc. This large jewelry production centre and showroom in the village of Celuk is owned by a Balinese family of silversmiths who in old times produced ceremonial and household items. Behind the showroom lies a workshop that is full of workers in one corner who patiently solder hundreds of tiny silver granules onto a metal base a process that requires a high level of patience, caution and attention to detail. According information the whole jewelry bought by domestic and international tourists. We observe NS is classified a small sized company of its kinds in Gianyar, Bali with operation has been developing well in the last three years.

Generally, the demand for silver jewelry has been growing in the last five years in the country. The national economic growth in 2018 is forecasted to improve supported by the infrastructure development potential. Indonesian economy, according to the World Bank, will grow in the range of 5.3% in 2018, expected to increase from 2017. This is supported by the conduciveness of global economy and strong domestic conditions as the results of continuing economic reforms which gradually start to deliver results. Investment in Indonesia will continue alongside the export growth which is triggered by China's economic restoration. Meanwhile, household consumption will recover after experiencing a slowing down in 2017. The increase is attributed to low inflation, stable rupiah, strong labor market and a decline in borrowing costs.

Although some political turbulence may lie ahead due to the 2019 elections, Indonesia's long term economic potential is highly promising as the working-age population is projected to increase sharply up to 2020, which we expect will be accompanied by improvements in skill, attitude and education to create a productive and prosperous society. We expect GDP (Gross Domestic Product) is continuous to increase steadily. Although some political turbulence may lie ahead due to the 2019 elections, Indonesia's long term economic potential is highly promising as the working-age population is projected to increase sharply up to 2020, which we expect will be accompanied by improvements in skill, attitude and education to create a productive and prosperous society.

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**Table of Indonesian Economic Indicators from 2014 to 2017**

<b>Indonesian Indicators</b>	<b>Economic</b>	<b>Units</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Gross Domestic Product (PDB)		Trillion Rupiah	8,565	8,983	9,433	4,850
GDP Nominal		Trillion Rupiah	10,570	11,532	12,407	6,592
GDP Nominal per Capita		Thousand Rupiah	41,916	45,141	47,957	25,172
Population		Thousand	252,165	255,462	258,705	261,891
Number of Households		Thousand	64,767	65,582	66,385	67,173
Primary Energy Supply		Thousand BOE	1,241,900	1,243,912	1,249,602	576,497
Primary Energy Supply per Capita		BOE/Capita	4,92	4,87	4,83	2,20
Final Energy Consumption		Thousand BOE	860,131	833,326	751,273	387,554
Final Energy Consumption per Capita		BOE/Capita	3,41	3,26	2,90	1,48

Until this time NS 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. We observed that total sales turnover of the company in 2015 amounted to Rp. 3.8 billion increased to Rp. 4.5 billion in 2016 rose to Rp. 5.0 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. 0.5 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 NS is led by Mr. Ketut Naryana (51), a gold & silver smith jewelries with experienced in the above business. 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. NARYANA SILVER is sufficiently fairly good for business transaction.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.65
UK Pound	1	INR 89.08
Euro	1	INR 79.35
IDR	1	INR 0.0049

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	VIVR
<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)