

MIRA INFORM REPORT

Report No. :	539723
Report Date :	20.11.2018

IDENTIFICATION DETAILS

Name :	P.T. BINTANG ASIA USAHA
Registered Office :	Jalan Orchard Boulevard, Kawasan Industris Tunas 2 Tipe 11 F – 11 G, Batam Centre, Batam 29464, Kepulauan Riau Province
Country :	Indonesia
Date of Incorporation :	16.08.2017
Com. Reg. No.:	No. AHU-0035578.AH.01.01.Tahun 2017
Legal Form :	Limited Liability Company
Line of Business :	Manufacturing of Cold Rolled Stainless Steel Circles, Sheets and Slits
No. of Employees :	60

RATING & COMMENTS

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

MIRA's Rating :	NB
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Credit Rating	Explanation	Rating Comments
NB	New Business	No recommendation can be done due to business in infancy stage

Status :	New Business
Payment Behaviour :	Unknown
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : 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 NAME AND ADDRESS

Name of Company :

P.T. BINTANG ASIA USAHA

Address :

Head Office & Factory

Jalan Orchard Boulevard,
Kawasan Industris Tunas 2 Tipe 11 F – 11 G,
Batam Centre, Batam 29464,
Kepulauan Riau Province
Indonesia

Phones - (62-778) 480 7997
Fax - (62-778) 480 7997
Email - admin@bintangasia.com
Website - <http://www.bintangasia.com>
Land Area - 1,280 sq. meters
Building Area - 850 sq. meters
Region - Industrial Zone
Status - Rent

Date of Incorporation :

16 August 2017

Legal Form :

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

Company Reg. No. :

The Ministry of Law and Human Rights

No. AHU-0035578.AH.01.01.Tahun 2017

Dated 16 August 2017

Company Status :

Foreign Investment Company (PMA)

Permit by the Government Department :

The Department of Finance

NPWP – not available

Related/Affiliated Companies :

- a. P.T. STAR ASIA VENTURES (Investment Holding)
- b. AMERSONIC INTERNATIONAL Ltd., of Hong Kong (Investment Holding)

CAPITAL AND OWNERSHIP

Capital Structure :

Authorized Capital	- Rp. 53,496,000,000.-
Issued Capital	- Rp. 13,374,000,000.-
Paid up Capital	- Rp. 13,374,000,000.-

Shareholders/Owners :

a. P.T. STAR ASIA VENTURES - Rp. 6,687,000,000.- (50%)

Address : Gedung Graha Pena Batam, 8th Floor Suite 805-20,
Jl. Ahmad Yani, Teluk Tering,
Batam, Kepulauan Riau Province,
Indonesia

b. AMERSONIC INTERNATIONAL Ltd. - Rp. 6,687,000,000.- (50%)

Address : Room 1635, 16th Floor, Star House,
3 Sallisbury Road,
Tsimshatsui, Kowloon,
Hong Kong

BUSINESS ACTIVITIES

Lines of Business :

Manufacturing of Cold Rolled Stainless Steel Circles, Sheets and Slits

Production Capacity :

None

Total Investment :

a. Owned Capital	- Rp. 13.4 billion
b. <u>Loan Capital</u>	- Rp. 20.0 billion
c. Total Investment	- Rp. 33.4 billion

Started Operation :

January 2018

Brand Name :

BINTANG ASIA USAHA (ABU)

Technical Assistance :

None

Number of Employee :

60 persons

Marketing Area :

Local - 100%

Main Customers:

Foodstuff Industries, Cas and Metallurgy Industry, Biology and Chameical Industries, etc.

Market Situation :

Very Competitive

Business Trend :

Growing

BANKER, AUDITOR & LITIGATION

Bankers :

- a. The Hong Kong and Shanghai Banking Corp.
Komp. Sumber Jaya Blok A No.1-3,
Jl. Raden Patah, Lubuk Baja,
Batam, Kepulauan Riau Province
Indonesia
- b. P.T. Bank MANDIRI Tbk
Batam Industrial Park,
Jl. Rasamala No. 1, Batam
Kepulauan Riau Province
Indonesia

Auditor :

Internal Auditor

Litigation :

No litigation record in our database

FINANCIAL FIGURE

Annual Sales/Revenues :

No Comment

Net Profit (Loss) :

No Comment

Payment Manner :

Unknown

Financial Comments :

Fairly

KEY EXECUTIVES

Board of Management :

President Director - Mr. Ashish Prakash
Directors - a. Mr. Anuj Chatrath
b. Mr. Ritesh Dugar

Board of Commissioners :

Commissioner - Mr. Anamika Kumari

Signatories :

President Director (Mr. Ashish Prakash) or one of the directors (Mr. Anuj Chatrath or Mr. Ritesh Dugar) which must be approved by Board of Commissioner (Mr. Anamika Kumari)

CAPABILITIES

Management Capability :

Fairly

Business Morality :

Fairly

OVERALL PERFORMANCE

P.T. BINTANG ASIA USAHA (P.T. BAU) was established in Batam (Kepulauan Riau Province), based on Notarial Deed of Yulianti, SH., No. 17 dated August 16, 2017 with an authorized capital of Rp. 53,496,000,000.- of which Rp. 13,374,000,000.- was issued and fully paid up. The founding shareholders of the company are P.T. STAR ASIA VENTURES of Indonesia (50%) and AMERSONIC INTERNATIONAL Ltd., of Hong Kong (50%). The Deed of establishment was approved by the Minister of Law and Human Rights through its Decree No. AHU-0035578.AH.01.01.Tahun 2017 dated August 16, 2017. Since then, no changes have been effected in term of its shareholding composition and capital structure to date.

In accordance with article 3 (three) of the articles of association contained in the deed of establishment, the scope of activities of the Company is primarily in industry, trading, development, transportation, workshop and services. The company registered office located at Jalan Orchard Boulevard, Kawasan Industri Tunas 2, Tipe 11F and 11G, Batam, Kepulauan Riau Province and the company can open branch offices or representative offices at home and abroad.

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P.T. BAU ("the Company") was established within the framework of Foreign Investment (PMA), which has received permit from the Capital Investment Coordinating Board (BKPM) to engage in the field of cold rolled stainless steel circles, sheets and slits manufacturing by managing a plant located on Jalan Orchard Boulevard, Kawasan Industri Tunas 2, Tipe 11F & 11G, Batam, Kepulauan Riau Province. The plant has been in operation since January 2018 and the plant producers of Cold Rolled Stainless Steel Circles, Sheets and Slits. Pursuant to its company profile, the Company has automatic stamping machines, slitting lines, cut-to-length lines and other machines for auxiliary services such as maintenance and waste processing. They are capable of producing 200, 300 and 400 series grades of circles, sheets and slits. Our capacity for circles is around 1600 MT per month or around 20,000 MT per year. The Company produces circles in thickness range from 0.1mm to 0.8mm. Their slitting facility has a capacity of 3000 MT per month or 36,000 MT per year. They are capable of slitting in the width from 7mm to 1250mm. Our cut-to-length line has a capacity of 2000 MT per month or 24,000 MT per year. Then, the whole products are exported to Singapore and also marketed locally through traditional market in Batam and its surroundings. We observed that P.T. BAU is still relatively new company in the field of cold rolled stainless steel circles, sheets and slits manufacturing in the country.

In overall we find the demand for cold rolled stainless steel circles, sheets and slits had been rising by the average 6% to 8% per year within the last five years. The solid and steady domestic economy, Indonesia with the rising of Country Rating to Investment Grade, and also supported by Indonesia's economic indicators such as inflation, exchange rates and interest rates are expected to encourage the business sectors.

Macroeconomic indicators from China showed downward trend. In contrary, macroeconomic indicators of the US and India showed improvement. Both of these indicated continued uncertainties. The global economic crisis that accompanied the decline of the Indonesian Rupiah (IDR) against the US Dollar in the past two months, resulting in Indonesian people's purchasing power declined sharply. The value of the Rupiah from Rp. 11,800.- per US dollar at the end of 2014, has now slumped to Rp. 14.850 per US Dollar.

Table of Indonesian Economic Indicators from 2013 to 2017

Indonesian Economic Indicators	2013	2014	2015	2016	2017
Gross Domestic Product (PDB)	5.6	5.0	4.8	5.0	5.1
Consumer Price Index (inflation)	8.4	8.4	3.4	3.0	3.6
Government Debt	28.7	24.7	27.0	27.9	28.5
Exchange Rate (IDR/USD)	11,563	11,800	13,400	13,309	13,381
Current Account Balance	-3.3	-3.1	-2.1	-1.8	-1.7
Population (in millions)	251	254	258	261	264
Poverty (percentage of population)	11.5	11.0	11.2	10.7	10.1
Unemployment (percentage of workforce)	6.3	5.9	6.2	5.6	5.5
Reserves (in billion USD)	99.4	111.9	105.9	116.4	130.2

The financial condition of the company is appraised to be less strong and its financial condition at present is as the paid up capital of Rp. 13,374,000,000 as stated in the articles of association of the company. The financial condition of the company still depends on the financial condition of its shareholders. The management of P.T. BAU is very reclusive towards outsiders and rejected to disclose its financial condition. So far, we did not heard that the company having been black listed by the Central Bank (Bank Indonesia).

The management of P.T. BAU is led by Mr. Ashish Prakash (appr.43) of India as president director and CEO of the company. In his daily activities, he is assisted by three directors namely Mr. Anuj Chatrath and Mr. Ritesh

Dugar, both are also from India. We don't know much about his reputation in the business. 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.

Since this company (P.T. BAU) just about eleven months in operation commercially, so we recommend caution when going to provide fresh loans to them. Or it should obtain sufficient guarantees of all shareholders.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.90
UK Pound	1	INR 92.20
Euro	1	INR 81.94
IDR	1	INR 0.0049

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	TRU

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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)