

RATING REPORT

Saudi Pak Industrial and Agricultural Investment Company Limited

REPORT DATE:

June 28, 2022

RATING ANALYSTS:

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RATING DETAILS				
Rating Category	Latest Rating		Previous Rating	
	Long-term	Short-term	Long-term	Short-term
Entity	AA+	A-1+	AA+	A-1+
Rating Outlook	Stable		Stable	
Rating Date	June 28, 2022		June 11, '21	
Rating Action	Reaffirmed		Reaffirmed	

COMPANY INFORMATION

Incorporated in 1981	External auditors: KPMG Taseer Hadi & Co.
Unlisted Public Company	Chairman of the Board: Mr. Sultan Mohammad Hasan Abdulrauf
Key Shareholders (with stake 5% or more):	Chief Executive Officer: Mr. Kamal Uddin Khan
Government of Pakistan – 50%	
Kingdom of Saudi Arabia – 50%	

APPLICABLE METHODOLOGY(IES)

VIS Entity Rating Criteria: Government Supported Entities (July 2020);

<http://www.vis.com.pk/kc-meth.aspx>

Saudi Pak Industrial and Agricultural Investment Company Limited

OVERVIEW OF
THE
INSTITUTION

RATING RATIONALE

Saudi Pak was incorporated in 1981 as a private limited company and later converted into an unlisted public limited company. The head office of the company is located in Islamabad while representative offices are situated in Lahore and Karachi.

Profile of Chairman

The Board is chaired by Mr. Sultan M. Hasan Abdulrauf, a nominee of KSA.

Profile of CEO

The management team is headed by Mr. Kamal Uddin Khan. Mr. Khan's career spans over three decades in the banking sector. Mr. Khan holds a Master's degree in Computer Science and a diploma in Investment Banking and Corporate Finance from Kellogg School of Management, Northwestern University, USA.

The ratings assigned to Saudi Pak Industrial and Agricultural Company Limited (Saudi Pak) take into account its strong shareholders' profile, with two sovereigns, Government of Pakistan (GoP) and Kingdom of Saudi Arabia (KSA), having an equal stake in the company under the terms of a joint venture agreement. KSA has outstanding rating of 'A-' from an international credit rating agency.

Cautious lending strategy continued in the outgoing year; however, going forward management plans to increase advances portfolio prudently. Overall asset quality indicators improved in the review period due to restructuring and de-classification of some clients.

Gross loan portfolio was recorded lower at Rs. 9.1b (2020: Rs. 9.3b) at end-Dec'21 due to repayments being higher than disbursements of Rs. 3b. Major clients disbursed in 2021 include Gul Ahmed Textile, Air Link Communications, Pak Elektron and Fazal Cloth Mills Limited. Cautious lending strategy post COVID-19 was followed to curtail chances of fresh infection. The management prudently refrained from taking fresh exposure in sectors, which were likely get adversely affected by the pandemic. Going forward management targets net disbursement of Rs. 4b in 2022 (gross disbursements target being around Rs. 6b) with focus being towards project finance lending. Given rising interest rate scenario and inflation levels yielding higher risk of NPLs, the management will manage fresh disbursements. Furthermore, given limited participation in syndicated transactions and lower spreads, the institute intends to follow a hybrid model with 60% transactions carried through bilateral lending and 40% through syndicates. Hence the company plans to keep following the conservative strategy and tap only Tier-I and Tier-II clients, going forward.

With decrease in gross loan portfolio, sector-wise concentration also witnessed increase as the largest exposure pertaining to textile was recorded higher at 37.9% (Dec'20: 27.9%) at end-Dec'21 breaching the internal limits of exposing maximum 30% in one sector. Going forward, management plans to reduce exposure in textile sector and focus on telecommunication, agrobased, automotive, cement and energy sectors.

Overall asset quality indicators improved in the review period due to restructuring and de-classification of some clients. With lower NPLs, gross infection ratio decreased to 26.2% (2020: 41.7%) at end-2021. With higher provisioning coverage of 94%, net infection significantly declined to 2.1% (2020: 20.0%) at end-2021. With addition of a client in the classified portfolio during 1Q22, gross and net infection levels rose to 28.7% and 5.6%, respectively. However, the same continue to report on the lower side as compared to historic levels.

Investment strategy planned to align exposures towards floating rate PIBs to reduce increasing interest rate risk.

Investment portfolio declined to Rs. 31.1b (Dec'20: Rs. 35.6b) at end-Dec'21 due to the management's strategy to off-load fixed rate PIBs amidst expectation of rise in interest rates. With a sizeable hike in benchmark rates, exposure in floating rate PIBs increased with the exposure in PIBs increasing to Rs. 30b (Dec'21: Rs. 25.2b, Dec'20: Rs. 29.9b) at end-Mar'22. The investment strategy entailed buying floating rate PIBs which currently constitutes around 73% (2020: 60%) of overall portfolio. As the yield curve has steepened, the company recorded deficit of Rs. 1.1b on the PIBs portfolio at end-Mar'22. The company intends to rationalize the PIBs portfolio. Fixed rate PIBs have modified duration of 2.9 years reduced from 4.9 years in the preceding year, thereby reducing interest rate risk on the company. Carrying value of equity market investments in listed companies stood higher at Rs. 2.5b (Dec'20: Rs. 2.3b) at end-Dec'21. The listed equity portfolio primarily comprised highly liquid dividend yielding stocks. With decline in KSE index in the outgoing year, deficit of Rs. 64m has been accumulated at end-Mar'22. Going forward, the company plans to continue its strategy of investing in dividend yielding stocks. Net investment in both listed and unlisted TFCs increased to Rs. 2.4b (Dec'20: Rs. 2.3b) at end-Dec'21. The increase was attributable to TFC of NRSP Microfinance Bank. With return on TFCs pegged with market rates, interest rate risk in the investment is considered manageable. Moreover, given higher provisioning coverage, net infection ratio of the TFC portfolio has improved at end-Dec'21.

Overall profitability profile in 2021 supported by higher spreads, dividend income and reversal in provisioning charges on advances portfolio.

Overall profitability indicators improved during 2021 primarily on the back of higher spreads, dividend income, and reversal in provisioning charges. Markup income was recorded at similar levels of Rs. 3.7b in 2021 as compared to the preceding year. Income from investments decreased to Rs. 2.6b (2020: Rs. 3.0b) due to off-loading of PIB exposure. The same accounted for 70% (2020: 80%) of the total markup income. Markup expensed decreased to Rs. 2.3b (2020: Rs. 2.7b) with lower average cost of borrowing in 2021 of 7.1% (2020: 9.4%). Consequently, cost of funding decreased to 7.1% (2020: 9.5%) as a result of lower markup rates while markup bearing assets yielded a return of 9.6% (2020: 10.9%) leading to relatively higher markup spreads of 2.4% (2020: 1.4%) during 2021. Non-interest income decreased to Rs. 301m (2020: Rs. 611.5m) during 2020 on account of realized loss on government securities. Dividend income was recorded higher at Rs. 319m (2020: Rs. 160.3m) largely emanating from KAPCO, EFERT, EPCL, and POL. Other income largely constituting rental income increased to Rs. 276.1m (2020: Rs. 224.4m) led by gain on sale of non-banking assets to the tune of Rs. 60.6m. Despite higher provisions booked for diminution in value of investments (due to rising interest rates and declining KSE index) amounting Rs. 101m (2020: Rs. 22m), reversals arising from the loan portfolio to the tune of Rs. 241.6m (2020: Provision of Rs. 318m) supported overall profitability profile of the company in 2021. With curtailed growth in operating expenses and greater increase in recurring income led by higher spreads and support of dividend income, efficiency ratio of the company improved to 26% (2020: 33%) in 2021.

With negative spreads due to lag in re-pricing of assets, overall profitability profile weakened in 1Q22 with efficiency ratio surging to 36%. Going forward, management expects depressed profit levels due to rising interest rate scenario and consequent negative spreads projected in 2022 and 2023. Improving profitability indicators from a rating perspective are considered important simultaneous to management of higher projected NPLs.

Adequate Liquidity and Capitalization Profile

Given long-term investment portfolio funded by short-term repo borrowings, significant asset liability maturity mismatch is present on the books. The management monitors maturity mismatch on an ongoing basis to manage the associated risk. Meanwhile, liquidity risk is considered manageable as repo borrowings are secured against highly liquid government securities. Going forward, borrowings will continue to remain the key source of financing for the institution. Liquid assets (adjusted for investments given as collateral) in absolute terms amounted to Rs. 8.1b (Dec'21: Rs. 7.7b, Dec'20: Rs. 8.1b) Overall liquidity profile has strengthened with sufficient coverage against deposits and borrowings. These coverages compare favorably against peers. Ratings factor in maintenance of the same going forward.

Paid-up-capital remained at Rs. 6.6b at end-Mar'22. Tier-1 equity increased to Rs. 12.7b (Dec'21: Rs. 12.5b, Dec'20: Rs. 11.5b) mainly on back of profit retention. Consequently, total equity base also augmented at review period end. Net NPLs (including TFCs) as a portion of Tier-1 capital decreased to 3.3% (Dec'21: 1.4%, Dec'20: 12.3% by end-Mar'22 as a result of decline in overall non-performing portfolio. Capital adequacy Ratio (CAR) improved to 48% (Dec'21: 47%, Dec'20: 38.3%) due to reduction in Risk Weighted Assets (RWAs) primarily in line with lower credit and market risk. CAR of the company is considered adequate and exhibits ample room for growth above the regulatory requirement of 11.5%.

Corporate Governance Framework in line with best practices

The Board comprises seven members including the Chief Executive Officer/General Manager (CEO/GM). Composition of the BOD remained unchanged during the period under review. Board maintains its oversight through three committees namely Board Audit Committee (BAC), Board Human Resource & Remuneration Committee (BHRC) and Board Risk Management Committee (BRMC).

Saudi Pak Industrial and Agricultural Investment Company Limited Annexure I

Composition of Board	
Directors	Representative
Mr. Sultan M. Hasan Abdulrauf	Nominee Director of KSA/Chairman
Mr. Majid Misfer J. Alghamdi	Nominee Director of KSA
Mr. Ghanem Alghanem	Nominee Director of KSA
Mr. Zafar Hasan	Nominee Director of GoP/Deputy Chairman
Mr. Mohammad Tanvir Butt	Nominee Director of GoP
Mr. Qumar Sarwar Abbasi	Nominee Director of GoP

Committee	Composition
Human Resource	Mr. Sultan M. Hasan Abdulrauf (C) Mr. Zafar Hasan (M) Mr. Majid Misfer J. Alghamdi (M) Mr. Mohammad Tanvir Butt (M)
Audit	Mr. Majid Misfer J. Alghamdi (C) Mr. Mohammad Tanvir Butt (M) Mr. Ghanem Alghanem (M) Mr. Qumar Sarwar Abbasi (M)
Risk	Mr. Zafar Hasan (C) Mr. Majid Misfer J. Alghamdi (M) Mr. Qumar Sarwar Abbasi (M) Mr. Ghanem Alghanem (M)

**M=Member;
C=Chairman**

New Senior Executives' Profiles

Appendix-I

Brief Profiles

<p>Mr. Umar Saeed Khan SEVP Business Group Head</p>	<p>Mr. Umar S. Khan has worked for almost 29 years in international as well as local commercial banks. His last assignment was in UAE where he worked for Invest Bank (Govt. of Sharjah majority owned bank) as the Head of Large Corporates – Northern Emirates. He has been in senior executive roles for the last 15 years. Mr. Khan started his career from Bank of America on the Credit & Marketing platform. Since then he has held various positions in Habib Bank Limited (HBL), Standard Chartered Bank, United Bank Limited (UBL), and HSBC Bank where he reached to the position of Country Head – Commercial & Global Banking. He also headed Corporate & Commercial Banking at Silk Bank and headed Corporate & Transaction Banking as a SEVP in Habib Metro Bank.</p>
<p>Mr. Yawar Khan Afridi EVP Group Head Operations</p>	<p>Mr. Yawar Khan Afridi has a rich experience of above 30 years serving in local and international Commercial & Microfinance Banks. He is a diversified professional with core competencies in the field of banking operations, technology and manufacturing, trading. His banking career started from Mashreq Bank and prior to joining Saudi Pak Industrial & Agricultural Investment Company Limited, he was Head of Operations in Khushhali Bank (KBL), where he held various management positions providing leadership and strategic direction and demonstrated his expertise to lead and manage Microfinance, SME lending and deposits value streams. He led the sales, distribution & retail network of the Pakistan's largest microfinance bank. He is also recognized for his contribution towards establishing Micro Finance industry in the country through his association with Khushhali Bank. Mr. Yawar holds MBA in Banking & Finance degree. He has joined Saudi Pak in Dec 2015 as Group Head Operations and is responsible for administration, building/Saudi Pak Tower affairs, settlement & Information Technology department.</p>
<p>Mr. Sheikh Aftab Ahmad EVP HEAD CAD/HEAD SAM</p>	<p>Sheikh Aftab Ahmad is highly qualified and seasoned banker. Has served in senior positions in Industrial Development Bank of Pakistan and Meezan Bank prior to joining Saudi Pak in 2008. He has served as director on the Boards of several listed and non-listed companies in Textile, Sugar, and financial sector companies. He has successfully completed Directors Training Program of ICAP. He enjoys remarkable success in settlement /recovery from problem accounts.</p>
<p>Mr. Fateh Tariq EVP Head Portfolio Management Department and Treasury</p>	<p>Mr. Fateh Tariq has diverse and multi-faceted experience in financial markets of over Thirty years and has dealt with Equities, Fixed Income, Money market and listed derivatives in local and International markets. He joined Saudi Pak in 2017, previously he served in Abu Dhabi Investment Company a Sovereign wealth fund of Abudhabi, UAE. He has done MBA from Institute of Business Administration.</p>
<p>Mr. Kashif Suhail EVP Head Corporate Finance Division</p>	<p>Mr. Kashif Suhail is a corporate & investment banking professional having more than 17 years' experience in both equity & debt capital markets. His professional journey encompasses his association with various organization across Saudi Arabia and Pakistan. His last assignment was with Ithraa Capital (a group company of Atheeb Group – KSA) as the Head of Investment Banking. Prior to it, he headed the CIBG at Pakistan Kuwait Investment Company. He was also associated with Foundation Securities (a Fauji Foundation company & a country partner of Macquarie Capital, Australia) and Arif Habib Limited (the Arif Habib Group). Presently, he is looking after the lending arm of Saudi Pak as a Head of Corporate Finance division.</p>
<p>Mr. Ali Imran SVP Head IT Division</p>	<p>Mr. Ali Imran is a seasoned IT Professional having more than 22 years of diversified experience and held key positions in various national and international organizations. He has wide-ranging exposure in the areas of Technology Governance & Security, IT Infrastructure, Systems Development and Implementation, Project Management and building high quality teams. He joined Saudi Pak in 2007 and has been instrumental in successful transformation of legacy Core systems & IT infrastructure into latest technology. During this period, he also played a key role in implementing BCP and</p>

<p>Ms. Tayyaba Yamin VP Head HR Division</p>	<p>development of Disaster Recovery Setup, devising Technology Governance Framework & Policies for Saudi Pak. Ms. Tayyaba Yamin is an HR Strategist, with almost 18 years of banking-industry experience. She has been associated with Saudi Pak since 2017. Prior to joining Saudi Pak, she held positions of Manger HR operations, Manager HRIS and Compensation and HR Analyst in Khushhali Microfinance Bank Limited. She has done MBA from University of Arid Agriculture Rawalpindi and Diploma in Human Resource Management (Ark Consulting Group). She also holds various certifications in Oracle Human Resource Management System and Payroll Fundamentals.</p>
<p>Ms. Tayaba Mazhar SVP Company Secretary</p>	<p>Ms. Tayaba Mazhar has joined Saudi Pak Industrial and Agricultural Investment Company Ltd as the Company Secretary. She is a lawyer by profession and has a extensive experience in both the legal as well as corporate secretarial fields. She has worked for a number of multinational companies including those in the financial sector. Her last assignment before joining Saudi Pak was with HBL as its Regional Litigation Head.</p>
<p>Mr. Safdar Abbas Zaidi SVP/ CFO Head- Finance Division</p>	<p>Mr. Safdar Zaidi is working with Saudi Pak since 2016. He has over 19 years of work experience in the financial sector of Pakistan. He is a Fellow member of the Institute of Chartered Accountants of Pakistan and a Certified Information System Auditor (ISACA, USA). Before Joining Saudi Pak, he had worked in 'Internal Audit & Risk Review' functions, under various positions of managerial & senior management cadre in financial institutions including ABL, HBL, SME Bank and UBL.</p>
<p>Mr. Ghairat Hayat SVP Head Risk Management Division</p>	<p>Mohammed Ghairat Hayat joined Saudi Pak Industrial & Agricultural Investment Company in 2016 and was elevated to Head Risk Management Division in 2018. He has cumulative work experience of over 15 years in progressively senior roles with a diverse set of organizations in the financial sector, including a commercial bank, microfinance bank and development finance institution. His areas of expertise include credit, market, liquidity, and operational risk management, and the Basel Framework. He is a CFA charterholder, certified Financial Risk Manager, and alumnus of Imperial College London.</p>
<p>Mr. Ali Aosjah Muhammad VP/Head Internal Audit Division</p>	<p>Mr. Ali Aosjah Muhammad is working with Saudi Pak since 2016. He has over 13 years of experience in the field of Audit and Finance. He is a Fellow member of the Association of Chartered Certified Accountants, UK & Certified Internal Auditor (CIA). Before joining Saudi Pak, he had worked as Accounting and Operations Manager for a US based setup in Pakistan, responsible for all accounting, finance and operations related matters. Prior to that, he had worked with Grant Thornton Anjum Rahman, Chartered Accountants, on various positions dealing with the field of statutory audits.</p>

Saudi Pak Industrial and Agricultural Investment Company Limited Annexure III

Financial Summary (Rs. In m)	31-Dec-19	31-Dec-20	31-Dec-21	31-Mar-22
<u>BALANCE SHEET</u>				
Total Investments	23,904	35,557	31,131	35,433
Gross Advances	10,109	9,345	9,109	9,055
Total Assets	37,085	48,236	44,688	48,867
Borrowings	22,759	32,320	26,457	30,592
Deposits & other accounts	510	2,446	2,912	2,921
Subordinated Debt	-	-	-	-
Paid Up Capital	6,600	6,600	6,600	6,600
Tier-1 Equity	10,816	11,497	12,498	12,707
Net Worth	13,003	12,912	14,459	14,538
<u>INCOME STATEMENT</u>				
Net Mark-up Income	763	992	1,431	133
Net Provisioning / (Reversal)	328	340	(140)	(24)
Non-Markup Income	426	612	301	206
Administrative Expenses	454	455	530	111
Profit/(Loss) Before Tax	405	809	1,341	253
Profit/(Loss) After Tax	267	616	922	188
<u>RATIO ANALYSIS</u>				
Advances to Deposits Ratio (%)	1838%	346%	267%	265%
Liquid Assets to Deposits & Borrowings (%)	73%	97%	102%	117%
NPLs	4,069	3,895	2,387	2,598
Gross Infection (%)	40.2%	41.7%	26.2%	28.7%
Provisioning Coverage (%)	55.1%	65.1%	93.9%	85.2%
Net Infection (%)	23.2%	20.0%	2.1%	5.6%
Costs of Deposits (%)	19.4%	8.9%	7.4%	10.3%
Net NPLs to Tier-1 Capital (%)	17.6%	12.5%	1.2%	3.1%
Tier-1 CAR (%)	37.5%	34.7%	41.4%	42.7%
Capital Adequacy Ratio (CAR) (%)	44.8%	38.3%	47.2%	48.1%
LCR (%)	261.0%	249.0%	225.0%	233.0%
NSFR (%)	154.0%	184.0%	167.0%	181.0%
Markup Spreads (%)	0.60%	1.36%	2.42%	-0.82%
Efficiency (%)	39%	33%	26%	36%
ROAA (%)	0.9%	1.4%	2.0%	1.6%
ROAE (%)	2.1%	4.8%	6.7%	5.2%

ISSUE/ISSUER RATING SCALE & DEFINITIONS

Annexure IV

VIS Credit Rating Company Limited

RATING SCALE & DEFINITIONS: ISSUES / ISSUERS

Medium to Long-Term

AAA

Highest credit quality; the risk factors are negligible, being only slightly more than for risk-free Government of Pakistan's debt.

AA+, AA, AA-

High credit quality; Protection factors are strong. Risk is modest but may vary slightly from time to time because of economic conditions.

A+, A, A-

Good credit quality; Protection factors are adequate. Risk factors may vary with possible changes in the economy.

BBB+, BBB, BBB-

Adequate credit quality; Protection factors are reasonable and sufficient. Risk factors are considered variable if changes occur in the economy.

BB+, BB, BB-

Obligations deemed likely to be met. Protection factors are capable of weakening if changes occur in the economy. Overall quality may move up or down frequently within this category.

B+, B, B-

Obligations deemed less likely to be met. Protection factors are capable of fluctuating widely if changes occur in the economy. Overall quality may move up or down frequently within this category or into higher or lower rating grade.

CCC

Considerable uncertainty exists towards meeting the obligations. Protection factors are scarce and risk may be substantial.

CC

A high default risk

C

A very high default risk

D

Defaulted obligations

Rating Watch: VIS places entities and issues on 'Rating Watch' when it deems that there are conditions present that necessitate re-evaluation of the assigned rating(s). Refer to our 'Criteria for Rating Watch' for details. www.vis.com.pk/images/criteria_watch.pdf

Rating Outlooks: The three outlooks 'Positive', 'Stable' and 'Negative' qualify the potential direction of the assigned rating(s). An outlook is not necessarily a precursor of a rating change. Refer to our 'Criteria for Rating Outlook' for details. www.vis.com.pk/images/criteria_outlook.pdf

(SO) Rating: A suffix (SO) is added to the ratings of 'structured' securities where the servicing of debt and related obligations is backed by some sort of financial assets and/or credit support from a third party to the transaction. The suffix (SO), abbreviated for 'structured obligation', denotes that the rating has been achieved on grounds of the structure backing the transaction that enhanced the credit quality of the securities and not on the basis of the credit quality of the issuing entity alone.

Short-Term

A-1+

Highest certainty of timely payment; Short-term liquidity, including internal operating factors and /or access to alternative sources of funds, is outstanding and safety is just below risk free Government of Pakistan's short-term obligations.

A-1

High certainty of timely payment; Liquidity factors are excellent and supported by good fundamental protection factors. Risk factors are minor.

A-2

Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Access to capital markets is good. Risk factors are small.

A-3

Satisfactory liquidity and other protection factors qualify entities / issues as to investment grade. Risk factors are larger and subject to more variation. Nevertheless, timely payment is expected.

B

Speculative investment characteristics; Liquidity may not be sufficient to ensure timely payment of obligations.

C

Capacity for timely payment of obligations is doubtful.

(blr) Rating: A suffix (blr) is added to the ratings of a particular banking facility obtained by the borrower from a financial institution. The suffix (blr), abbreviated for 'bank loan rating' denotes that the rating is based on the credit quality of the entity and security structure of the facility.

'p' Rating: A 'p' rating is assigned to entities, where the management has not requested a rating, however, agrees to provide informational support. A 'p' rating is shown with a 'p' subscript and is publicly disclosed. It is not modified by a plus (+) or a minus (-) sign which indicates relative standing within a rating category. Outlook is not assigned to these ratings. Refer to our 'Policy for Private Ratings' for details. www.vis.com.pk/images/policy_ratings.pdf

'SD' Rating: An 'SD' rating is assigned when VIS believes that the ratee has selectively defaulted on a specific issue or obligation but it will continue to meet its payment obligations on other issues or obligations in a timely manner.

REGULATORY DISCLOSURES		Appendix V				
Name of Rated Entity	Saudi Pak Industrial and Agricultural Investment Company Limited					
Sector	Development Finance Institution (DFI)					
Type of Relationship	Solicited					
Purpose of Rating	Entity Ratings					
Rating History	Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action	
	RATING TYPE: ENTITY					
	28-Jun-21	AA+	A-1+	Stable	Reaffirmed	
	11-Jun-21	AA+	A-1+	Stable	Reaffirmed	
	10-Jun-20	AA+	A-1+	Stable	Reaffirmed	
	31-May-19	AA+	A-1+	Stable	Reaffirmed	
	12-Jun-18	AA+	A-1+	Stable	Reaffirmed	
	19-Jun-17	AA+	A-1+	Stable	Reaffirmed	
	17-Jun-16	AA+	A-1+	Stable	Reaffirmed	
	09-Jun-15	AA+	A-1+	Stable	Reaffirmed	
	12-Dec-14	AA+	A-1+	Stable	Upgrade	
	02-July-14	AA	A-1+	Positive	Reaffirmed	
	29-Jun-13	AA	A-1+	Positive	Maintained	
29-Jun-12	AA	A-1+	Stable	Downgrade		
Instrument Structure	N/A					
Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.					
Probability of Default	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.					
Disclaimer	Information herein was obtained from sources believed to be accurate and reliable; however, VIS does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. VIS is not an NRSRO and its ratings are not NRSRO credit ratings. For conducting this assignment, analyst did not deem necessary to contact external auditors or creditors given the unqualified nature of audited accounts and diversified creditor profile. Copyright 2022 VIS Credit Rating Company Limited. All rights reserved. Contents may be used by news media with credit to VIS.					
Due Diligence Meetings Conducted	Name	Designation		Date		
	Mr. Safdar Abbas Zaidi	CFO		June 02, 2022		
	Mr. Umar Saeed Khan	SEVP Group Head Business				
	Mr. Ghairat Hayat	Head RMD				
	Mr. Fateh Tariq	Head PMD & T				
	Mr. Aftab Ahmad	Head CAD & SAM				