



EXECUTIVE SUMMARY

Indonesia is reeling under the impact of food shortage caused by the use of chemical fertilizers that create infertility of the soils and decreasing agricultural land areas due to rapid population growth. Moreover, the quality of the food produced is mostly exposed to pesticide residue due to chemical fertilizer. Almost all of the raw materials, fruits, and vegetables are imported from other countries to supply food leading to higher expense of the government that in return lowers the purchasing power of the population.

With production facility and headquarter in Tegal, Central Java, PT Grindo Mulya Indonesia (PT GMI) provides excellent quality liquid bio-organic fertilizer to improve the sustainability of agriculture in Indonesia, targeting the Central Java and soon other Indonesia regions. PT GMI offers **Liquid Bio-Organic Fertilizer** with the brand **StarTmik** which is an innovative fertilizer from microbes and organic materials, composed of growth factor that can increase the immunity of plants to weather change and increase the yield of harvested plants up to 30%.

PT GMI's goal is to exceed the expectation of the target market which is the horticulture farmers in Central Java by offering outstanding yield of the plantation, and greater value including restoring the physical, chemical, and biological properties of the soil, thus optimizing yield. PT GMI's associates are equipped with educational expertise in farming, therefore ensuring the end-users to receive the most valuable and professional pre and after-sales services. These services included assistance in using the product and community development called P2S (*Paguyuban Petani StarTmik*) and S3 program (*Sahabat StarTmik Sejahtera*).



As experts in agricultural management systems and distribution, PT GMI's associates will be involved in every stage from the process until the application of the products by the end-user. PT GMI's sales representatives will be distributed in multiple location in Central Java to assist the end-user in using the products and they will be in-touch with the headquarter periodically by online or phone.

PT GMI possesses customer service in multiple locations located in P2S. They will do multiple tasks from selling the product until maintaining business and customer relationship. Before releasing these associates to the location, the management will provide them with crash-course training in establishing and maintaining an area assigned by the headquarter.

For financial projections and plans for the next five years, in the first year PT GMI is funded with 80% equity and 20% debt worth Rp. 4,800,000,000 to cover initial investment and working capital. The assumptions used for most likely scenario are inflation rate of 6% and 16.81% cost of capital, which lead to NPV of IDR 14,970,380,159, 33.9% MIRR, and 4.28 years discounted payback period.