RATING REPORT

Al-Bario Engineering (Pvt.) Limited

REPORT DATE:
January 17, 2022

RATING ANALYSTS:

Tayyaba Ijaz
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RATING DETAILS		
Rating Category	**Initial Rating**	
	Long-term	**Short-term**
Entity	A-	A-2
Rating Outlook	*Stable*	
Rating Action	Initial	
Rating Date	*January 17, 2022*	

COMPANY INFORMATION	
Incorporated in 2016	**External auditors:** Rizwan & Company Chartered Accountants.
Private Limited Company	**CEO:** Mr. Ahmad Najeeb
Key Shareholders (with stake 5% or more):	
Sheikh Ibrahim Atif – 49.7%	
Mr. Ahmad Najeeb – 49.7%	

APPLICABLE METHODOLOGY(IES)
VIS Entity Rating Criteria: Corporates (August 2021) *https://docs.vis.com.pk/docs/CorporateMethodology202108.pdf*

Al- Bario Engineering (Pvt.) Limited

OVERVIEW OF THE INSTITUTION

Al-Bario Engineering (Pvt.) Limited was incorporated as a private limited company on July 24, 2001 under the Companies Ordinance 1984 (now the Companies Act, 2017). The company is principally engaged in providing electrical, mechanical and contractual engineering services to various national and multinational organizations. Registered office of the company is located at 91-C, Model Town, Lahore.

Profile of CEO:
Mr. Ahmad Najeeb joined Albario Group in 1993. He has done BSc. (Hons.) in electrical engineering from UET. Mr. Najeeb holds lifetime membership of Pakistan Engineering Council and is an associate member of the Institute of Electrical &Electronics Engineers, Pakistan. Mr. Najeeb holds various certifications from multinational companies including General Electric, Bently Navada, and Tony Buzan. He has also won multiple awards as GE Partner in the region.

Financial Snapshot

Tier-1 Equity: *end-FY21: Rs. 1.44b; end-FY20: Rs. 1.26b; end-FY19: Rs. 1.08b.*

Assets: *end-FY21: Rs. 2.28b; end-FY20: Rs.*

RATING RATIONALE

Al-Bario Engineering (Pvt.) Limited (AEPL) operates in service industry, primarily providing electrical, mechanical and construction services to various national and multinational organizations. The company has been working with leading original equipment manufacturers (OEMs) and engineering procurement and construction (EPC) contractors in Pakistan. Topline has remained largely stable on a timeline basis. Major portion of revenue emanates from operations & maintenance (O&M) and electrical & mechanical (E&M) works and other services while remaining constitute revenue from construction projects and indenting commission. The management projects some growth in topline from construction projects, going forward. Gross margins have remained healthy and depicted stability over the years while net margins have also improved slightly over the last couple of years with some rationalization of operating costs. The ratings derive comfort from sound liquidity position in terms of sizeable cash flow coverages. Meanwhile, effective receivable collection to avoid cash flow mismatches would remain imperative for the assigned ratings. The capitalization indicators have remained comfortable over the years amidst low level of borrowings and other liabilities relating to working capital on account of its presence in service industry and sufficient internal capital generation. However, the ratings will remain dependent on increase in revenue, maintenance of sound margins, adequate coverages and conservative capital structure while effective management of business risks related to inherent uncertainty in the bidding process and receivables collection.

Key Rating Drivers

Company's overview: AEPL was initially established as a partnership firm in 1954, founded by Mr. Riaz Ahmad Malik, to provide services in the field of energy, industrial solutions and infrastructure. Mr. Najeeb Ahmad Malik and Sheikh Ibrahim Atif, both holds relevant education and vast experience at national and international level in the fields of engineering and are actively involved in business operations of the company. AEPL has once exclusively represented General Electric, USA, for their power systems in Pakistan. AEPL is a channel partner or distributor for various leading multinational organizations in the field of energy, rail, renewables and electrification business. Some of which includes sales representation of General Electric Global Services GmbH (GE) for power and transportation segments, channel partner for Harbin electric International Company (HEI) for EPC turnkey projects, exclusive partner/distributor for ADDINOL Lube Oil GmbH, Germany and channel partner or system integrator for electric vehicle (EV) charging solutions of ABB Power and Automation (Pvt.) Ltd.

Group companies of AEPL include AEPL Engineering Works (Pvt.) Ltd. (AEW), Engine Parts Distributions (Pvt.) Ltd. (EPD) and Grit (Pvt.) Ltd. (GPL). AEW is certified for fabrication of manufacturing storage tanks, pressure vessels and mechanical equipment by American Society of Mechanical Engineers. EPD is a special purpose company acting as a distributor and local partner of ECI Distribution GmbH, PowerUp, Austria and ADDINOL, Germany. GPL is a transformer distribution unit located in Lahore. The company is a registered manufacturer of transformers for National Transmission & Dispatch Company (NTDC). GPL manufactures custom-built and special purpose pole and pad mounted transformers ranging from 10kVA-5000kVA. The company has also come on Water and Power Development Authority (WAPDA) panel in 2021 for supplying transformers. The sponsors of AEPL have majority shareholding in all of these companies. In addition, AEPL has a subsidiary entity (with an ownership stake of 69%), namely, Prospects Consulting, an AOP which provides advisory services to students for foreign education.

AEPL employs a total manpower of 5,828, including 934 permanent employees, 1,830 contractual employees, 2,660 call-out employees and 404 O&M employees. The company provides in-house power plant training facility from beginner to expert level and refresher courses to fresh and on-job operations and maintenance teams from various power plants and industries. The company also owns a Global Wind Organization (GWO) certified training centers, one at Lahore and another at Karachi, which provides wind

2.02b; end-FY19: Rs. 1.08b.

***Profit After Tax**: FY21: Rs. 180m; FY20: Rs. 177m; FY19: Rs. 130m.*

turbine engineers and technicians the necessary qualification and trainings to manage maintenance activities up-tower.

AEPL has a dedicated bidding team comprising a senior manager project development, manager bidding and technical manager bidding. The company has business development teams for North and South regions of Pakistan. In addition, the company hosts various seminars and trainings for business promotion. The company has executed various projects, including both thermal and renewable power generation and mechanical, electrical & plumbing (MEP) works for cement, food, fertilizers, chemicals, textile and other industries. AEPL has completed numerous projects related to Erection, Testing & Commissioning (ETC) for 500 /220 /132 KV grid stations for leading original equipment manufacturers (OEMs) and engineering procurement & construction (EPC) contractors. A list of major completed projects between 2016-2021 and some on-going projects with the company's scope of work is presented below:

Operations & Maintenance (O&M)	
Projects	**Client**
Baloki II CCPP (on-going)	TNB
Haveli Bahadur Shah (on-going)	SEPCO-III
Tricon Boston Wind Farm	GE
JPL Wind Farm	GE
Hawa Sind Farm	GE
Tenaga Wind Farm	GE
Sapphire Wind Farm	GE
Master Wind Farm	GE
Habibullah Coastal	GE
Bhikki I CCPP	GE
Bhikki II CCPP (on-going)	HEI-HRL JV
Nandipur CCPP (on-going)	HEPSEC
Balloki I CCPP	GE
Sheikhupura Rental	GE

Electrical & Mechanical (E&M)	
Projects	**Client**
Sahiwal Coal Power Project	SEPCO I & TEPC
Gaddu Power Project	Harbin Electric, China
Muridke CCPP	Sapphire Power-IPP
Sheikhupura Rental	GE
Hawa Sind Farm	GE
Balloki I Grid Station	Orient Electric Power Coampny
Muridke I Grid Station	Sapphire Electric Power Company
Baldia Grid Station	SEIMENS
Gulshan-e-Iqbal Grid Station	SEIMENS
SGTPS Grid Station	SEIMENS
Shadman Grid Station	SEIMENS
Maripur Grid Station	SEIMENS
Valika Grid Station	SEIMENS

Civil Construction	
Projects	**Client**
Grand City Housing Society (on-going)	Grand City
LDA City (on-going)	LDA
Shaheen Villas Phase I &II	Al-Azeem Housing Society

Al Azeem Housing Society (on-going)	Al-Azeem Housing Society
Gaddu Power Project	Harbin Electric China
Muridke CCPP	Sapphire Power-IPP
Sheikhupura Rental	GE

CCPP: Combined Cycle Power Plant

TNB: Tenaga Nasional Bhd.

SEPCO: Sukkur Electric Power Company

GE: General Electric

HEI-HRL: Harbin Electric International Company Ltd. - Habib Rafique (Pvt.) Ltd.

HEPSEC: Hydro Electric Power System Engineering Company, China

TEPC: Tianjin Electric Power Construction Company, China

LDA: Lahore Development Authority

The company has also executed EPC renewables projects for Total Parco (Pvt.) Ltd., Machine Craft (Pvt.) Ltd. and Green Earth (Pvt.) Ltd. The company has installed EV charging setup in collaboration with ABB Power and Automation at Metro store, Lahore, in the ongoing year while the same is in process for Bhera Interchange. The company has a highly skilled team to provide maintenance and shutdown services for energy and oil & gas sector and has long-term annual maintenance contracts with various power plants. AEPL has completed multiple power projects in Iraq, UAE and Saudi Arabia though its limited liability companies (LLCs) located in respective countries. As per management, the company primarily faces competition from Descon engineering Ltd. and Eitmaad Engineering (Pvt.) Ltd. in power and construction projects in Pakistan, respectively.

Asset mix: Property and equipment stood higher at Rs. 535.1m (FY20: Rs. 387m; FY19: Rs. 338m) at end-FY21, mainly due to addition related to tools and equipment worth Rs. 109.1m and vehicles of Rs. 42.8m and capital work in progress related to civil work on a workshop for fabrication works of Rs. 116.4m (FY20: Rs. 79.4m). The company owns a farmhouse, held as investment property worth Rs. 63.8m (FY20: Rs. 63.8m; FY19: Rs. 62m). Long-term investments amounted to Rs. 22.2m (FY20: Rs. 22.2m; FY19: Rs. 19.9m) which mainly included investment in mutual funds of Rs. 19.5m (FY20: Rs. 19.5m; FY19: Rs. 19.9m) and investment in subsidiary company of Rs. 2.4m (FY20: Rs. 2.4m; FY19: Nil).

Current assets largely comprised trade receivables, advances, deposits and prepayments and advance income tax. Tarde receivables increased to Rs. 671.8m (FY20: 638.8m; FY19: Rs. 401.8m) by end-FY21, and have increased in terms of percentage of net sales as well in last two outgoing years (FY21: 32%; FY20: 30%; FY19: 19%) mainly due to invoicing of certain contracts which entail 120 days credit period. In FY20 and FY19, trade receivables of Rs. 83m and Rs. 171.8m, respectively, were considered doubtful and were fully provided. As per management, these receivables are due from an international client with whom the company is still working and expect to recover, going forward. Outstanding receivables decreased to Rs. 435.6m by end-Dec'21. Aging of trade debts is considered satisfactory given Rs. 195.9m were not due as of Dec 31, 2021, receivables of Rs. 167.9m fall within 1 -120 days credit bracket, Rs. 15.4m were due within 121-200 days while Rs. 56.3m were due past 200 days. Advances, deposits and prepayments amounted to Rs. 261.2m (FY20: Rs. 212.5m; FY19: Rs. 195.1m), which mainly included amount due from related parties of Rs. 200m (FY20: Rs. 191.3m; FY19: Rs. 180.6m) and amount due from leasing company against advance given for leased vehicles of Rs. 40.3m (FY20: Rs. 3.4m; FY19: Rs. 3.4m). Stores, spares and loose tools inventory amounted to 20.6m (FY20: Rs. 18.1m; FY19: Nil). Other receivables increased to Rs. 158.8m (FY20: Rs. 65.3m; FY19: Rs. 61.4m) due to increase in tender and bid bonds of Rs. 109.4m (FY20: Rs. 14.7m; FY19: Rs. 13.4m) which has been decreased subsequently upon acquiring contracts. The company has cash and balances of Rs. 221.5m (FY20: Rs. 338.6m; FY19: Rs. 179.3m) out of which Rs. 174.1m (FY20: Rs. 286.4m; FY19: Rs. 96.5m) were kept in deposit accounts.

Topline and gross margins remained largely stable on timeline basis: Net revenues were recorded at Rs. 2.1b (FY20 & FY19: Rs. 2.1b) in FY21. Major chunk of the revenue emanates from services, which largely entails revenue from manpower provision for operations & maintenance (O&M), electrical & mechanical (E&M) works along with outages and call-out services. In addition, the company generates revenue from execution of contracts, involving construction projects and commission income from indenting of various products of foreign clients. Breakdown of revenue mix is tabulated below:

in PKR (millions)	FY19	FY20	FY21
Revenue from:			
Execution of contracts	373.1	214.9	296.7
Services	1,964.4	2,135.7	2,140.0
Commission	89.5	53.8	70.6
Total Gross Revenue	**2,427.1**	**2,404.4**	**2,507.3**
Less: Sales Tax	298.4	301.3	401.2
Net Sales	**2,128.7**	**2,103.2**	**2,106.1**

Direct costs also remained stable at Rs. 1.4b (FY20 & FY19: Rs. 1.4b) in the outgoing year. Around 60% of direct cost is related to salaries, wages and other benefits (FY21: Rs. 882.9m; FY20: Rs. 842.2m; FY19: Rs. 852.1m). Other major cost components include cost related to O&M projects of Rs. 217.3m (FY20: Rs. 214.9m; FY19: Rs. 217.2m) and on-site support and services cost of Rs. 220.9m (FY20: Rs. 212.2m; FY19: Rs. 229.9m). In addition, costs related to sub-contracting amounted to Rs. 41.4m (FY20: Rs. 30.1m; FY19: Rs. 58.2m). The company recorded Rs. 665.5m (FY20: Rs. 654.7m; FY19: Rs. 705.0m) in gross profits, in FY21, with a marginal increase in gross margins to 31.6% (FY20: 31.1%; FY19: 33.1%). Administrative expenses amounted to Rs. 309.3m (FY20: Rs. 306.7m; FY19: Rs. 364.9m) in the outgoing year. Finance cost increased slightly to Rs. 17.8m (FY20: Rs. 15.1m; FY19: 14.2m) despite some increase in borrowings, due to lower average markup rates during FY21. Accounting for taxation, the company recorded net profit of Rs. 180.1m (FY20: Rs. 177.1m; FY19: Rs. 129.7m) with a net margin of 8.6% (FY20: 8.4%; FY19: 6.1%).

The company has generated around Rs. 500m in revenue in 1HFY22 and projects net revenue of Rs. 2.4b in FY22. The company has projects worth Rs. 3.0b in hand starting in 2022 and completing in 2023. A list of major projects in pipeline is presented below:

Projects in Pipeline (2022-23)

Projects Details and Scope of Work	Client	Amount (PKR)
Addition of 90MW to national grid through refurbishing and upgradation of Mangla Power Plant	GE Hydro	Rs. 328m
Manpower supply for O&M of a power plant	GE Gas Power	Rs. 426.8m
O&M of 425/525 MW CCCPP at Nandipur Power Plant	HESPSEC	Rs. 301m
Construction of Thal Nova Housing Colony Phase-2	HUBCO	Rs. 627.3m
Erection, commission and testing work at a power plant	Sino-Hydro	Rs. 300m
O&M manpower service contract for Thar Power Plant	HEPSEC	Rs. 486.7m
Manpower supply for annual shutdown and routine maintenance of power plant	Lalpir Power Limited	Rs. 99.2m
Qayyumabad Korangi Grid Station	K-Electric	Rs. 50m
Nandipur Power Plant- Balance of Plant	HESPEC	Rs. 40.3m

In addition, the company has on-going long-term O&M services contracts for Nandipur power plant, Balloki CCPP, Bhikki CCPP and Havelibahadur Shah grid stations, and civil construction contacts fore Grand Housing City and LDA city. Going forward, the management projects some growth in topline on the back of increase in revenue from construction projects. Moreover, the management does not foresee much growth in revenue from new power projects given that existing power generation capacity is more than country's demand and the government has put hold on some incoming non-renewable power projects to mainly focus on power distribution system of the country. The government also plans to decommission some older fossil fuel plants to cut overcapacity and, in the meantime, would add new wind, solar and hydropower capacity to the grid to meet its climate goals.

Sound liquidity and capitalization indicators: Liquidity position has remained sound on a timeline basis in terms of sizeable cash flow coverages. Funds from operations amounted to Rs. 296.6m (FY20: Rs. 290m; FY19: Rs. 339m) in FY21. FFO to total debt and FFO to long-term debt, albeit decreased slightly due to some increase in borrowings, have remained sizeable at 1.10x (FY20: 1.63x; FY19: 2.52x) and 1.49x (FY20: 1.97x; FY19: 5.14x), respectively. Debt service coverage remained adequate at 4.32x (FY20: 8.04x; FY19: 8.41x) in FY21. Net operating cycle of the company increased to 24 days (FY20: 17 days; FY19: 11 days) on account of decrease in receivable turnover due to longer credit cycle of some contracts. Current ratio of 2.6x (FY20: 2.5x; FY19: 2.3x) also reflects efficient working capital management.

The company meets most of its working capital requirements through trade and other payables and internal cash flows. Trade and other payables amounted to Rs. 374.6m (FY20: Rs. 372.5m; FY19: Rs. 224.2m), which include trade creditors of Rs. 112.3m (FY20: Rs. 48.2m; FY19: Rs. 18.6m) and accrued liabilities of Rs. 155.5m (FY20: Rs. 172.1m; FY19: Rs. 91.2m), which largely pertained to accrued salaries and wages. Short-term borrowings although increased to Rs. 71m (FY20: Rs. 31m; FY19: Rs. 69m). The company has aggregate limits of Rs. 500m for bank guarantees and letters of credit and running finance limits of Rs. 200m. Long-term borrowings including current portion stood at Rs. 270m (FY20: Rs. 178m; FY19: Rs. 135m). This includes a long-term facility under SBP refinance scheme for payment of salaries and wages amounting Rs. 172.0m (FY20: Rs. 115.4m; FY19: Nil) and the rest pertained to liabilities against assets subject to finance lease. Tier-1 equity has increased steadily over the years on account of profit retention (FY21: Rs. 1.4b; FY20: Rs. 1.3b; FY19: Rs. 1.1b). Paid-up capital amounted to Rs. 21.2m (FY20 & FY19: Rs. 21.2m). Given sufficient cash flows to meet working capital requirements and relatively lower borrowings, debt leverage and gearing have remained comfortable at 0.58x (FY209: 0.60x; FY19: 0.57x) and 0.19x (FY20: 0.14x; FY19: 0.12x), respectively. Capitalization indicators are expected to remain sound going forward as well given the management does not intend to mobilize any major long-term borrowings.

Al-Bario Engineering (Pvt.) Limited Annexure I

BALANCE SHEET	Jun 30, 2019	Jun 30, 2020	June 30, 2021*
Property and Equipment	338	387	535
Investment Property	62	64	64
Trade Receivables	402	639	787
Advances, deposits and prepayments	195	212	261
Advance income Tax	236	184	149
Cash & Bank Balances	179	339	221
Other Assets	286	194	307
Total Assets	**1,698**	**2,019**	**2,325**
Trade and Other Payables	224	373	375
Short Term Borrowings	69	31	71
Long-Term Borrowings (incl. current maturity)	66	148	198
Total Interest-Bearing Debt	**135**	**178**	**270**
Income Tax payable	158	91	115
Other Liabilities	98	118	107
Total Liabilities	**615**	**759**	**866**
Paid Up Capital	21	21	21
Tier-1/ Total Equity	1,082	1,259	1,459
INCOME STATEMENT	**Jun 30, 2019**	**Jun 30, 2020**	**Jun 30, 2021***
Net Sales	2,129	2,103	2,106
Gross Profit	705	655	686
Operating Profit	220	287	312
Finance Cost	14	15	18
Other Income	26	18	21
Profit Before Tax	236	292	315
Profit After Tax	130	177	200
RATIO ANALYSIS	**Jun 30, 2019**	**Jun 30, 2020**	**Jun 30, 2021***
Gross Margin (%)	33.1	31.1	32.5
Net Margins	6.1	8.4	9.5
Current Ratio	2.28	2.53	2.54
Net Working Capital	657	890	987
Funds from Operations (FFO)	339	290	297
FFO to Total Debt (x)	2.52	1.63	1.10
FFO to Long Term Debt (x)	5.14	1.97	1.49
Debt Leverage	0.57	0.60	0.59
Gearing	0.12	0.14	0.18
Debt Servicing Coverage Ratio (x)	8.41	8.04	4.32
ROAA (%)	8.4	9.5	9.2
ROAE (%)	12.9	15.1	14.7
(Stock in Trade+ Trade Debt) to Short-Term Borrowing (x)	5.86	21.30	9.71

***Unaudited**

ISSUE/ISSUER RATING SCALE & DEFINITIONS Annexure II

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

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.

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.

(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 — Annexure III

Name of Rated Entity	Al-Bario Engineering (Pvt.) Limited
Sector	Miscellaneous
Type of Relationship	Solicited
Purpose of Rating	Entity Ratings
Rating History	see table below
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.
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Due Diligence Meetings Conducted	see table below

Rating History

Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
RATING TYPE: ENTITY				
17-Jan-22	A-	A-2	Stable	Initial

Due Diligence Meetings Conducted

Name	Designation	Date
Mr. Abrar Ghani	CFO	January 4, 2022