RATING REPORT

The Askari General Insurance Company Limited

REPORT DATE:
January 29, 2020

RATING ANALYSTS:

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RATING DETAILS

Rating Category	Latest Rating Long-term	Previous Rating Long-term
IFS	AA	AA
Rating Outlook	Stable	Stable
Outlook Date	*27-Dec'19*	*28-Dec'18*
Rating action	*Reaffirm*	*Upgrade*

COMPANY INFORMATION

Incorporated in 1995	**External auditors:** KPMG Taseer Hadi & Co
	Chairman of the Board: Lt. Gen. (R) Najib Ullah Khan
Key Shareholders (with stake 5% or more):	**Chief Executive Officer:** Mr. Abdul Waheed
Army Welfare Trust : 59.2%	
Mr. Muhammad Iqbal : 7.9%	

APPLICABLE METHODOLOGY

VIS Insurer Financial Strength Rating Methodology – General Insurance Rating (March, 2017)
https://www.vis.com.pk/kc-meth.aspx

Askari General Insurance Company Limited

OVERVIEW OF THE INSTITUTION

AGICO commenced commercial operations in 1995 and is listed on Pakistan Stock Exchange. With a network of 20 branches, the company is engaged in general insurance business. The financial statements for FY18 were audited by M/s KPMG Taseer Hadi & Co.

Profile of Chairman

Lt. Gen (R) Najeeb Ullah Khan is an ex-serviceman and is currently also acting as MD of Army Welfare Trust. He was awarded Hilal-e-Imtiaz (military) for his distinguished services to the forces. He has also served as Director General FWO.

Profile of CEO

Mr. Abdul Waheed has diverse experience in financial management, banking, and leasing sector. He is a qualified Certified Public Accountant (USA). Mr. Waheed has held the position of CEO since 2010.

Financial Snapshot

Net Worth: 9M19 – Rs. 1.9b,end-FY18 – Rs. 1.7b; end-FY17 – Rs. 1.5b

Net Profit: 9M19 – Rs. 255.3m, FY18 – Rs.295.8; FY17 – Rs. 253.7m

RATING RATIONALE

Ratings assigned to Askari General Insurance Company Limited (AGICO) derive strength from association with its primary shareholder Army Welfare Trust (AWT) having presence in various sectors of the economy. Ratings reflect growth in business volumes, improved underwriting performance, conservative investment profile and sound liquidity profile. The rating further incorporates reinsurance arrangements largely with counterparties having sound credit risk profiles, while net retention also remains lower than peers. However, the rating is constrained by high operating and financial leverages; the same have increased on a timeline basis as growth in business volumes has outpaced equity growth where capitalization support to retain risk profile is needed in the growth mode.

Business Strategy

The company primarily offers insurance covers for fire and property damage, marine and transport, motor, health and miscellaneous risks including burglary, loss of cash in safe and cash in transit, engineering losses, business interruption losses, accident and natural calamities. Despite higher incidence of claims in respect to premium earned, the business mix of the company remained dominated by motor segment followed by miscellaneous owing to intense competition making market development in fire and marine segments challenging. As per the management, the company focuses on high risk segments given capturing business from large insurance companies in fire and marine segments with presence in Rawalpindi is strategically challenging. During the period under review, business volumes of the company stood at Rs. 2.1b (FY18: 2.9b; FY17: 2.6b) during 9M19; the growth during FY18 was primary driven by higher contribution from miscellaneous segment with prime focus on engineering business. The company surpassed the growth target of Rs. 2.8b for FY18; moreover, the projected target for FY19 is set at Rs. 3.6 b. As per the management, the company is comfortably placed to meet the allocated target owing to sizeable quantum of new policies currently being in the approval phase coupled with renewal of existing business falling due in December. The company continues to target medium term businesses for risk diversification. With enhanced automation the company has improved turnaround time of claim processing to maximum of 15 days. This lead to increased productivity, reliability and customer satisfaction in overall health claims process; hence the company enjoys a healthy client retention ratio of over 85%. The snapshot of business mix is presented in the table below:

	FY16	FY17	FY18	9M19
Fire	13.3%	15.8%	15.6%	12.4%
Marine	6.7%	7.0%	6.9%	6.1%
Motor	36.0%	33.2%	34.2%	31.5%
Accident & Health	18.7%	32.1%	27.2%	16.8%
Miscellaneous	25.2%	11.9%	16.1%	33.2%
Gross Premium (m)	2,249.0	2,583.2	2,885.1	2,083.3

To maintain low loss ratios and healthy underwriting performance, the company follows a steady business growth approach whereby business with reputed clients is undertaken. The management projects that the gross premium for FY20 will exceed Rs. 4.2b. Going forward, the growth in business volumes is projected to be maintained by miscellaneous segment given the company is focusing on contractors plant and machinery (CPM) projects entailing long tenor; hence contributing towards stable growth. During FY19, AGICO signed a World Bank funded program with Government of Punjab whereby crop insurance contract was signed amounting to Rs. 400m. Further, the company maintains an MoU with one of the top-five re-insurance companies in Peoples Republic of China, rated 'A' by an international rating agency, to provide insurance services to their clients operating in Islamic Republic of Pakistan. Hence, the management expects growth in gross premiums in construction and marine sectors also on the back of ongoing projects related to China Pakistan Economic Corridor. Further, to improve its market penetration the management plans to open a new branch in Karachi in FY20 to cater to the existing market gap. On the Window Takaful Operations (WTO) front, with motor segment representing the largest proportion, business is this segment is expected to grow at a slower pace vis-à-vis conventional insurance given that there is limited capacity in the reinsurance market. The written contribution from WTO was Rs. 270.6m (FY18: Rs. 294.7m; FY17: Rs. 183.0 m) while the profit from operator's fund was recorded at Rs. 45.1m (FY18: Rs. 56.9m; FY17: Rs. 23.8 m) during 9M19.

Reinsurance Arrangements

AGICO's risk profile is supported by strong reinsurance coverage provided by diversified panel of reinsures. Risk profile of the reinsurance panel is considered sound as majority reinsurers are rated 'A' or higher. Scor Re remains the lead reinsurer in major segments; meanwhile, Hannover Re leads in motor, terrorism and catastrophe XL (fire & engineering). During FY19, there were few changes in the reinsurance panel with Korean Re exiting the market coupled with Trust Re being removed from the panel owing to rating downgrade of the latter. A.M Best downgraded the Insurer Financial Strength Rating of Trust Re from 'A-' to 'BBB+' in Oct'18. As a replacement Echo Re and Sava Re were added to the reinsurance panel for FY19.

Reinsurer	2018	2019	Ratings
Fire, Engineering, Misc Accident & Bond			
Quota share & Surplus-Treaty			
Scor Re	35%	35%	A+ (A.M. Best)
PRCL	20%	20%	AA+ (VIS)
Hannover Re	20%	20%	AA-; A+(S&P; A.M. Best)
AXA XL	15%	15%	AA-; A+ (S&P; A.M. Best)
Echo Re	-	5%	A+ (A.M. Best)

Sava Re	-	5%	A (S&P; A.M. Best)
Trust Re	5%	-	BBB+(A.M. Best)
Korean Re	5%	-	A (S&P; A.M. Best)
Fire, Engineering & CAT			
XOL-Treaty			
Hannover Re	60%	60%	AA-; A+ (S&P; A.M. Best)
PRCL	20%	30%	AA+ (VIS)
Labuan Re	20%	20%	A- (A.M. Best)
Marine Cargo			
Quota share & Surplus-Treaty			
Scor Re	35%	35%	A+ (A.M. Best)
PRCL	20%	20%	AA+ (VIS)
Hannover Re	20%	20%	AA-; A+(S&P; A.M. Best)
AXA XL	15%	15%	AA-; A+ (S&P; A.M. Best)
Echo Re	-	5%	A+ (A.M. Best)
Sava Re	-	5%	A (S&P; A.M. Best)
Trust Re	5%	-	BBB+(A.M. Best)
Korean Re	5%	-	A (S&P; A.M. Best)
Motor and W.C.			
XOL- Treaty			
Hannover Re	70%	70%	AA-; A+ (S&P; A.M. Best)
PRCL	30%	30%	AA+(VIS)
Health			
Quota Share-Treaty			
AXA XL	50%	50%	AA-; A+ (S&P; A.M. Best)

AGICO	50%	50%	AA (VIS)

The company has negotiated quota cum surplus treaties for all its segments protected further by non-proportional treaties. In line with anticipation of enhanced business in major segments including fire, terrorism, miscellaneous, bond, engineering and marine, the company has arranged special line treaties with reinsurance arrangement exclusively signed with PRCL. As a result, the total treaty capacities for all aforementioned segments were enhanced during FY19. Other than the aforementioned changes, the treaty capacities and retention limits remained unchanged as of FY18. Retention on company's net account was recorded higher during FY18 in line with increased retention in miscellaneous and health segment; however the cession ratio during the ongoing year increased during the ongoing year with higher cession in the miscellaneous segment to maintain the risk appetite of the company. For FY19, the cession ratio is expected to slightly trend downwards on account of sizeable renewal expected from Accident & Health segment entailing equal business sharing treaty. Cession is expected to remain within the 40%-50% range in the coming years. Size of maximum per risk claim remained unchanged during the period under review; however the same is considered manageable in relation to the company's equity base. Going forward, as per the management, no major change in the re-insurance panel is expected in FY20. Treaty capacities are tabulated in the table below:

In Rs. Million	2018			2019		
Treaties	**AGICO's Max. Retention**	**No. of Lines**	**Max. Liability Under Total Treaty**	**AGICO's Max. Retention**	**No. of Lines**	**Max. Liability Under Total Treaty**
Fire						
Quota Share & Surplus – (Direct Acceptance)	17.5m (50% of Rs.35m)	22	787.5m	17.5m (50% of Rs.35m)	22	787.5m
Quota Share & Surplus – (Coinsurance)	17.5m (50% of Rs.35m)	19	682.5m	17.5m (50% of Rs.35m)	19	682.5m
Quota Share & Surplus – (Facultative Inward)	17.5m (50% of Rs.35m)	16	577.5m	17.5m (50% of Rs.35m)	16	577.5m
Special Line Treaty	-	-	-	-	-	750m
Catastrophe- Fire & Eng						
XoL						

1st Layer	50m in excess of 50m			50m in excess of 50m		
2nd Layer	300m in excess of 100m			300m in excess of 100m		
3rd Layer	400m in excess of 400m			400m in excess of 400m		
Terrorism						
Quota Share	80m	-	320m	80m	-	320m
Special Line Treaty	-	-	-	-	-	300m
Marine						
Quota Share & Surplus – (Sea)	10m (50% of Rs.20m)	15	310m	10m (50% of Rs.20m)	15	310m
Quota Share & Surplus – (Special Acceptance)	10m (50% of Rs.20m)	20	410m	10m (50% of Rs.20m)	20	410m
Quota Share & Surplus – (Air)	6.5m (50% of Rs.13m)	15	201.5m	6.5m (50% of Rs.13m)	15	201.5m
Quota Share & Surplus – (Inland)	7.5m (50% of Rs.15m)	15	232.5m	7.5m (50% of Rs.15m)	15	232.5m
Special Line Treaty	-	-	-	-	-	225m
Engineering						
Quota Share & Surplus – (Machinery)	10m (50% of Rs.20m)	20	410m	10m (50% of Rs.20m)	20	410m
Quota Share & Surplus – (Car)	15m (50% of Rs.30m)	20	615m	15m (50% of Rs.30m)	20	615m
Quota Share & Surplus – (Electronic Equipment)	4m (50% of Rs.8m)	10	84m	4m (50% of Rs.8m)	10	84m
Special Line Treaty	-	-	-	-	-	450m
Miscellaneous/Accident						

Quota Share – (Cash in Transit)	120m	-	280m	120m	-	280m
Quota Share – (Burglary & Theft)	9m	-	21m	9m	-	21m
Quota Share – (Personal Accident; Per Person)	9m	-	21m	9m	-	21m
Quota Share – (Personal Accident; Per Group)	27m	-	63m	27m	-	63m
Quota Share – (Public Liability)	9m	-	21m	9m	-	21m
Special Line Treaty	-	-	-	-	-	200m
<u>Bond</u>						
Quota Share – (Contract Bond; Project)	10m	-	40m	10m	-	40m
Quota Share – (Contract Bond; Contractor)	10m	-	40m	10m	-	40m
Quota Share – (Supply Bond; Project)	2m	-	8m	2m	-	8m
Quota Share – (Supply Bond; Contractor)	4m	-	16m	4m	-	16m
Special Line Treaty	-	-	-	-	-	50m
<u>Health</u>						
Quota Share	0.5m	-	0.5m	0.5m	-	0.5m
<u>Motor (Private Vehicle)</u>						
XoL						
1st Layer	12.5m in excess of 2.5m			12.5m in excess of 2.5m		
Motor (Commercial Vehicle)						
XoL						

1st Layer	-	30m in excess of 5m
Workers Compensation		
XoL		
1st Layer	1.0m in excess of 0.1m	1.0m in excess of 0.1m

Claims Experiences

Given the industry's trend, the highest net claims ratio emanated from the accident & health segment on account of higher retention on net account in line with equal loss sharing arrangement with the reinsurer. As per the management, the appreciation in US Dollar also contributed towards increased health insurance related claims as the medicinal treatment became costly over the corresponding period. Moreover, the loss ratio of motor segment deteriorated during 9M19 owing to significant increase in price of car accessories on account of depreciation of Pak rupee. There was sizeable increase in loss ratios of miscellaneous segment as a result of large quantum loss of an associated concern booked during the period under review. The loss retention on company's books was recorded the lowest in fire segment followed by marine. The segment-wise net claims ratios are presented in the table below:

	FY16	FY17	FY18	9M19
Net Claims Ratio	**51.3%**	**45.9%**	**59.0%**	**61.2%**
Fire	21.5%	39.4%	43.0%	16.8%
Marine	19.2%	39.7%	33.4%	32.1%
Motor	47.2%	40.6%	44.1%	50.9%
Accident & Health	84.1%	79.3%	86.1%	87.1%
Miscellaneous	30.8%	13.3%	55.1%	37.9%

Underwriting Performance

The company's underwriting performance exhibited positive momentum despite an upward trend in loss ratios as a result of increase in overall scale of operations and rationalization of management expenses. In addition, the net commission income was also recoded higher at Rs. 62.4m (FY18: Rs. 75.6m; FY17: Rs. 47.0m) during 9M19 as a result of sustained commission rates in major segments along with increase in gross premium written. As per the management the expense ratio has largely declined as an outcome of reduced commission expense payable to agents. With higher claims ratio, the combined ratio increased on a timeline basis; however the same is still within manageable limit. All segments reported profit during FY18 and 9M19; ability to sustain these performance metrics will remain a key rating factor. Going forward, the management plans to strengthen its monitoring measures to improve the performance of health segment. The snapshot of underwriting results is tabulated below:

Rs. in millions	FY16	FY17	FY18	9M19
Underwriting Profit	**181.6**	**244.5**	**264.7**	**192.3**
Fire	64.5	55.0	57.7	51.2
Marine	34.2	27.2	44.3	32.0
Motor	66.0	100.7	163.0	85.6
Accident & Health	-11.1	-21.8	62.3	83.0
Miscellaneous	28.0	83.4	67.4	111.1

Investment income continues to support the bottom line of the company; the same was reported higher during the ongoing year on account of higher return on government securities on the back of peaked benchmark rates. However, the dividend income was recorded lower as a result overall subdued stock market performance. As per the management, volatility in the stock market is expected to continue going forward, leading to hampered contribution of investment income towards the bottom line of the company. Therefore, the investment focus of the management would remain on government securities and mutual funds. Subsequently, in line with augmented business volumes coupled with curtailed management expenses the company earned a higher net profit on an annualized basis.

Investments

The investment mix augmented during the ongoing year and was dominated by government securities primarily T-Bills to reap advantage of increased market interest rates; further the proportion of mutual income funds was streamlined during the period in review. In addition, Moreover, the company eliminated its investment in term deposits (FY18: Rs. 1.1b; FY17: Rs. 350.0m) by end-9M19. Going forward, as per the prevailing market sentiment of maturity of benchmark rate the company plans on investing in medium tenor PIBs to take maximum advantage of capital appreciation once adjustment in policy rate initiates. The same is likely to positively impact on the liquidity profile of the company as well. The credit risk emanating from the investment portfolio is considered minimal given the strong financial profile and credit ratings of the counterparties. On the other hand, given the asset composition, the investment portfolio is subject to considerable market risk. In the backdrop of prevailing volatility in the capital market, AGICO's investment horizon is short-term, mostly targeting capital appreciation, therefore the company is actively involved in day trading. Moreover, the company has an investment in property including two offices in Islamabad Stock Exchange.

Capitalization & Liquidity

Liquidity profile is considered sound reflected by sizeable liquid assets maintained in relation to net technical reserves. In addition, insurance debt in relation to gross premium decreased during the ongoing year on account of swifter payments received from policy holders and reinsurers. The aging profile of insurance debt is considered satisfactory; however the same needs stringent monitoring given around 14% of receivable was overdue from policy holders by end-FY18. The same is slightly higher than the rating benchmark. The cash flow from operations exhibited positive momentum on a timeline basis in line with higher business volumes and was recorded at Rs. 752.2m (FY18: Rs. 456.9m; FY17: Rs. 287.4m) during 9M19.

In line with regulatory requirement, AGICO has a paid up capital above Rs. 500m, at end-9M19. Capitalization levels of the company have improved on a timeline basis as a result of internal capital generation. Moreover, AGICO is considered sound from solvency point of view as the company has adequate cushion in terms of total admissible assets over its liabilities. The operating leverage ratio was higher during the review period, thereby signifying increase in risk profile of the company. However, the financial leverage ratio of the company decreased by end-9M19 on account of decrease in net technical reserves and increase in adjusted shareholder equity of the company. Nevertheless, leverage indicators of the company continue to remain higher than the rating benchmark on account of current capitalization levels. Equity injection is planned by the management during FY20, quantum for the same has still not been finalized, however; in line with positive impetus in business volumes, the operating leverage is expected to remain high in the coming years.

The Askari General Insurance Company Limited Appendix I

BALANCE SHEET *(Rs. in millions)*	DEC 31, 2016	DEC 31, 2017	DEC 31, 2018	SEP 30, 2019
Cash and Bank Deposits	151.9	191.8	147.2	164.7
Investments (MV)	1,524.5	1,606.8	1,831.9	2,443.7
Investment Properties	44.4	43.1	41.8	40.8
Insurance Debt	935.8	1,485.7	1,393.7	936.1
Total Assets	3,745.6	4511.1	4,854.6	5,282.0
Paid up Capital	543.7	625.2	625.2	719.0
Net Worth/Equity	1,404.2	1,484.3	1,686.7	1,864.9
Total Liabilities	2,341.4	3,026.8	3,167.8	3,417.1
INCOME STATEMENT	**DEC 31, 2016**	**DEC 31 2017**	**DEC 30, 2018**	**SEP 30, 2019**
Net Premium Revenue	1,255.2	1,356.2	1,811.8	1,530.3
Net Claims	644.5	622.4	1,069.5	936.6
Underwriting Profit / (loss)	181.6	244.5	264.7	192.3
Net Investment Income	122.2	87.8	70.7	114.8
Profit Before Tax	320.5	364.5	420.8	361.7
Profit After Tax	236.8	253.7	295.8	255.3
RATIO ANALYSIS	**DEC 31, 2016**	**DEC 31 2017**	**DEC 30, 2018**	**SEP 30, 2019**
Cession Ratio (%)	41.0%	33.9%	33.0%	44.5%
Gross Claims Ratio (%)	54.6%	45.5%	51.7%	49.9%
Net Claims Ratio (%)	51.3%	45.9%	59.0%	61.2%
Underwriting Expense Ratio (%)	34.2%	36.1%	26.4%	26.2%
Combined Ratio (%)	85.5%	82.0%	85.4%	87.4%
Net Operating Ratio (%)	82.8%	80.5%	82.9%	86.5%

Insurance Debt to Gross Premium (%)	41.6%	57.5%	48.3%	44.9%
Operating Leverage (%)	90.61%	91.4%	107.4%	109.4%
Financial Leverage (%)	78.7%	99.7%	97.7%	75.7%
Adjusted Liquid Assets to Net Technical Reserves (%)	150.8%	121.6%	120.1%	184.8%
Current Ratio (x)	N/A	N/A	N/A	N/A
Debt to Equity (x)	N/A	N/A	N/A	N/A

ISSUE/ISSUER RATING SCALE & DEFINITION

Appendix II

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: JCR-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.jcrvis.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.jcrvis.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.

'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.jcrvis.com.pk/images/policy_ratings.pdf

'SD' Rating: An 'SD' rating is assigned when JCR-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 III
Name of Rated Entity	The Askari General Insurance Company Limited
Sector	Insurance
Type of Relationship	Solicited
Purpose of Rating	Insurer Financial Strength (IFS) Rating

Rating History

Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
		RATING TYPE: IFS		
12/27/2019	AA		Stable	Reaffirmed
12/28/2018	AA		Stable	Upgrade
12/27/2017	AA-		Stable	Reaffirmed
8/31/2017	AA-		Stable	Reaffirmed
2/06/2017	AA-		Stable	Upgrade
4/15/2015	A+		Stable	Reaffirmed
2/18/2014	A+		Stable	Upgrade
1/22/2013	A		Stable	Reaffirmed
12/31/2011	A		Stable	Reaffirmed
12/15/2010	A		Stable	Upgrade

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.

Due Diligence Meetings Conducted

	Name	Designation	Date
1	Mr. Razi Haider	CFO	21-Nov-2019