



Wackenhut Pakistan (Pvt.) Limited

Grading Action: Maintain

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Analyst

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Applicable Criteria and Related Research

- Security Industry – Viewpoint | Dec-16
- Security Grading Methodology

CRITICAL GRADING FACTORS	
Profile of Security Agency	Ownership & Governance Framework
Management Quality	Infrastructure Adequacy
Security Personnel Profile	Financial Stability

GRADING SCALE	
SG1	Very Strong
SG2	Strong
SG3	Good
SG4	Adequate
SG5	Weak
(+) may be appended to a grading (other than SG5) to elaborate relative standing	

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PACRA MAINTAINS SECURITY GRADING OF WACKENHUT PAKISTAN

The Pakistan Credit Rating Agency (PACRA) has maintained Security Grading of Wackenhut Pakistan (Pvt.) Limited (WPPL) at "SG2" (SG two). The grading denotes WPPL's *strong* ability to provide protection services as per terms of contract.

WPPL is part of PATHFINDER, an integrated security services group. Synergies from group companies remain a distinct advantage. WPPL is a leading player in Cash-in Transit (CIT) business and enjoys strong brand name and extensive outreach. CIT business is facilitated by fully-armored vehicles and robust policies and procedures framework. The company has laid out detailed processes and guidelines for selecting and training CIT guards to supplement its operations.

The group has streamlined its operations by transferring all manned-guarding business to Security & Management Services (Pvt) Limited (SMS) – a group company – while keeping CIT exclusively with WPPL. This is likely to bring focus to company's operations and enable it to increase its market share in this segment. The company intends to increase its fleet size and is introducing smaller armored vehicles to bring efficiency. This is likely to improve margins and profitability. The financial profile of WPPL is under duress.

About the Company: WPPL, incorporated in Pakistan in 1992, is engaged in CIT business. The company employs 1,008 guards and has a fleet size of 240 armored vehicles. The ownership of the company remains with Mr. Ikram ul-Majeed Sehgal, who is the Chairman and CEO of the company, and his family. His extensive experience in security industry has been a cornerstone for WPPL, complemented by an experienced senior management team. Mr. Muhammad Abaad Elias, COO of WPPL, carries expertise in CIT business.

Pathfinder Group: The Group provides manned & electronic security, cash-in-transit, due diligence, research & collection, IT and facility management services through member companies:



PACRA's comprehensive offerings include instrument and entity credit ratings, insurer financial strength ratings, fund ratings, asset manager ratings, real estate grading and security grading.

Our grading and related analyses are statements of opinion about the relative standing of the company and its affairs as of the date they are expressed. PACRA conducts its assessment of Security Company at the organizational level instead of individual guards, with focus on control and quality mechanisms. Our grading opinion is geared to draw relative distinction for users (corporates, other institutions) but is not a recommendation to buy, sell or subscribe/unsubscribe any services. PACRA shall not keep the grading under constant surveillance. The grading will be updated on an annual basis.