

## MIRA INFORM REPORT

<b>Report No. :</b>	538391
<b>Report Date :</b>	10.11.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	PT. INDO SULTAN JAYA
<b>Registered Office :</b>	Jl. RS. Fatmawati No. 248, Kelurahan Gandaria Selatan, Kecamatan Cilandak, Kota Jakarta Selatan 12420, DKI Jakarta
<b>Country :</b>	Indonesia
<b>Date of Incorporation :</b>	2015
<b>Legal Form :</b>	Private Limited Liability Company or Perseroan Terbatas (PT)
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>• Manufacture of chemicals and chemical products</li> <li>• Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations</li> <li>• Manufacture of perfumes and toilet preparations</li> </ul>
<b>No. of Employees :</b>	50 [2018]

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	B
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Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

<b>Status :</b>	Moderate
<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

## **COMPANY IDENTIFICATION**

<b>Company Name</b>	<b>PT. Indo Sultan Jaya ( Trading Name : Rhino )</b>
<b>Address</b>	<b>Kawasan Industri Jababeka I Kav. W-28, Jl. Jababeka XVI Kelurahan Harja Mekar, Kecamatan Cikarang Utara Kab. Bekasi 17530 Jawa Barat - Indonesia</b>
<b>Telephone</b>	<b>+62218937654</b>
<b>Fax</b>	<b>N.A.</b>
<b>Mobile Phone</b>	<b>+6281288137596</b>
<b>Email</b>	<a href="mailto:info@indosultan.com">info@indosultan.com</a>
<b>Web</b>	<a href="http://www.indosultan.com">www.indosultan.com</a>

## **PROFILE**

<b>Address</b>	Kawasan Industri Jababeka I Kav. W-28, Jl. Jababeka XVI Kelurahan Harja Mekar, Kecamatan Cikarang Utara Kab. Bekasi 17530 Jawa Barat - Indonesia
<b>Office Building</b>	a. Area - Industrial b. Status - Leased
<b>Date Of Establishment</b>	- 2015
<b>Start Operation</b>	April 2018
<b>Legal Status</b>	Private Limited Liability Company or Perseroan Terbatas (PT)
<b>Legalization (historical)</b>	<u>No. AHU-0019189.AH.01.02.Tahun 2016</u> <i>Dated, 18 October 2016</i>
<b>Government Permit (s)</b>	<u>Direktorat Jenderal Pajak</u> NPWP - 74.405.846.2-016.000
<b>Significant change</b>	PT. Indo Sultan Jaya (the Company) was established in South Jakarta in 2015. Up to the completion of this report, however, we are unable to obtain the establishment act of the Company; therefore, we cannot show you the details about its first capitalization and shareholder structures. On October 18, 2016, the Company's authorized capital amounted to IDR 20,000 million, of which IDR 10,500 million was issued and paid up. Meanwhile, the shareholders of the Company are Mr. Ahmed Sultan (50.000%) and Mr. Shahid Sultan (50.000%). Up to the completion of this report, there has been no more change in the Company's notarial act.
<b>Capitalization</b>	
- <b>Authorized Capital</b>	IDR 20,000,000,000
- <b>Issued Capital</b>	IDR 10,500,000,000

- Paid Up Capital IDR 10,500,000,000

## **SHAREHOLDERS & MANAGEMENT**

<b>Shareholders</b>	Total No. of Shareholders: 2 Shareholders as 18 October 2016 Total Shareholding private - 10,500 shares
<b>Name of Shareholders</b>	- Mr. Ahmed Sultan (5,250 shares) - 50.000 % - Mr. Shahid Sultan (5,250 shares) - 50.000 %
<b>Management Board</b>	
<b>Name</b>	Mr. Ahmed Sultan
<b>Position</b>	Director
<b>Nationality</b>	Pakistani
<b>Supervisory Board</b>	
<b>Name</b>	Mr. Shahid Sultan
<b>Position</b>	Commissioner
<b>Nationality</b>	Pakistani
<b>Management Assessment</b>	The management is deemed to have sufficient experience and industry expertise to manage subject properly.
<b>Authorized Signatories</b>	Mr. Ahmed Sultan as Director of Company which must be approved by shareholders meeting.
<b>Affiliate (s) / Associate (s)</b>	N.A.

## **KEY DATA ON OPERATIONS**

<b>Registered Activities</b>	SIC Code 20	: Manufacture of chemicals and chemical products
<b>Employee</b>	Per 2018 Approximately - 50	
<b>Bussiness Category</b>	SIC Code 20.4	: Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations
<b>Line of Business</b>	SIC Code 20.42	: Manufacture of perfumes and toilet preparations
<b>Product &amp; Capacity</b>	- Soap Noodle - 50,000 tons p.a.	
<b>Status of Investment</b>	Foreign-invested Company	
<b>Sales Territory</b>	Local	80%
	International	20%

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<b>Main Items Imported And Country Origin</b>	N.A.
<b>Main Items Exported And Country Destination</b>	- Soap Noodle - Africa
<b>Major Customers</b>	- Buyer from Africa - Local Customers
<b>Major Suppliers</b>	- Local Suppliers
<b>Terms of Payment</b>	<b>Purchase Payment</b> Domestic : Telegraphic Transfer (T.T) with Credit Term / Based on agreement Overseas : N.A.
	<b>Sale Term</b> Domestic : Telegraphic Transfer (T.T) with Credit Term / Based on agreement Overseas : Telegraphic Transfer (T.T) with Credit Term / Based on agreement
<b>Activity Comment</b>	<b>PT. Indo Sultan Jaya</b> (the Company) is a foreign-invested company engaged in manufacture since April 2018. The Company's head office, factory, and warehouse are located in an industrial area, at the address: Kawasan Industri Jababeka I Kav. W-28, Jl. Jababeka XVI, Kelurahan Harja Mekar, Kecamatan Cikarang Utara, Kab. Bekasi 17530, Jawa Barat - Indonesia. The location is leased by the Company. But even so, the Company has plans to move its head office in the area Kuningan, Kelurahan Karet Kuningan, Kecamatan Setia Budi, Kota Jakarta Selatan 12940, DKI Jakarta - Indonesia. The Company's administrative address is at: Jl. RS. Fatmawati No. 248, Kelurahan Gandaria Selatan, Kecamatan Cilandak, Kota Jakarta Selatan 12420, DKI Jakarta - Indonesia. For information, the number we specify is +6281288137596 the mobile number of Mr. Ahmed Sultan as Director of the Company. In addition, until now the Company has not installed a fax number to support its operational activities. Based on our investigation, the Company is engaged in the manufacture of semi-finished soap from palm oil derivatives in the form of soft noodles which are used as raw material for the manufacture of bath soap and detergent soap products with the trading name ' <i>Rhino</i> '. Some types of soap noodle products produced by the Company are: Toilet Soap Noodle: TS 8020 TFM 78%, packing in 25 kg net PP woven bag with PE inner plastic line and 800 Bags or 20.00 Mt per 20' Fcl Multipurpose Soap Noodles: MS 8010 TFM 72%, packing in 25 kg net PP woven bag with PE inner plastic line and 800-840 Bags or

20.00 - 21.00 Mt per 20' Fc

Multipurpose Soap Noodles: MS 5050 TFM 72%, packing in 25 kg net PP woven bag with PE inner plastic line and 800-840 Bags or 20.00 - 21.00 Mt per 20' Fcl

Laundry Soap Noodles: LS 1090 TFM 64%, packing in 25 kg net PP woven bag with PE Plastic inner line and 880 Bags or 22.00 Mt per 20' Fcl

Laundry Soap Noodles: LS 1090 TFM 60%, packing in 25 kg net PP woven bag with PE Plastic inner line and 880 Bags or 22.00 Mt per 20' Fcl

The inauguration of the Company's factory on March 2018 was attended by the Pakistani Ambassador, because the company was previously established because of the collaboration between the President Republic of Indonesia and Pakistan to encourage economic cooperation between the two countries.

The initial investment for the construction of the Company factory was USD 15 million with an installed production capacity of 50,000 tons of land on an area of 2 ha.

Even so, our sources stated that until the fourth quarter of 2018, the Company had not yet produced according to its installed production capacity. The Company is also preparing to produce its own final soap with the brand '*Rhino*'.

The Company gets the production raw materials made from palm oil such as palm stearin, palm fatty acid distillate and other supporting materials from local suppliers.

The Company's marketing area is 80% in the domestic market to local companies engaged in soap industries to produce final soap. While the remaining 20% is marketed to buyers from Africa.

Our sources stated that since its operation from April 2018, the Company has always tried to increase the number of its customers and always strives to produce according to its installed production capacity. Even our sources stated that the Company's sales increased every month.

The Company's workforce in 2018 is about 50 employees.

**Litigation**

At the time this report is written, this Company has not been involved in any criminal or civil cases. This statement is based on search results for cases conducted at the State Court in the area where the Company was established and operates today.

**Registered Address**

Jl. RS. Fatmawati No. 248  
Kelurahan Gandaria Selatan, Kecamatan Cilandak  
Kota Jakarta Selatan 12420  
DKI Jakarta - Indonesia  
Phone : N.A.

Fax : N.A.

Email : [info@indosultan.com](mailto:info@indosultan.com)

**Factory and Warehouse Address**

Cikarang Industrial Estate Kav. W-28, Jl. Jababeka XVI  
Kelurahan Harja Mekar, Kecamatan Cikarang Utara  
Kab. Bekasi 17530  
Jawa Barat - Indonesia

Phone : +62218937654, +6281288137596  
Fax : N.A.  
Email : [info@indosultan.com](mailto:info@indosultan.com)

## **BANKING INFORMATION**

**Banker (s)** - PT. Bank Central Asia Tbk  
**Insurance** - Badan Penyelenggara Jaminan Sosial (BPJS)

## **BUSINESS PROSPECTS**

### **Business Prospects**

The Indonesian Palm Oil Board (Dewan Minyak Sawit Indonesia) revealed that Indonesia is currently increasing the downstream of the palm oil industry. This is evident from some companies seeking to develop palm oil derivative products.

According to DMSI, current exports of palm oil derivatives are increasingly exceeding exports of crude palm oil (CPO).

Meanwhile, Indonesian Palm Oil Entrepreneurs Association (*Gabungan Pengusaha Kelapa Sawit Indonesia*) stated that palm oil production has increased dramatically over the past decade. Gapki predicts Indonesia will have at least 40 million tons of palm oil per year starting from 2020.

In addition, by 2018, economic growth is forecast to rise to a 5.3% level driven by household consumption, investment, and exports. In addition, in 2018 there will be a simultaneous regional election in 171 regions that are expected to increase economic growth in terms of household consumption.

It has a positive impact on fast-moving consumer goods (FMCG) sector. FMCG and fresh food are still the largest expenditure for households in Indonesia. Of the FMCG sales, food dominates 38%, followed by personal care 20%, 16% beverages, 15% dairy and 12% home care. FMCG products contribute 18.5% to the national GDP by 2016, and this figure is expected to reach 30% by 2030.

Based on the data shown above, we found out that the palm oil derivative industry still has a bright outlook, as well as economic growth that will have an impact on the improved purchasing power of the people. Thus, the palm oil derivative industry sector that produces FMCG products still has a bright prospect.

## **FINANCIAL STATEMENT**

<b>Sales Turn Over</b>	N.A.
<b>Total Assets</b>	As the Company is not a publicly listed company, we are unable to give a detailed picture of the financial condition of the Company.
<b>Other Financial Data</b>	Since the Company is not a publicly listed company, we cannot provide details on the Company's financial condition.

## **CREDITWORTHINESS**

<b>Management Capability</b>	Adequate
<b>Business Morality</b>	Adequate
<b>Payment Manner</b>	Slow but correct
<b>Financial Condition</b>	Satisfactory
<b>Operating Trend</b>	Undetermined
<b>Conclusive remarks</b>	<p>Based on the information shown above, the Company is engaged in the manufacture of soap noodle since April 2018. The Company's market share is 80% in domestic and currently the Company has an installed production capacity of 50,000 tons p.a. Financially, the Company's sales are increasing every month since it was operational in April 2018. The Company is also indicated to have a reasonably good business strategy and planning so that the Company always tries to increase the number of its customers and produce according to its installed production capacity.</p> <p>Meanwhile, the palm oil derivatives industry such as soap looks pretty good where the demand for soap products as the consumer good continues to increase in line with the increasing number of the Indonesian population.</p> <p>For security reason, nevertheless, we advise those wishing to make cooperation with and to grant loans to the Company to ask for adequate collaterals from the owners and management.</p>

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.73
UK Pound	1	INR 94.87
Euro	1	INR 82.52
IDR	1	INR 0.0049

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

**INFORMATION DETAILS**

Analysis Done by :	PRI
Report Prepared by :	SYL

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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)