The Pakistan Credit Rating Agency Limited

Rating Report

Sindh Abadgars Sugar Mills Limited

Report Contents

Rating History

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action	Rating Watch
21-Feb-2022	BBB	A2	Stable	Maintain	-
23-Aug-2021	BBB	A2	Stable	Maintain	-
04-Sep-2020	BBB	A2	Stable	Maintain	-
16-Sep-2019	BBB	A2	Stable	Initial	-

Rating Rationale and Key Rating Drivers

Pakistan's sugar industry is the country's 2nd largest agro-based industry, comprising 90 mills with an annual crushing capacity estimated ~ 65–70mln MT. The industry has overcome the raw material supply challenges. However, support price of sugarcane, set by considering the cost incurred by farmers, remains a constraint. During MY21, the overall sugar production increased by 15%, YoY, to 5.7mln MT (MY20: 4.9mln MT) due to better crop availability and an increase in area under cultivation. In the ongoing crushing season (MY22), total sugar production is expected above ~6mln MT. In FY21's budget, the Government proposed to levy 17% GST on market retail price instead of PKR 60/kg, after Nov-21. For MY22, the Government has increased the support price of sugarcane to PKR 250 per maund (previously, it was increased to PKR 200 from PKR 190 per maund). Actual realized sugarcane prices at the mill gate were even higher. To curb the hike in sugar prices, the Government planned to import 0.8mln MT of sugar. Out of this, 0.3mln MT was imported till Jun-21, whereas, 0.3mln MT was imported till Nov-21. Going forward, despite higher input costs, higher sugar prices are expected to remain favorable for millers.
The ratings reflect Sindh Abadgars Sugar Mills Ltd.'s ('Sindh Abadgars' or 'the Company') association with an established group in the Agri and allied chain and demonstrated support from the Sponsors. Sindh Abadgars has a modest business profile and relatively lower margins. The Company generates revenue from the sale of refined sugar and ensuing by-products: molasses and bagasse. The mill, located in Sindh, has a relatively adequate capacity of 8,000 TCD. Better crop availability, despite a lower recovery rate, led to increased production. However, high concentration of mills in adjoining areas led to a surge in sugarcane cost, and created a challenge for the Company. The Company has sufficient inventory levels to reap benefits from inflated sugar prices in the future. This is expected to bode well for the Company's profitability. Lack of diversification exposes the Company to inherent volatility in the sugar industry. Financial risk profile of the Company is characterized by a high working capital cycle, dominated by increased inventory levels, and significant short-term borrowings to finance working capital requirements. Coverages and leverage remain adequate. Continued group support, in case need arises, remains key rating factor.

The ratings are dependent upon improving margins and strict working capital discipline. The Company's ability to improve profitability while further strengthening coverage ratios remains critical. Any significant deterioration in business performance and/or financial health will negatively impact ratings.

Disclosure

Name of Rated Entity	Sindh Abadgars Sugar Mills Limited
Type of Relationship	Solicited
Purpose of the Rating	Entity Rating
Applicable Criteria	Methodology | Corporate Rating(Jun-21),Criteria | Correlation Between Long-term & Short-term Rating Scales(Jun-21),Criteria | Rating Modifiers(Jun-21)
Related Research	Sector Study | Sugar(Dec-21)
Rating Analysts	Shayan Farooq | shayan.farooq@pacra.com | +92-42-35869504

Profile

Legal Structure Sindh Abadgars Sugar Mills Limited ('Sindh Abadgars' or 'the Company') is a Public Limited Company and is listed on the Pakistan Stock Exchange.

Background The Company was incorporated in Karachi, Pakistan, on January 28, 1984. The Company used to be under the ownership of the Effendi Group. However, the Essarani Family overtook the business in 2005.

Operations The Company is involved in the manufacture and sale of white refined crystal sugar of all grades (including pharmaceutical grade), colors and by-products bagasse and molasses. The mill is located at Tando Mohammed Khan (38 miles from Hyderabad, Sindh) with a current crushing capacity of 8,000 MT per day. During MY21 the Company produced ~39,645 MT of sugar, higher than MY20 (37,614 MT) owing to the greater availability of sugarcane stock. However, a decreased recovery rate of ~10.1% was witnessed (MY20: 10.5%).

Ownership

Ownership Structure Sindh Abadgars is majorly owned by the Essarani Family, with ~79% of the holding vesting with the sponsoring family members. Insurance Companies collectively hold ~2.4% while foreign investors (mainly Islamic Development Bank) also hold a sizeable chunk of 9%. Remaining ~10% of the Company's shares reside with the general public.

Stability Ownership is stable as the major stake rests with Essarani family. Although no documented succession planning exists, the roles of family members are defined.

Business Acumen The Essarani family has been involved in the agriculture sector for a significant period of time and operates under the name 'United Group'. The Group's entities include two sugar mills (Sindh Abadgars and SGM Sugar Mills), United Ethanol Industries Limited (Distillery), Agro Trade Private Limited, and United Agro Chemicals, involved in Commodity trading (Fertilizer and Coal).

Financial Strength The Company has adequate financial strength derived from its Group and support of sponsors. The Group had total assets worth PKR 18bln, supported by an equity base of PKR 11.5bln as of MY20. The Group posted a net profit worth PKR 920mln during MY20. Total debt as at MY20 stood at PKR 6.7bln.

Governance

Board Structure Sindh Abadgars Board comprises ten members. There are five non-executive directors, two executive directors, and three independent directors. Nine members are male, with one female representation. The Board is dominated by the sponsoring family (7).

Members' Profile Mr. Deoo Mal Esraani, Chairman of the Board, also chairs the Board of two other group companies, SGM Sugar Mills Limited and United Ethanol Industries Limited. Three independent directors are inducted on the Board: Mr. Zafar Ahmed Ghori, Mr. M. Siddiq Khokhar, and Ms. Maheshwari Osha.

Board Effectiveness The Company's Board constitutes two sub-committees for monitoring and oversight namely, Audit Committee and HR & Remuneration Committee.

Financial Transparency Auditors of the Company, M/s Rahman Sarfaraz Rahim Iqbal Rafiq, have expressed an unqualified opinion on financial statements for MY21. The firm has been categorized in category 'A' by SBP and has been QCR rated.

Management

Organizational Structure The organization structure is divided into two segments, to oversee operations at the Mill and administration from the Head-Office. Mill operations are headed by the resident director, whereas administration is headed by Group CFO with both heads reporting directly to the CEO. The Company has established departments for its core functions, namely: a) Administration & Sales, b) Finance & Tax, c) Purchase, and d) Corporate Affairs. All departments report to the CFO who then reports to the CEO.

Management Team Dr. Tara Chand, the Chief Executive Officer, has more than 16 years of experience in the sugar and allied industry. He is ably supported by Mr. Abdul Rahim Mallah (Resident Director Mills) and Mr. Syed Abid Hussain (Group CFO). The senior management team comprises seasoned professionals having significant experience in the Sugar Industry.

Effectiveness The Company has no management committees in place. However, performance is discussed among management on a fortnightly basis. Further, daily reporting to the CEO of bank lines, inventory, and sales positions enables effective control and management.

MIS The Company has deployed ERP software from Cosmosoft, which has completed its trial run.

Control Environment Internal audit department is shared at the Group level. Going forward, the group plans to enhance its control environment through induction of additional individuals.

Business Risk

Industry Dynamics Pakistan's sugar industry is the country's 2nd largest agro-based industry, comprising 90 mills with an annual crushing capacity estimated ~ 65–70mln MT. The industry has overcome the raw material supply challenges. However, support price of sugarcane, set by considering the cost incurred by farmers, remains a constraint. During MY21, the overall sugar production increased by 15%, YoY, to 5.7mln MT (MY20: 4.9mln MT) due to better crop availability and an increase in area under cultivation. In the ongoing crushing season (MY22), total sugar production is expected above ~6mln MT. In FY21's budget, the Government proposed to levy 17% GST on market retail price instead of PKR 60/kg, after Nov-21. For MY22, the Government has increased the support price of sugarcane to PKR 250 per maund (previously, it was increased to PKR 200 from PKR 190 per maund). Actual realized sugarcane prices at the mill gate were even higher. To curb the hike in sugar prices, the Government planned to import 0.8mln MT of sugar. Out of this, 0.3mln MT was imported till Jun-21, whereas, 0.3mln MT was imported till Nov-21. Going forward, despite higher input costs, higher sugar prices are expected to remain favorable for millers.

Relative Position Sindh Abadgars is a relatively small player and contributed ~ 0.7% to the total production of sugar in Pakistan.

Revenues The Company generates most of its revenue from the sale of refined sugar (86%). However, sale of molasses and bagasse also contribute to the Company's turnover. Sindh Abadgar's Sugar Mills' revenue stood at PKR 2,679mln during MY21 (MY20: PKR 3,381mln), witnessing a 21% dip mainly due to lower volumes.

Margins During MY21, the Company's gross margins improved to 6.5% (MY20: 4%), on the back of high sugar prices during the period. The operating margin stood at 2% (MY20: -0.2%), on account of marginally lower selling and admin expenses (MY21: PKR 121mln, MY20: PKR 133mln). The Company produced a net loss of PKR 80mln during MY21 (MY20: Net loss PKR 165mln), despite a dip in finance costs (MY21: PKR 162mln, MY20: PKR 165mln) from lower interest rates. Net margin stood at -3% from -5% in the previous period.

Sustainability The Company's margins are expected to improve on the back of increase of sugar prices in the market.

Financial Risk

Working Capital The Company experiences a high cash cycle, adversely affecting the Company's net working capital position. All of the piled-up inventory is in the form of refined sugar stocked. The inventory days have deteriorated, remaining on the higher side, as the crushed sugar of season MY21 is stored (MY21: 73days, MY20: 28days). The trade receivables also deteriorated during the period, as the Company was lenient in its credit policy (MY21: 36days, MY20: 23days). Therefore, net working capital days deteriorated significantly (MY21: 72days, MY20: 27days).

Coverages Sindh Abadgar's interest coverage ratio dipped during MY21 as it stood at 1x (MY20: 1.1x) on account of reduced free cashflows to PKR 167mln (MY20: PKR 186mln), due to decreased depreciation charge, despite reduction in finance costs at PKR 162mln, from PKR 165mln during MY20. The Company's core and total coverages also dipped to 0.6x in MY21 (MY20: 0.9x) resulting from lower cashflows.

Capitalization The Company has a total debt of PKR 1,259mln at the end of MY21 with a leverage ratio of 50% (MY20: PKR 609mln, 43%). In MY21, the Company's total debt increased by PKR 650mln, as more short borrowings were utilized for working capital financing, which led to a surge in the Company's leverage ratio. Long-term loans amount to PKR 350mln (MY20: PKR 400mln) which were obtained to meet capital expenditure (BMR) requirements of the Company. Short term debt amounts to PKR 909mln (MY20: PKR 209mln) and were obtained for the purpose of procurement of sugarcane. During the period under review, the sponsors injected PKR 220mln as a subordinated loan. The total amount stands at PKR 480mln (MY20: PKR 260mln).

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Financial Summary
PKR mln

Sindh Abadgars Sugar Mills Limited	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20	Sep-19
Sugar	12M	9M	6M	3M	12M	12M
A BALANCE SHEET						
1 Non-Current Assets	3,246	2,275	2,304	2,352	2,397	2,606
2 Investments	-	-	-	-	-	-
3 Related Party Exposure	-	-	-	-	-	-
4 Current Assets	1,504	2,971	3,732	1,491	919	892
a Inventories	*1,017*	*1,829*	*2,352*	*787*	*60*	*461*
b Trade Receivables	*94*	*681*	*900*	*0*	*435*	*0*
5 Total Assets	4,750	5,246	6,036	3,843	3,317	3,498
6 Current Liabilities	393	527	937	674	588	365
a Trade Payables	*302*	*199*	*387*	*288*	*248*	*212*
7 Borrowings	1,259	2,525	2,868	1,124	609	788
8 Related Party Exposure	480	480	460	260	260	260
9 Non-Current Liabilities	890	696	699	698	718	766
10 Net Assets	1,728	1,018	1,072	1,087	1,142	1,318
11 Shareholders' Equity	1,728	1,018	1,072	1,087	1,142	1,318
B INCOME STATEMENT						
1 Sales	2,679	1,694	654	51	3,381	2,454
a Cost of Good Sold	*(2,504)*	*(1,616)*	*(617)*	*(66)*	*(3,253)*	*(2,107)*
2 Gross Profit	175	78	37	(15)	128	347
a Operating Expenses	(121)	(96)	(69)	(28)	(133)	(110)
3 Operating Profit	54	(17)	(32)	(43)	(5)	237
a Non Operating Income or (Expense)	*3*	*2*	*15*	*1*	*4*	*2*
4 Profit or (Loss) before Interest and Tax	57	(15)	(17)	(42)	(1)	240
a Total Finance Cost	*(162)*	*(113)*	*(60)*	*(12)*	*(165)*	*(198)*
b Taxation	*25*	*5*	*7*	*(0)*	*1*	*8*
6 Net Income Or (Loss)	(80)	(124)	(70)	(55)	(165)	50
C CASH FLOW STATEMENT						
a Free Cash Flows from Operations (FCFO)	*167*	*81*	*70*	*(8)*	*186*	*470*
b Net Cash from Operating Activities before Working Capital	*14*	*19*	*43*	*(24)*	*11*	*277*
c Changes in Working Capital	*(782)*	*(2,158)*	*(2,461)*	*(363)*	*212*	*(222)*
1 Net Cash provided by Operating Activities	(767)	(2,139)	(2,418)	(387)	223	54
2 Net Cash (Used in) or Available From Investing Activities	(116)	(11)	(9)	(6)	(19)	(52)
3 Net Cash (Used in) or Available From Financing Activities	869	2,135	2,459	514	151	(6)
4 Net Cash generated or (Used) during the period	(14)	(14)	32	122	355	(3)
D RATIO ANALYSIS						
1 Performance						
a Sales Growth (for the period)	-20.7%	-33.2%	-61.3%	-94.0%	37.7%	-45.9%
b Gross Profit Margin	6.5%	4.6%	5.7%	-30.1%	3.8%	14.1%
c Net Profit Margin	-3.0%	-7.3%	-10.6%	-107.6%	-4.9%	2.0%
d Cash Conversion Efficiency (FCFO adjusted for Working Cc	-22.9%	-122.6%	-365.6%	-731.1%	11.8%	10.1%
*e Return on Equity [Net Profit Margin * Asset Turnover * (Tc*	-5.5%	-19.9%	-16.7%	-21.5%	-14.1%	3.8%
2 Working Capital Management						
a Gross Working Capital (Average Days)	109	243	523	1154	52	88
b Net Working Capital (Average Days)	72	207	434	671	27	52
c Current Ratio (Current Assets / Current Liabilities)	3.8	5.6	4.0	2.2	1.6	2.4
3 Coverages						
a EBITDA / Finance Cost	1.4	1.1	1.5	0.8	1.4	2.5
b FCFO / Finance Cost+CMLTB+Excess STB	0.6	0.4	0.6	-0.3	0.9	1.6
c Debt Payback (Total Borrowings+Excess STB) / (FCFO-Fin	131.2	-20.0	41.1	-8.6	29.4	2.6
4 Capital Structure						
a Total Borrowings / (Total Borrowings+Shareholders' Equity	50.1%	74.7%	75.6%	56.0%	43.2%	44.3%
b Interest or Markup Payable (Days)	56.5	164.0	150.1	89.4	35.3	47.4
c Entity Average Borrowing Rate	7.8%	7.3%	6.0%	3.0%	11.1%	11.2%

Credit Rating

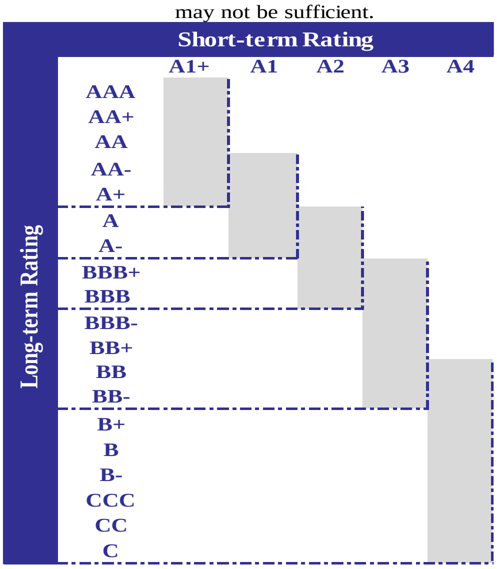
Credit rating reflects forward-looking opinion on credit worthiness of underlying entity or instrument; more specifically it covers relative ability to honor financial obligations. The primary factor being captured on the rating scale is relative likelihood of default.

Long-term Rating

Scale	Definition
AAA	**Highest credit quality.** Lowest expectation of credit risk. Indicate exceptionally strong capacity for timely payment of financial commitments
AA+ 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.
A+ 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.
BBB+ 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.
BB+ 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.
B+ 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.
CCC CC C	**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.
D	Obligations are currently in default.

Short-term Rating

Scale	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
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 surveill 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):

Entities

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

Instruments

a) Basel III Compliant Debt Instrument Rating
b) Debt Instrument Rating
c) Sukuk Rating

Regulatory and Supplementary Disclosure
(Credit Rating Companies Regulations,2016)

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.
(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