

MIRA INFORM REPORT

Report No. :	541874
Report Date :	30.11.2018

IDENTIFICATION DETAILS

Name :	PT. RAJDULAR BROTHERS
Registered Office :	Jl. Garuda Muara Kasang Dalam, Korong Sei Pinang, Kelurahan Kasang, Kecamatan Batang Anai, Kab. Padang Pariaman 25586, Sumatera Barat
Country :	Indonesia
Financials (as on) :	2017 [Summarized]
Date of Incorporation :	29.07.2010
Com. Reg. No.:	AHU-AH.01.03-0222953
Legal Form :	Private Limited Liability Company or Perseroan Terbatas (PT)
Line of Business :	<ul style="list-style-type: none"> • Wholesale of Agricultural Raw Materials and Live Animals • Wholesale of Food, Beverages and Tobacco • Non-Specialized Wholesale Trade
No. of Employees :	Per 2018 Approximately - 50

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd 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 :	Slow but correct

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Litigation :	Clear
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NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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

Company Name	PT. RAJDULAR BROTHERS
Address	Jl. Garuda Muara Kasang Dalam, Korong Sei Pinang Kelurahan Kasang, Kecamatan Batang Anai Kab. Padang Pariaman 25586 Sumatera Barat - Indonesia +62751483401
Telephone	N.A.
Fax	N.A.
Mobile Phone	N.A.
Email	finance@rajdularbrothers.com
Web	www.rajdularbrothers.com

PROFILE

Address	Jl. Garuda Muara Kasang Dalam, Korong Sei Pinang Kelurahan Kasang, Kecamatan Batang Anai Kab. Padang Pariaman 25586 Sumatera Barat - Indonesia
Office Building	a. Area - Commercial b. Status - Leased
Date Of Establishment	- 29 July 2010
Start Operation	2010
Legal Status	Private Limited Liability Company or Perseroan Terbatas (PT)
Legalization (historical)	<u>No. AHU-0947090.AH.01.02.Tahun 2015</u> <i>Dated, 02 December 2015</i> <u>No. AHU-0014485.AH.01.02.Tahun 2018</u> <i>Dated, 18 July 2018</i> <u>No. AHU-AH.01.03-0222952</u> <i>Dated, 18 July 2018</i> <u>No. AHU-AH.01.03-0222953</u> <i>Dated, 18 July 2018</i>
Government Permit (s)	<u>Kementerian Perdagangan</u> TDP - 03.07.3.46.03541 TDP - 8120002812236 SIUP - 0010-0066/03.07/PB/SIUP/IV/2016-PROB <u>Direktorat Jenderal Pajak</u> NPWP - 03.075.342.0-201.000

Significant change	PT. Rajdular Brothers (the Company) was established on July 29,
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2010, in Padang - West Sumatra, Indonesia. Up to the completion of this report, however, we are unable to obtain the establishment act of the Company; so that we cannot show you details about its initial capitalization and shareholder structure.

On June 29, 2018, the Company's authorized capital was IDR 14,500 million, which entirely issued and paid up. The Company's shareholder structure were Mr. Dularchand Bhagat (47.5%), Mr. Rajeshwar Mandal (47.5%), and Mr. Punit Kumar (5%).

Up to the completion of this report, there has been no more change in the Company's notarial act.

Capitalization

- Authorized Capital	IDR 14,500,000,000
- Issued Capital	IDR 14,500,000,000
- Paid Up Capital	IDR 14,500,000,000

SHAREHOLDERS & MANAGEMENT

Shareholders

Total No. of Shareholders: 3
Shareholders as 18 July 2018
Total Shareholding private - 10,000 shares

Name of Shareholders

- Mr. Dularchand Bhagat
(4,750 shares) - 47.500 %
- Mr. Rajeshwar Mandal
(4,750 shares) - 47.500 %
- Mr. Punit Kumar
(500 shares) - 5.000 %

Management Board

Name	Mr. Rajeshwar Mandal
Position	President Director
Nationality	Indian
Name	Mr. Praveen Pramendra Kumar
Position	Director
Nationality	Indian
Name	Mr. Punit Kumar
Position	Director
Nationality	Indian

Supervisory Board

Name	Mr. Dularchand Bhagat
Position	Commissioner
Nationality	Indian

Management Assessment

The management is deemed to have sufficient experience and industry expertise to manage subject properly.

Authorized Signatories

Mr. Rajeshwar Mandal as President Director, Mr. Praveen Pramendra Kumar and Mr. Punit Kumar as Directors which must be approved by shareholders meeting.

Affiliate (s) / Associate (s)

N.A.

KEY DATA ON OPERATIONS

Registered Activities	SIC Code 46	: Wholesale trade, except of motor vehicles and motorcycles
Employee	<i>Per 2018</i> Approximately - 50	
Bussiness Category	SIC Code 46.2	: Wholesale of agricultural raw materials and live animals
	SIC Code 46.3	: Wholesale of food, beverages and tobacco
	SIC Code 46.9	: Non-specialized wholesale trade
Line of Business	SIC Code 46.21	: Wholesale of grain, unmanufactured tobacco, seeds and animal feeds
	SIC Code 46.37	: Wholesale of coffee, tea, cocoa and spices
	SIC Code 46.90	: Non-specialized wholesale trade
Product & Capacity	N.A.	
Status of Investment	Foreign-invested Company	
Sales Territory	Local	00%
	International	100%
Main Items Imported And Country Origin	N.A.	
Main Items Exported And Country Destination	<ul style="list-style-type: none"> - Commodities - India - Commodities - Bangladesh - Commodities - Pakistan - Shri Mehndipur Balaji Enterprises Pvt. Ltd. of India - Buyer from Bangladesh - Buyer from Pakistan - Local farmer 	
Major Customers		
Major Suppliers		
Terms of Payment	Purchase Payment	
	Domestic	: Cash payment, Telegraphic Transfer (T.T) with credit term 30 days
	Overseas	: N.A.
	Sale Term	
	Domestic	: N.A.
	Overseas	: Telegraphic Transfer (T.T) with credit term 7-30 days
Activity Comment	PT. Rajdular Brothers (the Company) is a foreign invested company that is engaged in commodities trading and started the operation in 2010. The Company's head office and registered address are located at Jl. Garuda Muara Kasang Dalam, Korong Sei Pinang, Kelurahan Kasang, Kecamatan Batang Anai, Kab.	

Padang Pariaman 25586, Sumatera Barat - Indonesia. This location is located at commercial area and we believe this location is leased by the Company.

The Company is supported by a branch and warehouse address in East Java, specifically at Jl. Margamulio Indah No. 16. A/1, Surabaya, Jawa Timur, Indonesia.

The address in the order sheet, Jl. Simpang Tiga Rambutan, Padang, Sumatera Barat, Indonesia, is the previous branch address of the Company. Currently, this location is no longer operated by the Company.

Based on our source, the Company is engaged in the wholesale of general commodities, which provides various products made from natural resources. Main products of the Company are spices, nuts and gums, such as follows:

- Spices: Black pepper, cardamom, cinnamon, clove, clove stems, cubeb, dry ginger, long pepper, mace, tamarind, tumeric, and white pepper.

- Nuts: Betel nut, raw cashew nut, nutmeg, and desiccated coconut.

- Gums: Damar nut, gambier, gum benzamin, gum damar, gum copal, and gum rosin.

These products are purchased from local farmers in Padang, Surabaya, and surrounding areas.

Then, the products are traded 100% in overseas market. The Company exported the products to several countries, such as to India, Pakistan, and Bangladesh. One of the Company's export transaction was on August 28, 2018, the Company exported gambier to Shri Mehndipur Balaji Enterprises Pvt. Ltd. of India, with total export value of USD 70,000. The Company usually exports the products every month, depends on the order from the customers.

Regarding the operational performance, the Company was able to maintain increasing performance during 2015 to 2017. To this fourth quarter of 2018, the Company's condition was still stable.

However, due to the strengthening USD market, the Company has to received delay payment from the customers. The delay can reach 30 to 60 days. But, so far the Company is still able to minimize the delay payment to the suppliers.

The Company is supported by approximately 50 employees.

Litigation

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

Sources

Ms. Desi (Finance Staff of the Company, contacted on November 29, 2018) and public sources.

Branch and Warehouse Address

Jl. Margamulio Indah No. 16. A/1
Kelurahan Manukan Wetan (Bibis, Buntaran), Kecamatan Tandés
Kota Surabaya 60184

Jawa Timur - Indonesia
Phone : +62751483401
Fax : N.A.
Email : N.A.-

BANKING INFORMATION

Banker (s)

- PT. Bank Rakyat Indonesia (Persero) Tbk
- PT. Bank Negara Indonesia (Persero) Tbk

Insurance

- Badan Penyelenggara Jaminan Sosial (BPJS)

BUSINESS PROSPECTS

Business Prospects

In 2017, Indonesia's export performance increased to USD 170.3 billion, up from 2016's achievement of only USD 145.2 billion. This value consists of oil and gas exports of USD15.50 billion and non-oil and gas exports of USD 154.80 billion. The government is optimistic that exports will grow in the range of 5-7% by 2018.

The Ministry of Trade said the target was set after seeing the improving global economic development, and adjusting the economic growth target of 5.4% in the 2018 State Budget.

The Central Bureau of Statistics (Badan Pusat Statistik) recorded a surplus in Indonesia's trade balance for the period of January to December 2017. The surplus indicator was derived from an increase in export and import values that grew overall positive during the year. The trade balance in Indonesia showed a surplus of USD 11.84 billion, with the export value up to 16.22% year on year and the import value up to 15.66% year on year.

For the amount of export of agricultural products in the period of January - November 2017, it had reached 3,833,528.3 tons or up 17.07% from the period of January to November 2016 amounted to 3,274,608.6 tons.

In the period from January to November 2017, the ten biggest mainstay commodities are:

1. Coffee, with a value of USD 1,1327 million (32.79 %)
2. Drugs, aromatic, and spice plants, with a value of USD 583.8 million (17.19%)
3. Annual fruits, with a value of USD 326.9 million (9.62%)
4. Birds nest, with a value of USD 252.5 million (7.43%)
5. Seaweed and other algae, for USD 132.7 million (3.91%)
6. Other non-timber forest products, with a value of USD 126.3 million (32.72%)
7. White pepper, with a value of USD 124.5 million (32.67%)
8. Catch fresh cold fish, with a value of USD 99.8 million

(22.94%)

9. Black pepper, with a value of USD 82.7 million (2.44%)

10. Vegetables, with a value of USD 6725 million (1.99%)

Based on the information above, shows that the export trading of spices have a bright business prospects.

FINANCIAL STATEMENT

Sales Turn Over

- 2015 - IDR 22,700,000,000 (Estimated)
- 2016 - IDR 24,970,000,000 (Estimated)
- 2017 - IDR 26,218,500,000 (Estimated)

Total Assets

As the Company is not a publicly listed company, we are unable to give a detailed picture of the financial condition of the Company.

Other Financial Data

As the Company is not a publicly listed company, we are unable to provide details on the financial condition of the Company.

CREDITWORTHINESS

Management Capability

Adequate

Business Morality

Adequate

Payment Manner

Slow but correct

Financial Condition

Satisfactory

Operating Trend

Up

Conclusive remarks

Based on the information shown above, we learned that the Company is engaged in trading of commodities since 2010. Products offered by the Company are spices, nuts, and gums. The Company's market share is 100% export such as to India, Bangladesh, and Pakistan.

The Company's operational performance was increasing from year to year. To this 2018, the demand from the overseas market is still growing. However, the Company received some delay payments from the customers. Nevertheless, despite some delay to the suppliers, the Company's cash flow is still normal without experiencing any issues.

Meanwhile, the government is optimistic that exports will grow in the range of 5-7% in 2018 and the demand for spice products from the global market continues to increase. Therefore, we believe the Company has potential business in the future.

For security reason, nevertheless, we advise those wishing to make cooperation with and to grant loans to the Company to ask for adequate collateral from the owners and management.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.92
UK Pound	1	INR 89.74
Euro	1	INR 79.58
IDR	1	INR 0.0049

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	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)