



The Pakistan Credit Rating Agency Limited

Rating Report

Nayatel (Pvt.) Limited

Report Contents

1. Rating Analysis
2. Financial Information
3. Rating Scale
4. Regulatory and Supplementary Disclosure

Rating History

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action	Rating Watch
01-Sep-2023	A	A1	Stable	Maintain	-
02-Sep-2022	A	A1	Stable	Maintain	-
04-Sep-2021	A	A1	Stable	Maintain	-
04-Sep-2020	A	A1	Stable	Maintain	-
05-Sep-2019	A	A1	Stable	Maintain	-
06-Mar-2019	A	A1	Stable	Maintain	-
07-Sep-2018	A	A1	Stable	Initial	-

Rating Rationale and Key Rating Drivers

Nayatel Private Limited's (The Company) ratings reflect a strong business profile and sturdy presence in the telecommunication industry of Pakistan. The company specializes in triple-play services (telephony, cable TV, and data). The stability of Nayatel hinges on its strong business model, robust technology infrastructure, and lasting emphasis on customer services. In a technology-driven environment, reliable connectivity and quality assurance construe pivotal for customer retention. Nayatel provides connectivity to its customers through scalable and cutting-edge technology, i.e., FTTH (fiber to the home) and FTTT (fiber to the tower). An optical fiber as a medium is superior to the other alternatives to provide ultra-broadband, high-definition cable TV, and allied services. With the passage of time entity has built a sound footing and a reputable name in its respective niche. The ratings take comfort from various strategic initiatives taken by the management with a vision to achieve sustainable growth in the longer horizon. Nayatel is customer-centric, it has a competitive edge in its customer service and value-added services. Stiff competition exists in the FTTH market segment where strength is primarily derived from owned and self-laid length of fiber optic cable networks. Pakistan Telecommunication Authority (PTA) latest data related to FTTH segment revealed that, Nayatel holds a prominent position in terms of active subscribers with a sizeable market share. The company has a strong presence in Islamabad / Rawalpindi, and continuously adding up new surrounding areas such as DHA, Bahria town, and Wah Cantt. Following Islamabad / Rawalpindi, Faisalabad and Peshawar are major revenue contributors. Recently Nayatel has also started operations in Gujranwala, Sargodha, Sialkot, Sheikhpura, Bahawalpur, Sahiwal, Lahore, and Multan. FTTT is now a growing segment, and moving ahead, the company anticipates substantial revenue contribution from this segment as well. During 6MFY23, the topline clocked in at ~PKR 3,758mln, reflecting a growth of ~16.4% which can be attributed to the acquisition of new customers and the implementation better pricing strategy. The customer base reflects a mix of corporate and home, providing an advantage in terms of pricing, margin, and capacity utilization. The company has instigated a sound internal control system across the organization which is accompanied by IT, business insight & intelligence, and financial reporting solutions. The financial risk profile is considered adequate with comfortable cashflows, coverages, and working capital management. Capital structure is leveraged, encompassed by long-term borrowings for CAPEX and expansion. The governance of the company is considered good while the addition of an independent oversight can further strengthen it. The company has a talented and motivated management team. The top executives are closely connective hence team cohesiveness is an advantage. The overall pool of management reflects quality human resources and performance-driven culture.

The ratings are dependent upon improvements in revenue and profitability while retaining sufficient cashflows and coverages. However, adherence to maintaining its debt matrices at an adequate level is a prerequisite.

Disclosure

Name of Rated Entity	Nayatel (Pvt.) Limited
Type of Relationship	Solicited
Purpose of the Rating	Entity Rating
Applicable Criteria	Methodology Corporate Rating(Jun-22),Methodology Correlation Between Long-term & Short-term Rating Scales(Jun-22),Methodology Rating Modifiers(Jun-22)
Related Research	Sector Study Communication(May-23)
Rating Analysts	Sohail Ahmed Qureshi sohail.ahmed@pacra.com +92-42-35869504

Profile

Legal Structure Nayatel (Private) Limited (herein referred to as "Nayatel" or "the company") is a private limited company, incorporated as a wholly owned subsidiary of Micronet Broadband Private Limited (MBL), in 2004.

Background The company was incorporated under the Companies Ordinance, 1984 (now the Companies Act, 2017), for the purpose of launching fiber-to-the-home (FTTH) technology to provide high-speed broadband, telephone, and high-definition television services in Pakistan. MBL, the parent company of Nayatel, was formed by Micronet Group in December 2001, with the sole aim of rolling out the first-ever broadband services and solutions in Pakistan. The Micronet Group consists of professionals who have been at the forefront of the Internet wave since it was introduced in Pakistan, in the mid-nineties.

Operations Nayatel specializes in triple-play service (telephony, cable TV, and data) on the fiber-to-the-home (FTTH) network. The company has operations in Islamabad, Rawalpindi, Faisalabad, Peshawar, Gujranwala, and recently in Sargodha and Multan too. It has a diversified platform of services including public and private data network services, fixed-line telephony services, cable television, and other value-added services.

Ownership

Ownership Structure Nayatel is owned by MBL. MBL's ownership comprises seven individuals of which Mr. Rashid Khan and Mr. Ashraf Qazi have the highest stake of ~35% and ~30% respectively, followed by Mr. Mubashir Malik (~16%) and Mr. Alamgir Khan (~11%). The remaining three shareholders have less than ~5% share.

Stability The company has a stable ownership structure comprising a single holding company owned by a group of individuals.

Business Acumen Nayatel's business model was conceived by MBL's founding members; Mr. Wahaj us Siraj, Mr. Aqeel Khurshid & Khawaja Saad Saleem, all of whom are experienced professionals, with an engineering background. They remain closely connected friends. Moreover, Mr. Rashid Khan is a seasoned senior business executive with extensive experience in banking and finance, consumer marketing, and corporate restructuring initiatives.

Financial Strength The financial strength of the sponsors is considered good, as the sponsoring company is owned by individuals possessing good financial profiles.

Governance

Board Structure The board of directors (BoD) consists of 6 directors with an equal number of executive and non-executive directors. No independent directors on the board exist.

Members' Profile The board members have a strong professional background, which brings ample experience and knowledge to the board.

Board Effectiveness The board, having a blend of seasoned entrepreneurs and financial experts, support the management in terms of strategic guidance. Albeit, no formal board committee exist.

Financial Transparency A separate internal audit department is in place. Grant Thornton & Co. Chartered Accountants is the external auditor of the Company. The firm is QCR rates and categorized as "A" in the SBP list of auditors. The auditors have expressed an unqualified audit opinion on the financial statements of Nayatel (Pvt.) Limited for the year ended December 31, 2022.

Management

Organizational Structure Nayatel has a well-defined organizational structure. Different operational activities are properly segregated and managed through various departments. All department heads, report to the Chief Executive Officer (CEO), while the technical departments and operational departments report to the Chief Technology Officer and Chief Operating Officer respectively.

Management Team Mr. Wahaj Siraj is the CEO and co-founder of Nayatel. He has vast experience in the internet and telecom industry. He has also worked with the Government of Pakistan at the policy formulation level. He is assisted by an experienced management team to run the business. Khawaja Saad Saleem, COO, is the brain behind FTTH network design and its deployment in areas of the company's network. Mr. Aqeel Khurshid, CTO, possesses a wealth of technical knowledge and experience in the Telecom Sector.

Effectiveness The company has a sound Supply Chain Management process for procurement and sales, requiring approval from the CEO, COO, CTO, and/or CFO.

MIS SAP has been implemented at Nayatel. The implementation and establishment of the SAP system were done by Siemens Pakistan. The practice of monthly reporting is prevalent in the company. Management meetings take place on a monthly basis, to discuss the company's financial position and future strategy.

Control Environment The company has a sound internal control environment. Nayatel Fiber Service Division (NFSD) has installed fiber to the home (FTTH) network in four cities of Pakistan, Islamabad, Rawalpindi, Faisalabad and Peshawar. Nayatel also has its own patrolling team, looking after the maintenance of its network.

Business Risk

Industry Dynamics The broadband industry (other than cellular internet, i.e., 3G and 4G) is classified based on the technology type, including DSL, wireless services, and FTTH internet services. Internet service providers are catering a growing market in the country. The broadband industry (other than cellular internet, i.e., 3G and 4G) is classified based on the technology type, including DSL, wireless services, and FTTH (Fiber-to-the-Home) internet services. Broadband penetration in the country, as of FY22, stood at ~56%, creating a pool of ~124mln broadband subscribers. The overall demand for internet broadband is robust and the increase in urbanization will add to the overall customer base of the industry. Customers are willing to pay premium prices in exchange for uninterrupted broadband.

Relative Position Nayatel is the market leader in the domain of FTTH internet services with a 15% market share, with respect to the number of subscribers, in the country. The company operates under the licenses issued by PTA and PEMRA. Nayatel has obtained 10 licenses altogether, comprising; five loop licenses, four cable TV/IPTV licenses, and one CVAS license. According to data disclosed by the PTA as of May 2023, Cybernet Internet holds the lead in active subscribers with approximately 354,986, followed by PTCL with 270,727, Nayatel with 143,994, and Transworld Enterprise Service (Pvt.) Ltd with 45,592 active subscribers.

Revenues During CY22, the company's turnover clocked at PKR~6.4bln (CY21: PKR~4.9bln) registering ~31.8% mainly attributed to the growth in FTTH service-based revenues. The company has been successful in improving its topline at a steady pace in recent years. Islamabad & Rawalpindi region holds the highest revenue contribution. However, in 6MCY23 net sales increased by 16.4% and recorded at PKR ~3,758mln.

Margins Gross profit margins improved and clocked in at ~36.7% for CY22 (CY21: ~35%). The company's operating profit margin showed a bit of positive growth at 21.1% (CY21:20.4%). Net profit margin witnessed a decline in CY22 and stood at 10.9% (CY21:17.5%). During 6MCY23, the Company's gross profit margin and net profit margin stood at 34.4% and 13.8% respectively.

Sustainability Topline is expected to pick up in the coming periods, as a result of two-fold growth, i.e., (i) addition of new customers and (ii) incremental revenue per user. Moreover, geographical expansions into new cities fortify the company's sustainable position in the FTTH market. Moreover, the company has introduced a new technology of FTTT and collaborated with telecommunication companies (Jazz, Telenor, and Zong). The entity aims to expand its errands region-wise and new business avenues.

Financial Risk

Working Capital A gradual improvement in working capital management is noted in CY22. In 6MCY23, company inventory days reached 44 days (CY22: 35 days; CY21: 39 days). This indicates that the company is holding inventory for a longer period during 6MCY23. Meanwhile, in 3MCY23 trade receivable reached 23 days (CY22: 23 days; CY21: 24 days) while the trade payable days reached increased to 59 days during 3MCY23 (CY22:47 days; CY21:33 days) Resultantly, the gross working capital days increased to 67 days in 6MCY23 (CY22: 58 days; CY21:63 days). This is driven by the combined effect of increased inventory, higher trade receivable days, and longer trade payable days.

Coverages The company's FCFO reached to PKR 1,521mln during 6MCY23 (CY22: PKR 2,757mln, CY21: PKR 2,059mln). The interest coverage ratio increased and clocked in at 5.2x(CY22: 4.3; CY21:10.8x). Furthermore, the debt coverage ratio reached to 1.6x (CY22: 1.3x).

Capitalization During 6MCY23, the Company's leveraging increased to ~41.4% (CY22: ~42.2%). There is no short-term borrowing recorded in 6MCY23 (CY22: PKR 50mln). However, mainly borrowing constitutes of long-term borrowing and recorded at PKR 4,660mln in 6MCY23 (CY22: ~PKR 4,310mln).



NayaTel Communication	Jun-23 6M	Dec-22 12M	Dec-21 12M	Dec-20 12M
--------------------------	--------------	---------------	---------------	---------------

A BALANCE SHEET

1 Non-Current Assets	19,202	18,096	13,925	8,063
2 Investments	30	19	17	17
3 Related Party Exposure	22	22	22	22
4 Current Assets	2,868	2,836	1,609	1,354
<i>a Inventories</i>	1,046	769	479	568
<i>b Trade Receivables</i>	465	462	357	296
5 Total Assets	22,122	20,974	15,573	9,456
6 Current Liabilities	1,996	1,645	963	579
<i>a Trade Payables</i>	1,348	1,070	582	303
7 Borrowings	5,950	5,811	5,068	3,099
8 Related Party Exposure	-	-	-	-
9 Non-Current Liabilities	5,754	5,575	2,255	971
10 Net Assets	8,423	7,943	7,288	4,807
11 Shareholders' Equity	8,423	7,943	7,288	4,807

B INCOME STATEMENT

1 Sales	3,758	6,459	4,901	3,787
<i>a Cost of Good Sold</i>	(2,466)	(4,088)	(3,181)	(2,151)
2 Gross Profit	1,292	2,370	1,720	1,636
<i>a Operating Expenses</i>	(562)	(1,010)	(719)	(513)
3 Operating Profit	730	1,360	1,001	1,123
<i>a Non Operating Income or (Expense)</i>	120	318	68	51
4 Profit or (Loss) before Interest and Tax	850	1,678	1,069	1,174
<i>a Total Finance Cost</i>	(333)	(712)	(223)	(192)
<i>b Taxation</i>	-	(260)	12	(510)
6 Net Income Or (Loss)	518	705	857	472

C CASH FLOW STATEMENT

<i>a Free Cash Flows from Operations (FCFO)</i>	1,521	2,757	2,059	1,750
<i>b Net Cash from Operating Activities before Working Capital</i>	1,151	2,063	1,754	1,476
<i>c Changes in Working Capital</i>	(177)	(94)	242	80
1 Net Cash provided by Operating Activities	973	1,968	1,997	1,555
2 Net Cash (Used in) or Available From Investing Activities	(1,919)	(5,430)	(4,421)	(1,902)
3 Net Cash (Used in) or Available From Financing Activities	488	3,873	2,416	266
4 Net Cash generated or (Used) during the period	(458)	412	(8)	(80)

D RATIO ANALYSIS

1 Performance				
<i>a Sales Growth (for the period)</i>	16.4%	31.8%	29.4%	17.8%
<i>b Gross Profit Margin</i>	34.4%	36.7%	35.1%	43.2%
<i>c Net Profit Margin</i>	13.8%	10.9%	17.5%	12.5%
<i>d Cash Conversion Efficiency (FCFO adjusted for Working C</i>	35.8%	41.2%	47.0%	48.3%
<i>e Return on Equity [Net Profit Margin * Asset Turnover * (T</i>	12.7%	9.3%	14.2%	10.2%
2 Working Capital Management				
<i>a Gross Working Capital (Average Days)</i>	67	58	63	66
<i>b Net Working Capital (Average Days)</i>	8	12	30	50
<i>c Current Ratio (Current Assets / Current Liabilities)</i>	1.4	1.7	1.7	2.3
3 Coverages				
<i>a EBITDA / Finance Cost</i>	5.2	4.3	10.8	10.1
<i>b FCFO / Finance Cost+CMLTB+Excess STB</i>	1.6	1.3	1.5	1.3
<i>c Debt Payback (Total Borrowings+Excess STB) / (FCFO-Fi</i>	2.5	2.8	2.7	2.0
4 Capital Structure				
<i>a Total Borrowings / (Total Borrowings+Shareholders' Equit</i>	41.4%	42.2%	41.0%	39.2%
<i>b Interest or Markup Payable (Days)</i>	1.2	31.9	57.4	40.8
<i>c Entity Average Borrowing Rate</i>	11.6%	13.1%	5.4%	7.0%

Credit Rating

Credit rating reflects forward-looking opinion on credit worthiness of underlying entity or instrument; more specifically it covers relative ability to honor financial obligations. The primary factor being captured on the rating scale is relative likelihood of default.

Scale	Long-term Rating Definition
AAA	Highest credit quality. Lowest expectation of credit risk. Indicate exceptionally strong capacity for timely payment of financial commitments
AA+	
AA	Very high credit quality. Very low expectation of credit risk. Indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
AA-	
A+	
A	High credit quality. Low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions.
A-	
BBB+	
BBB	Good credit quality. Currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity.
BBB-	
BB+	
BB	Moderate risk. Possibility of credit risk developing. There is a possibility of credit risk developing, particularly as a result of adverse economic or business changes over time; however, business or financial alternatives may be available to allow financial commitments to be met.
BB-	
B+	
B	High credit risk. A limited margin of safety remains against credit risk. Financial commitments are currently being met; however, capacity for continued payment is contingent upon a sustained, favorable business and economic environment.
B-	
CCC	
CC	Very high credit risk. Substantial credit risk "CCC" Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon sustained, favorable business or economic developments. "CC" Rating indicates that default of some kind appears probable. "C" Ratings signal imminent default.
C	
D	Obligations are currently in default.

Scale	Short-term Rating Definition
A1+	The highest capacity for timely repayment.
A1	A strong capacity for timely repayment.
A2	A satisfactory capacity for timely repayment. This may be susceptible to adverse changes in business, economic, or financial conditions.
A3	An adequate capacity for timely repayment. Such capacity is susceptible to adverse changes in business, economic, or financial conditions.
A4	The capacity for timely repayment is more susceptible to adverse changes in business, economic, or financial conditions. Liquidity may not be sufficient.



*The correlation shown is indicative and, in certain cases, may not hold.

Outlook (Stable, Positive, Negative, Developing) Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business/financial conditions. It is not necessarily a precursor to a rating change. 'Stable' outlook means a rating is not likely to change. 'Positive' means it may be raised. 'Negative' means it may be lowered. Where the trends have conflicting elements, the outlook may be described as 'Developing'.

Rating Watch Alerts to the possibility of a rating change subsequent to, or, in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany rating outlook of the respective opinion.

Suspension It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.

Withdrawn A rating is withdrawn on a) termination of rating mandate, b) the debt instrument is redeemed, c) the rating remains suspended for six months, d) the entity/issuer defaults, or/and e) PACRA finds it impractical to surveil the opinion due to lack of requisite information.

Harmonization A change in rating due to revision in applicable methodology or underlying scale.

Surveillance. Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening.

Note. This scale is applicable to the following methodology(s):

- a) Broker Entity Rating
- b) Corporate Rating
- c) Debt Instrument Rating
- d) Financial Institution Rating
- e) Holding Company Rating
- f) Independent Power Producer Rating
- g) Microfinance Institution Rating
- h) Non-Banking Finance Companies Rating

Disclaimer: PACRA has used due care in preparation of this document. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA shall owe no liability whatsoever to any loss or damage caused by or resulting from any error in such information. Contents of PACRA documents may be used, with due care and in the right context, with credit to PACRA. Our reports and ratings constitute opinions, not recommendations to buy or to sell.

Rating Team Statements

(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

2) Conflict of Interest

i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)

ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)

iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)] Explanation: for the purpose of above clause, the term "family members" shall include only those family members who are dependent on the analyst and members of the rating committee

Restrictions

(3) No director, officer or employee of PACRA communicates the information, acquired by him for use for rating purposes, to any other person except where required under law to do so. | Chapter III; 10-(5)

(4) PACRA does not disclose or discuss with outside parties or make improper use of the non-public information which has come to its knowledge during business relationship with the customer | Chapter III; 10-7-(d)

(5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

Conduct of Business

(6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)

(7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report | Clause 11-(A)(p).

(8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)

(9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)

(10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)

(11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

Independence & Conflict of interest

(12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA's opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity

(13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers' associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)

(14) PACRA discloses that no shareholder directly or indirectly holding 10% or more of the share capital of PACRA also holds directly or indirectly 10% or more of the share capital of the entity which is subject to rating or the entity which issued the instrument subject to rating by PACRA; | Reference Chapter III; 12-2-(f)

(15) PACRA ensures that the rating assigned to an entity or instrument is not be affected by the existence of a business relationship between PACRA and the entity or any other party, or the non-existence of such a relationship | Chapter III; 12-2-(i)

(16) PACRA ensures that the analysts or any of their family members shall not buy or sell or engage in any transaction in any security which falls in the analyst's area of primary analytical responsibility. This clause shall, however, not be applicable on investment in securities through collective investment schemes. | Chapter III; 12-2-(l)

(17) PACRA has established policies and procedure governing investments and trading in securities by its employees and for monitoring the same to prevent insider trading, market manipulation or any other market abuse | Chapter III; 11-B-(g)

Monitoring and review

(18) PACRA monitors all the outstanding ratings continuously and any potential change therein due to any event associated with the issuer, the security arrangement, the industry etc., is disseminated to the market, immediately and in effective manner, after appropriate consultation with the entity/issuer; | Chapter III | 18-(a)

(19) PACRA reviews all the outstanding ratings on semi-annual basis or as and when required by any creditor or upon the occurrence of such an event which requires to do so; | Chapter III | 18-(b)

(20) PACRA initiates immediate review of the outstanding rating upon becoming aware of any information that may reasonably be expected to result in downgrading of the rating; | Chapter III | 18-(c)

(21) PACRA engages with the issuer and the debt securities trustee, to remain updated on all information pertaining to the rating of the entity/instrument; | Chapter III | 18-(d)

Probability of Default

(22) PACRA's Rating Scale reflects the expectation of credit risk. The highest rating has the lowest relative likelihood of default (i.e, probability). PACRA's transition studies capture the historical performance behavior of a specific rating notch. Transition behavior of the assigned rating can be obtained from PACRA's Transition Study available at our website. (www.pacra.com). However, actual transition of rating may not follow the pattern observed in the past | Chapter III | 14-(F-VII)

Proprietary Information

(23) All information contained herein is considered proprietary by PACRA. Hence, none of the information in this document can be copied or, otherwise reproduced, stored or disseminated in whole or in part in any form or by any means whatsoever by any person without PACRA's prior written consent