

## MIRA INFORM REPORT

Report No. :	534052
Report Date :	12.10.2018

### IDENTIFICATION DETAILS

Name :	P.T. BINTANG MAKMUR SENTOSA TEXTIL INDUSTRI
Registered Office :	Jalan Raya Timur Km. 8 Karanganyar sub-distgriect, Sambung Macan district, Sragen regency 57253, Central Java
Country :	Indonesia
Financials (as on) :	2017 [Summarized]
Date of Incorporation :	15.08.2006
Com. Reg. No.:	AHU-31051.30.22.2014
Legal Form :	Limited Liability Company
Line of Business :	Spinning Mills Industry
No. of Employees :	1,945

### 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

Status :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

### NOTES :

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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.

**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 :**

**P.T. BINTANG MAKMUR SENTOSA TEXTIL INDUSTRI**

**Address :**

**Head Office & Factory**

Jalan Raya Timur Km. 8  
Karanganyar sub-distric, t,  
Sambung Macan district,  
Sragen regency 57253,  
Central Java  
Indonesia

Phone - (62-271) 882 6300, 882 6255, 890 600  
Fax. - (62-271) 893 773  
Land Area - 20.5 hectares  
Building Space - 2.2 hectares  
Region - Industrial Zone  
Status - Owned

**Branch**

c/o PT. Bintang Asahi Textil Industri  
Jl. Raya Solo-Sragen Km. 24  
Purwosuman, Sragen 57281  
Solo - Central Java  
Indonesia

Phones - (62-271) 647455 (hunting)  
Fax - (62-271) 651500  
Land Area - 12.6 hectares  
Building Space - 1.8 hectares  
Region - Industrial Zone  
Status - Owned

**Date of Incorporation :**

15 August 2006

**Legal Form :**

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

**Company Reg. No. :**

**The Ministry of Law and Human Rights**

- a. No. W9-00222.HT.01.01.TH.2006  
Dated 19 December 2006
- b. No. AHU-27493.AH.01.02.Tahun 2009  
Dated 19 June 2009

- c. No. AHU-48643.AH.01.02.Tahun 2009  
Dated 9 October 2009
- d. No. AHU-31051.30.22.2014  
Dated 20 September 2014

**Company Status :**

National Private Company

**Permits by the Government Department :**

**a. The Department of Finance**

NPWP No. 02.581.077.1-526.000

**b. The Department of Industry and Trade**

TDP No. 11 14 152 00058

Dated 03 February 2007

**Affiliated/Associated Company :**

P.T. BINTANG ASAHI TEXTIL INDUSTRY (Textile Industry)

## ***CAPITAL AND OWNERSHIP***

**Capital Structure :**

Authorized Capital - Rp. 350,000,000,000.-  
Issued Capital - Rp. 87,500,000,000.-  
Paid up Capital - Rp. 87,500,000,000.-

**Shareholders/Owners :**

**a. Mr. Eddy Iskandar - Rp. 68,679,000,000.- (78.49%)**

Address : Jl. Arif Rahman Hakim No. 39  
Kel. Tegalharjo, Kec. Jebres  
Surakarta, Central Java  
Indonesia

**b. Mrs. Kristiyanti - Rp. 18,812,000,000.- (21.50%)**

Address : Jl. Arif Rahman Hakim No. 39  
Kel. Tegalharjo, Kec. Jebres  
Surakarta, Central Java  
Indonesia

**c. Mr. Albert Karsten Iskandar - Rp. 9,000,000.- ( 0.01%)**

Address : Jl. Arif Rahman Hakim No. 39  
Kel. Tegalharjo, Kec. Jebres  
Surakarta, Central Java  
Indonesia

## **BUSINESS ACTIVITIES**

**Lines of Business :**

Spinning Mills Industry

**Production Capacity :**

Polyester Textured Yarn - 79,365 bales p.a.

**Total Investment :**

a. Owned Capital - Rp. 87.5 billion

b. Loan Capital - Rp. 50.0 billion

c. Total Investment - Rp. 137.5 billion

**Started Operation :**

2007

**Brand Name :**

BMSTI

**Technical Assistance :**

None

**Number of Employee :**

1,945 persons

**Marketing Area :**

Local - 40%

Export - 60%

**Main Customers :**

a. PT. Bintang Asahi Textil Industri

b. Overseas buyer in Brazil, India, Pakistan, etc.

**Market Situation :**

Very Competitive

**Main Competitors :**

a. PT. Apac Inti Corpora

b. PT. Argo Pantes Tbk.

c. PT. Adi Kencana Mahkotabuana

d. PT. Sulistyowati Kusumatex

e. PT. Delta Merlin Sandang Textile

f. PT. Sulismatex

g. Etc.

**Business Trend :**

Growing but only slowly

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

### **Bankers :**

- a. P.T. Bank MANDIRI Tbk  
Jl. Brigjen Slamet Riyadi No. 329  
Solo, Central Java  
Indonesia
- b. P.T. Bank NEGARA INDONESIA Tbk  
Jl. Brigjen Slamet Riyadi No. 141-143  
Solo, Central Java  
Indonesia

### **Auditor :**

Internal Auditor

### **Litigation :**

No litigation record in our database

## ***FINANCIAL FIGURE***

### **Annual Sales (estimated) :**

2013 – Rp. 590.0 billion  
2014 – Rp. 530.0 billion  
2015 – Rp. 558.0 billion  
2016 – Rp. 587.0 billion  
2017 – Rp. 620.0 billion

### **Net Profit (estimated) :**

2013 – Rp. 26.0 billion  
2014 – Rp. 22.8 billion  
2015 – Rp. 24.0 billion  
2016 – Rp. 25.2 billion  
2017 – Rp. 26.6 billion

### **Payment Manner :**

No Complaints

### **Financial Comments :**

Fairly

## ***KEY EXECUTIVES***

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**Board of Management :**

Director - Mr. Eddy Iskandar AKA Tan Hoen Tjik

**Board of Commissioners :**

Commissioner - Mrs. Kristiyanti

**Signatories :**

The Director (Mr. Eddy Iskandar AKA Tan Hoen Tjik) which must be approved by Board of Commissioner (Mrs. Kristiyanti)

## ***CAPABILITIES***

**Management Capability :**

Fairly

**Business Morality :**

Fairly

## ***OVERALL PERFORMANCE***

P.T. BINTANG MAKMUR SENTOSA TEXTIL INDUSTRI (P.T. BMSTI) was established in Karanganyar (Central Java), based on notarial deed No. 52 dated 15 August 2006 drawn up by Ninoek Perrnomo, SH., notary in Surakarta, with an authorized capital of Rp 15,000,000,000.- entirely was issued and fully paid up. The founding shareholders of the company are Mr. Eddy Iskandar AKA Tan Hoen Tjik (78.49%), his wife Mrs. Kristiyanti (21.50%) and his son Mr. Albert Karsten Iskandar (0.01%). They are Indonesian businessman/woman of Chinese extraction. The Deed of establishment was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decision Letter No. W9-00222 HT.01.01.TH.2006 dated 19 December 2006.

Its articles of association have subsequently been changed for several times. In 2009, based on notarial Deed of Ninoek Poernomo, SH., No. 34 dated 15 September 2009, the authorized capital was increased to Rp 350,000,000,000.- of which Rp 87,500,000,000.- was issued and paid up. But, no changes have been effected in term of its shareholding composition and capital structures. The amendment to deed was approved by the Minister of Law and Human Right in its Decision Letter No. AHU-48643.AH.01.02.Tahun 2009 dated 9 October 2009.

The most recently by Notary Deed of Pujiastuti Pangestu, SH., No. 64 dated August 29, 2014, concerning the reappointment in composition of the Company's board of Directors and Commissioners. This amendment to Deed has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through its Decree No. AHU-31051.40.22.2014 dated September 20, 2014.

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P.T. BMSTI is a spinning mills industry, which operates a factory located on Jl. Raya Timur Km. 8, Karanganyar Village, Sambung Macan District, Sragen - Solo, Central Java. This factory has been operating commercially since 2007 and to this day runs smoothly. Slowly and continuously its production capacity is improved at this time P.T. BMSTI has a production capacity of 79,375 bales. Some 60% of the company's production was exported to Brazil, India and Pakistan, the rest was absorbed by its affiliate company, PT. BINTANG ASAHI TEKSTIL INDUSTRI, is engaged in grey fabrics industry and number of textile factories located in Central Java and its surroundings. We observed that P.T. BMSTI is classified as a midium-sized company of its kind in the country of which the operation has been growing slowly in the last three years.

Generally, the demand for textile and textile products tended to be fluctuating within the last five years in line with the fluctuating of Indonesian textile industry in general. According to the Central Bureau of Statistics (BPS) the Indonesia garment export in 2010 amounted to 445.2 thousand tons (US\$.6,598.0 million) increased to 450.9 thousand tons (US\$.7,801.5 million) in 2011 to 450.2 thousand tons (US\$.7,304.8 million) in 2012 to 470.2 thousand tons (US\$.7,501.0 million) in 2013 declined to 463.9 thousand (US\$.7,450.0 million) in 2014 and declined again to 378.6 thousand tons (US\$.6,410.9 million) in 2015 and rose again to 425.9 thousand tons (US\$.7,212.6 million) in 2016. The export volume and value of the national garment and textile products in 2002 to 2016 are pictured on the following table.

Year	Garment		Textile Product	
	(Thousand Ton)	(US\$ Million)	(Thousand Ton)	(US\$ Million)
2002	333.1	3,887.2	1,425.9	3,075.9
2003	339.9	4,037.9	1,307.5	3,064.6
2004	327.3	4,351.9	1,300.4	3,354.6
2005	369.5	4,967.0	1,427.3	3,704.0
2006	399.6	5,608.1	1,477.8	3,908.6
2007	399.8	5,712.9	1,473.6	4,178.0
2008	417.6	6,092.2	1,312.2	4,127.9
2009	393.4	5,735.6	1,369.6	3,602.8
2010	445.2	6,598.0	1,525.9	4,721.8
2011	450.9	7,801.5	1,493.3	5,563.3
2012	450.2	7,304.8	1,508.5	5,278.1
2013	470.2	7,501.0	1,633.1	5,293.6
2014	463.9	7,450.9	1,815.6	5,379.9
2015	378.6	6,410.9	1,481.7	4,415.0
2016	425.9	7,212.6	1,563.9	4,660.0

Until this time P.T. BMSTI has not been registered with Indonesian Stock Exchange, so that they shall not obliged to announce their financial statement. Therefore, the company has no obligation to publish financial statement publicly. We have checked to Department of Trade and Industry and found that no financial statement has been reported. P.T. BMSTI's management is very reclusive to outsider and rejecting to disclose its financial condition but we estimated the total sales turnover of the company in 2015 amounted to Rp. 558.0 billion increased to Rp. 587.0 billion in 2016 and rose again to Rp. 620.0 billion in 2017. The operation in 2017 yielded a net profit at least Rp. 26.6 billion and the company has a total net worth of Rp. 230.0 billion. It is projected that total sales turnover of the company will increase at least 5% in 2018. So far we did not hear that P.T. BMSTI has been black listed by Bank Indonesia (Central Bank) or having detrimental cases being settled in local district court. The company usually pays its debts punctually to suppliers.

The management of the company is led by Mr. Eddy Iskandar AKA Tan Hoen Tjik (65) as director and CEO of the company. He is a businessman who experienced for more than 26 years in industry and trading of textile products. In daily activities, he is assisted by his wife Mrs. Kristiyanti (45) and a number of professional managers having wide relation with private businessmen of home and overseas as well as with the government sectors. 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.

P.T. BMSTI is appraised to be good for business transaction. However, in view of the economic condition in the country is still unstable and political situation in the country is warming, we recommend to treat prudently in extending any new loan to the company.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 74.39
UK Pound	1	INR 98.30
Euro	1	INR 85.90
IDR	1	INR 0.0049

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

**INFORMATION DETAILS**

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