June 2019

VIS
RATING METHODOLOGY

Micro-finance Banks

Micro-financing has been identified as a powerful means to poverty alleviation as it aims at empowering individuals through the generation of sustainable livelihoods. It caters to micro-entrepreneurs and usually operates within a subset of the local population whose economic status falls below a pre-defined poverty line. Therefore, many governments in the developing economies encourage setting up of deposit taking/regulated microfinance banks (MFBs) or non-deposit taking microfinance institutions (MFIs). These organizations have further evolved over the years by shifting from the old paradigm of subsidized credit programs to the new paradigm of sustainable financial intermediation.

The microfinance sector has become a significant player in providing access to credit to the largely underserved low income population of the country. Large unsatisfied demand opportunities, an enabling regulatory environment and an increasing interest of both domestic and foreign investors have been the main drivers for the healthy development of the sector. Lending under group methodology continue to dominate the overall microcredit portfolio though the sector participants prefer individual lending for Micro, Small and Medium Enterprises (MSME) and secured segments. As the sector is characterized by growing competition, an increasing appetite for risk taking has become evident; thus placing significant importance on risk management systems.

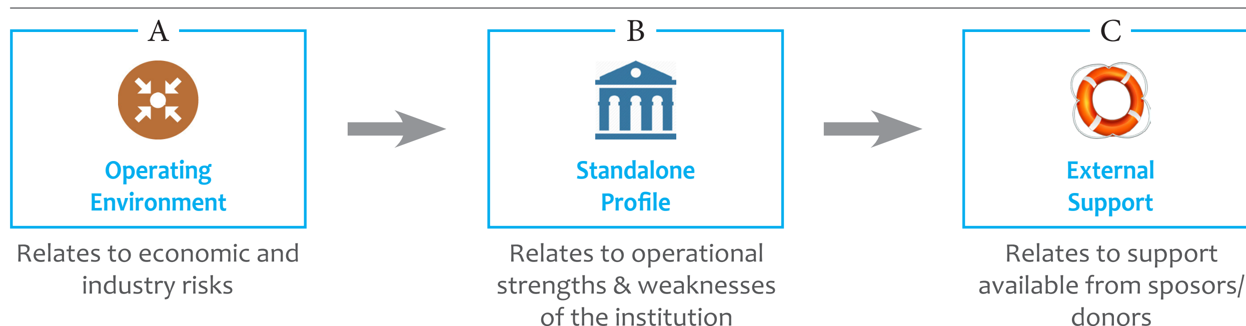
Revenues of the sector have continued their upward trend owing to volumetric growth in the microcredit portfolio. While the microfinance sector has grown at a fast pace in the recent years;, its share in the financial sector of the country continues to remain small.

The growth and development of microfinance sector has been strongly supported by central bank through a regulatory environment while supporting growth places strong emphasis on risk management, capital adequacies and fair play in competition. The private sector was allowed to participate in the MF sector through the promulgation of the Micro-Finance Ordinance 2001 (MFO), setting the scene for the entrance of new institutions and transformation of existing NGOs into MFBs. This was further augmented by the promulgation of the Prudential Regulations for the Micro-Finance (PRM).A regime of regional licenses are available to facilitate transformation of NGOs into smaller regional MFBs as also to provide medium net worth professionals to enter the field. The sector is dominated by MFBs with a few MFIs still working as NGOs or as Non-Banking Financial Institutions (NBFCs).

Ratings assigned by VIS to MFBs and MFIs are opinions reflecting their ability and willingness to timely pay their senior unsecured debt obligations. While debt instruments are issued by these entities, this methodology is supported by the Rating Criteria for 'Rating the Issue' https://s3-us-west-2.amazonaws.com/backupsqlvis/docs/criteria_instrument_16.pdf

The fundamental rating rationales for the MFBs would evolve around those used for conventional banks with necessary adaptations for the sector briefly listed below:

Exhibit I: **ANALYTICAL FRAMEWORK**



A. Operating Environment for MFBs

The two risk factors common with the conventional MFBs are economic and industry risks.

The dominance of the agriculture and services sector in the economic framework of Pakistan define the broad economic framework for the MFBs. This alongwith a large unbanked population particularly in these sectors provide significant business opportunities to MFBs. These opportunities, however, have inter-sector diversities and challenges. An efficient assessment and harnessing of these is an important rating assessment factor.

The MFB sector, has over time been provided with a fairly elaborate, conducive and interactive regulatory environment. The adhereance to the regulatory framework, on an industry and individual MFB level are given weightages in rating assessments.

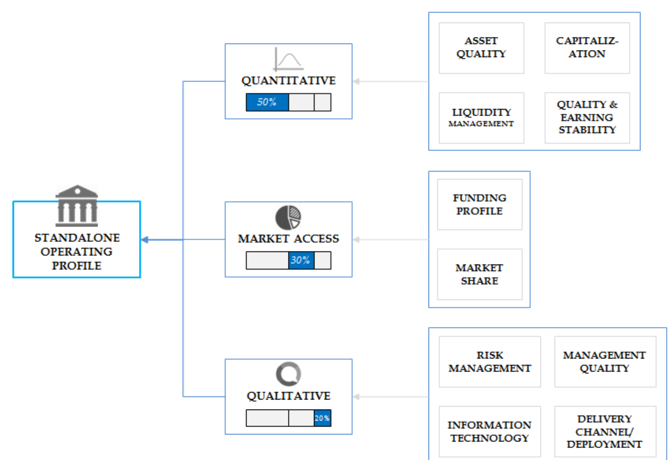
After successful off-take of microfinance operations in the country coupled with curtailed infection levels in the past two decades, the regulator has increased the ceiling of microfinance products offered by MFBs from Rs. 150,000 to Rs. 1.0m under special schemes line House Finance, Vehicle Finance to give further boost to the sector. However, as specialized institutions, the mandate restricts MFBs from tapping other forms of lending avenues. Further, These regulations serve to ensure that the institution serves its mandate and funds are channeled to the poor. MFBs are also restricted from foreign exchange operations, which precludes their handling any foreign trade related transactions.

Most institutions with MF operations function on a localized scale. The MFO prescribes a three-tiered approach to capital and links it to the scope of operations. Depending on the area being serviced by MFBs, their risk profile may be significantly different from each other. The paid-up capital requirement increases from Rs. 100m to Rs. 250m and then to Rs. 500m to operate at district, provincial or countrywide level respectively. For each location that the MFB caters to, the borrower, market may differ on the basis of factors including seasonality of the area's main occupation, extent of dependence on natural forces and general economic conditions. The nature of an MFB's target market is therefore an important consideration and the choice of geographical diversification available to provincial or countrywide MFBs is a positive rating factor.

B. Standalone Operating Profile of the MFB

Capitalization: Strength of capitalisation of MFB is reflected in its unimpaired capital base compared to its risk weighted assets. Generally known as Capital Adequacy Ratio (CAR) it is denominated as a percentage. CAR is one of the most important tool of risk assessment of MFB and is hence regulated through mandatory minimum limits. CAR at regulatory prescribed minimum is considered strong and would be able to withstand normal business losses. While the Minimum Capital Adequacy requirement for MFBs varies with the type of licence in use, CAR is placed by SBP at 15%. CAR levels higher than the regulatory limit are able to absorb greater than normal business losses and such MFBs can survive longer periods of economic downturns or business adversities. CAR is also reviewed alongwith asset risk that the MFB has as the higher the risk of losses from performing portfolio, the more capital would be required to maintain capitalization levels. Besides CAR, equity in relation to total assets is also tracked in order to have an un-weighted view of capitalization indicators.

Exhibit II: **COMPONENTS OF STANDALONE PROFILE**



Asset Quality: The asset quality of an MFB is a direct reflection of the appraisal mechanism, internal controls, portfolio monitoring and the management's understanding, and experience of the micro-finance sector. While examining the level of delinquency, it is essential to keep in mind the fact that micro-loans are usually extended for shorter tenors and repayment dates are therefore more frequent. Moreover, micro-loans are often allowed prepayment. Signs of delinquency therefore tend to become apparent at an earlier stage and classification schedules prescribed by the PRM

are stricter than those applicable to conventional forms of financing. Micro-loans are classified as non-performing with only a 30-day delay in payment and are classified as loss in a year resulting in a stepped up provisioning requirement vis-à-vis those applicable to conventional Banks. However, loan losses are sometimes triggered due to temporary business losses or personal crisis and there remains a fair chance of eventual repayment. It is therefore important for the rating agency to track the pattern of classification against various loan types and track eventual recovery, to form an opinion as to the probability of actual loan loss. Given the shorter tenors and hence the higher turnover of micro-loans, a better estimate of management performance may be the ratio of increase in gross NPLs during the year as a per cent (%) of gross disbursement during the year. This ratio may be considered in addition to the usual ratios employed for MFB analysis, relating NPLs to outstanding exposure and provisions held against them. The ordinance makes a general provision equal to 2% of outstanding exposure compulsory, developing a cushion for MFBs. To estimate the probability of future loss, the loan portfolio should be assessed for the proportion of repeat loans, where chances of delinquency are lower. Policy guidelines limiting exposures for new clients and extent of conformance to these is an important rating consideration.

Key asset risk considerations include rapid loan growth, impairment in current loan portfolio, provisioning and collateral coverage, and concentration risk (counterparty, sector and geaographic concentration).

Rapid loan growth when accompanied with lower underwritng standards may result in asset quality pressures for MFBs, which are more visible in economic downturns. Growth is also monitored within various financing segments in order to track whether growth has been manifested in high risk segments, which is also a potential source of credit risk.

Concentration in single or few sectors may lead to abnormal credit and earning loss in situations where these sectors may come under economic or business cycle stress.

Quality and Earning Stability: Quality and stability of earnings are key factors analyzed by VIS while assessing profitability position of the company. Business position and earning potential is a function of the concentration or diversification in the business services offered, the franchise value enjoyed by the MFB and the diversificationof its earning streams. The net income from loans and advances and fixed income investments(Net Interest Margin-NIM) is considered the core income of MFB and should cover operating and administrative costs. As MFBs retain most of their statutory liquidity rquirements in government paper they generally constitute the bulk of investments, alongside some market risk based securities. The level of other income is generally low as micro loans have little potential for ancillary business.

A review period and time series analysis of NIM to total revenue individually and for peer group would indicate the relative risk position of MFB in its own time series and among its peer group. The trend and contribution of “One off” gains/losses to total revenue would reveal the business strategy and stability of income stream of MFB.

Ability of MFB to absorb provisioning expenses, over a business cycle, from profitability of that year reflects positively on asset quality of the MFB.

Liquidity Management: The most important distinction marking MFB’s transgression from the informal sector to the status of a commercial MFB is the institution’s ability to access deposits. Although the MFB can access all types of commercial funds, the profile of depositors is typically the savers who also benefit from micro-loans extended by the MFB. Savings from the borrowers’ pool are perceived as an important benchmark of an MFB’s success as it is indicative of borrowers’ empowerment, which is the primary objective of microfinancing. An institution’s deposit mix, average deposit size and the proportion of deposits maintained by the MFB’s borrowers, is considered while evaluating stability of the deposit base. MFB’s average deposit size tends to be much smaller and as such the MFB faces considerably lower chances of MFB run.The statutory liquidity reserve requirement for MFBs is therefore lower at 15% against its demand and time liabilities as compared to 20% for a conventional Banks. Availability of liquid reserves is viewed favorably as a shield against maturing liabilities and future financing needs. Typically, in the maturity phase of an MFB’s life cycle, savings tend to accumulate more rapidly than loans can be disbursed and the turnover of advances is high. This leaves surplus liquidity on the books and the loan to deposit ratio generally remains low, with large reserves of government securities, which is the only investment alternative available as per the prudential regulations for MFBs in Pakistan.

Liquid assets carried on balance sheet provide cushion to the MFB for meeting liabilities, in case of stress periods.. Non-performing assets or assets having weak credit quality and encumbered assets are not incorporated in calculation of liquid assets. Liquid assets to short term liabilities and liquid assets to total borrowings are other common ratios of determination of liquidity profile on standalone and for peer group comparison.

Assessment of liquidity risk is undertaken to determine to what extent a MFB would be able to withstand adverse market and economic conditions without resort to significant support from the central bank . It is important here to study the maturity mismatches between assets and liabilities on a maturity bucket timeline. Short term mismatches in upto 1 year buckets would indicate the liquidity position of a MFB. A continued mismatch for over six months horizon would likely place a stress on the liquidity and in case of distress selling profitability also. The stress testing undertaken by risk management serves as a useful tool in liquidity management if done with pragmatic assumptions. The extension of stress testing to contingent liabilities and their size also have a direct bearing on the liquidity profile of the MFB.

Market Access: Market position of a MFB is mainly determined in terms of the deposits mobilised by the MFB in comparison to total deposits mobilised by the MFB industry. Market share has a sizeable weigtage within VIS's overall score for market access and for higher rating bands may be a differentiating factor.

Total market based funding of the MFB in relation to total liabilities and assets is tracked by VIS in order to monitor reliance of the MFB to credit sensitive counterparties. Market base funding is considered less stable by VIS than funds raised through deposits.

Within deposits mobilized by a MFB, analysis would focus on types (core vs non-core deposits and retail vs corporate deposits) and composition of deposits. The granularity level in deposits measured through concentration profile in CASA (current account/saving account) along with the accumulation level in top twenty to top hundred depositors would provide an insight into the stability of liquidity at the MFB. A higher market share in deposits with granularity and significant CASA would be condidered a strength to the risk profile and would generally be accompanied with greater and geographically diversifed branch network.

Internal Audit & Risk Management: The overall Risk management function in a MFB is an independent assessment of the internal and exteranl risk profile of the institution undertaken by Internal Audit and Risk Management, respectively.

The focus of internal audit is on the adequacy of internal control environment which they assess through a defined and random frequency of audit reviews of the various departments of the MFB as also of certain processess. The annual audit plan approved by the Board's Audit Committee is the governing document for the scope and activities of the Internal Audit function. The study of audit plan, its implementation status and the contents of the audit reports of various departments and processess as also the findings of the aggregate branch audit leading to movements in risk rating of branches would give a fair idea as to the efficacy of the Internal Audit function as also the internal control environment prevailent.

Risk management keeps a track on the overall risk profile of the assets & liabilities of a MFB. It periodically reviews the credit, market and interest rate risk in the portfolio and the asset/liability maturity mismatch. The quality and coverage of reports generated on overall risk profile of the portfolio and its stress testing would be indicative of the usefullness of the risk management. It also performs the forecasting functions on economic trends in conjunction with research to provide a market outlook to the credit decision takers. Risk management also plays an important role in development and implementation of modules for risk assessment in the various types of MF loans. The implementation and review status of these modules indicate the level of risk awareness. The level of interaction between risk management and risk assuming departments is also important to manage the overall risk profile of the MFB.

Risks related to client and sectoral exposure, are mitigated due to the small size of each loan and exposure to businesses that are generally not as sensitive to economic swings. The level of risk undertaken by an MFB is also affected by

the type of loan product. Group loans for instance help in diversifying risk associated with a particular business and mitigate the problems of adverse selection. Such loan structures also raise moral pressure and are used by some MFBs as an effective monitoring tactic, encouraging the group to work in its combined interest. At the same time appraisal and interaction with a group of borrowers, rather than individuals also leads to cost efficiencies for an MFB. Most MFBs do not employ sophisticated methods of credit appraisal as micro-entrepreneurs can rarely supply, formally prepared and comprehensive information regarding their businesses. The situation is rendered riskier by the almost complete absence of tangible collateral. Therefore, the management's capability to determine the risks associated with each product and mitigating it through product design becomes a key rating factor.

Management Quality: Management capacity to manage risks through the business cycle is the most important determinant of the managerial efficiency in a MFB. The management should preferably comprise a mix of individuals with MFB experience and technical expertise of the MF sector. VIS believes that an institution's sustainability is dependant on the fact that operations are streamlined on a commercial basis, while being attuned to the specific requirements of operating in the MF sector. This requires specialized human resource and thus emphasis is placed on how the institution recruits, develops, motivates and retains staff. An assessment is made as to whether employees are attuned towards community service, in addition to evaluating their qualification and experience profile.

The loan officers' credentials are of key importance as the incumbent should be appropriate for the MFB work environment and well adapted to the market being served. In addition to the quality of human resource, emphasis on training is factored into the ratings as developing the required expertise is important in the long-term. VIS believes that management should invest a suitable sum towards maintaining and retaining its human resource in line with its growth requirement.

Our appraisal will incorporate the institution's stage of evolution, as it determines the need for a successor, an aspect very crucial for long-term sustainability of MFBs. The background of board members, their familiarity with the sector and the extent to which the mission is shared among the management and the board is an important consideration. Degree and quality of participation by the board of directors in the affairs of an MFB is also taken into account.

Management Structure: Another critical aspect for the rating of MFBs is the internal supervisory framework as these institutions are exposed to higher levels of operational risks. VIS believes that companies with weak internal systems are more vulnerable to changes in the environment and policies and procedures ought to be standardized across the institution with emphasis on risk management. An MFB's structure should promote a high level of transparency with clear lines of authority and responsibility. Further the quality and adequacy of internal and external audits has to be assessed. The rating review forms an opinion on the risk management ability of the institution by assessing the quality of its appraisal systems, written policy guidelines and the reports generated by both internal as well as external auditors. The controls exerted by external regulatory agencies in ensuring that the policy framework is adhered to, also takes on a great deal of significance and an effective regulatory environment constitutes a positive rating factor.

Financial Sustainability: Another important aspect in the financial appraisal of an MFB is the management's approach to profitability. Many MFBs have been observed to sacrifice profitability in pursuit of serving its poor clientele by subsidizing markup on loans. VIS believes that adopting such a perspective may assist the poor only in the short-term, and that the mission is better served if the institution adopts a double-bottom line and can sustain profitable operations, enabling it to enhance client outreach over time.

Apart from the usual parameters employed for benchmarking earning potential, an MFB's profitability is also evaluated for financial self-sufficiency. Financial self-sufficiency includes coverage of the implied cost of equity and/or donations and adjusts for the real financial cost if funds have been borrowed at subsidized rates. This indicator is used to assess the commercial viability of an institution and its ability to enhance its outreach continuously through an internally generated increase in financial resources. The pay-out policy of the institution is also considered while evaluating the

entity's growth potential. A steady growth in population being served can be ensured if the MFB sustains real growth in terms of it being able to generate economic profits.

MFBs do enjoy a degree of latitude in charging markup rates and generally price loans considerably higher than prevailing lending rates on conventional forms of financing. This becomes important in consideration of the fact that MFBs tend to run higher transaction costs. Profitability may be adversely affected if an MFB accepts prepayments. The effect of prepayments is worked into computation of yields. Risk mitigating tools employed by MFBs to counter such trends including charging markup on initial disbursement rather than diminishing balances, are viewed favorably.

Information Technology: The need for developing an effective management information system is accentuated due to the volume of business that an MFB is required to monitor. The capacity of the system is determined with a view on its ability to manage future business volumes and its flexibility in handling new products. Utilization of MIS is gauged through the effectiveness and reliability of reports generated by the system facilitating the management in decision-making. The dynamics of IT system over the period gives it geographical and business diversity. Seamless flow of information within this complex structure is essential for business development and risk management. The management efficiency of a MFB is now tied up with the IT infrastructure or the IT platform which the MFB employs to gather, disperse, analyse, assemble and store information for decision taking. The range of IT infrastructure in MFBs may vary from designer packages encompassing all activities of the MFB to a hybrid solution with some level of integration and some standalone modules. It is important here to assess the ease of flow of information between functions, diverse report generating capability of the IT system and the service efficiency of the internal and external sources in maintenance and development of the IT system. The IT security policies and disaster recovery plans are critical for IT system reliability and sustenance and would grow in importance as more branchless platforms are inducted into the MFB field. The capacity of the existing or planned IT platform to develop or assimilate such technology based products is assuming greater importance going ahead.

Delivery Channels: The delivery channels of MFBs are dependent upon its business strategy and model. Delivery channels also have to be aligned with the type of micro finance product or program which the MFB plans to push through a particular channel. Most branches of MFBs in Pakistan offer both asset and liability products, with a concentration in one or the other depending upon the business environment of the location and objective achievement targeted by the MFB. To assess the efficacy of the delivery channel of a MFB the trends in growth of the branches is compared to growth of deposits and further analyzed to changes in granularity and deposit composition internally and to the total borrowings.

Deployment Strategy: As specialized institutions, the mandate restricts MFBs from tapping other forms of lending avenues. At present, MFBs in Pakistan are restricted from lending an amount exceeding Rs. 150,000 to a single borrower and upto Rs. 1.0m to MSME. MFBs are also restricted from foreign exchange operations, which precludes their handling any foreign trade related transactions.

MFBs operate at district, provincial or countrywide level. For each location that the MFB caters to, the borrower market may differ on the basis of factors including seasonality of the area's main occupation, extent of dependence on natural forces and general economic conditions. The nature of an MFB's target market is therefore an important consideration and the choice of geographical diversification available to provincial or countrywide MFBs is a positive rating factor. The selection strategy of urban and/or rural market is an important consideration in risk assessment which is viewed in conjunction with the appropriateness of the risk assessment tools available to the MFB in regard to the selected market.

C. External Support Available to the MFB

Sponsor/Donor Support: VIS believes that while the long-term self-sufficiency of an institution should be assessed without consideration for the potential of donor support, access to donor assistance, whether in cash or in kind, favorably impacts the ratings and constitutes a fundamental difference with conventional financial institutions. Donations may either be accepted as funds to be lent out, or for infrastructure development. As such, they not only serve as a cost free means of institutional development but may also assist the institution to tide over distressful times. Access to donor funds is dependent on the institution's franchise value and reputation,reflecting donor confidence in an institution's performance. MFBs having larger pools of the borrowing community and generally characterized by a relatively more extensive branch network, generally enjoy easier access to donor funds.

VIS places significance on the strength and franchise value of the main sponsors. MFBs sponsored by the financially strong local financial and internationally operating microfinance institutions are likely to have tested risk management systems.

The support from the sponsors is dependent upon a), the financial strength of the sponsors or the sponsoring group, b)the magnitude of the investment in MFB compared to their other investments and the impact of impairment of their investment in a MFB to the overall group. MFBs with single or two strong major owners would tend to fare better when support is needed than multiple major owners with variable financial strengths. Similarly entry of a new major shareholder would need to be assessed on the basis of the value addition both, in terms of management and governance expertise it would bring as also its financial strength. The extent of shareholding to be acquired by the new shareholder and the revisions of shareholding pattern would also be key considerations in determining the potential sponsor support.

Impact Assessment: The concept of micro finance is not confined to the extension of micro loans but encompasses the full range of financial and structural support services extended to the poor. Its central theme is the economic revival at grassroots level and therefore another aspect of an MFB's strength is its impact on the population at large. It is important for an MFB to develop impact assessment tools to gauge its contribution to the society, either through skill development or general economic uplift. Though this does not impact the institution's credit worthiness directly, it does have a bearing on the institution's franchise value and financial access, thereby becoming an area of interest for the rating agency.

Rating Methodology - Micro-finance Banks

EXPLAINING THE RATING SCALE

A credit rating is an independent third party opinion of the capability and willingness of an entity to repay its obligation in a timely and complete manner. VIS assigns both long and short term rating opinions to entities, where long term indicates a period of up to 3 years while short term signifies a period of up to one year. The long-term rating scale is spread across 20 notches from 'AAA' to 'D'; 'AAA' ratings denote highest credit quality and lowest probability of default while a 'D' rating denotes a defaulted obligation. Any rating below the 'BBB' rating band is considered a non-investment grade rating. The short-term rating comments on the liquidity profile and near-term vulnerability of default of the rated entity. Short-term rating scale is spread across 6 notches from 'A-1+' to 'C' with 'A-1+' denoting the highest certainty of timely payments while a 'C' rating denoting doubtful capacity of timely payment of obligations. Relationship between short and long-term ratings has also been developed by VIS and can be accessed through the following link on VIS's website (https://s3-us-west-2.amazonaws.com/backupsqlvis/docs/Correlation.pdf).

VIS assigns ratings of debt instruments on the same rating scale as used for entity ratings of micro-finance banks. However, no short term rating is assigned to debt instruments as VIS comments on the overall repayment ability over the term of the particular instrument.

Rating Scale - 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

Rating Scale - 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.

Faheem Ahmad

President & CEO, VIS Credit Rating Company Limited
Founder, VIS Group
Chairman, Association of Credit Rating Agencies in Asia

Mr. Ahmad possesses 30+ years experience in financial risk assessment with focus on Islamic finance, venture capital and general management. He has top level management experience at international level in the fields of credit ratings, Islamic and conventional financial risk assessment modeling, industrial management and construction engineering. Mr. Ahmad is an active participant at international forums on Credit Ratings. He obtained his B.S in Civil Engineering from NED University of Engineering and Technology, Karachi. He also has Masters Degrees in Engineering and Business Administration from USA.

Javed A. Callea

Advisor

Mr. Callea is a professional in the financial sector with over 35 years of experience mostly in the financial institutions with certain exposure to service and infrastructure sectors in Pakistan. He has held the position of Chief Executive of a leasing company for 10 years. His core areas of expertise cover leasing, development financing, project management, investment & merchant banking, strategic investment management and real estate.
Major financial institutions he worked for include Pakistan Industrial Credit and Investment Corporation, State Life Insurance Corporation, Bankers Equity, Crescent Leasing Corporation and Saudi Pak Ind. & Agri. Inv. Company. He has also served as Member Finance of Water & Power Development Authority of Pakistan and as member of the Inquiry committee on stock exchange crises in 2000 commissioned by the SECP. He earned his MBA degree from the Institute of Business Administration in 1974.

Maham Qasim

Assistant Manager

Maham Qasim has been associated with VIS since August 2014. During the course of her career, she has been involved with assignments in a broad range of sectors including industrial corporates, banking, microfinance, insurance and asset management. Maham has a Masters Degree in Business Administration with majors in Finance and Banking from Lahore School of Economics.

Jahangir Kothari Parade (Lady LLoyd Pier)
Inspired by Her Excellency, The Honorable Lady Lloyd, this promenade pier and pavillion was constructed at a cost of 3 Lakhs and donated to the public of Karachi by Jahangir Kothari to whose genrosity and public spirit the gift is due. Foundation stone laid on January 5, 1920. Opened by Her Excellency, The Honorable Lady Lloyd on March 21, 1921.

Dome: A roof or vault, usually hemispherical in form. Until the 19th century, domes were constructed of masonry, of wood, or of combinations of the two, frequently reinforced with iron chains around the base to counteract the outward thrust of the structure.

Origins: The dome seems to have developed as roofing for circular mud-brick huts in ancient Mesopotamia about 6000 years ago. In the 14th century B.C. the Mycenaean Greeks built tombs roofed with steep corbeled domes in the shape of pointed beehives (tholos tombs). Otherwise, the dome was not important in ancient Greek architecture. The Romans developed the masonry dome in its purest form, culminating in a temple built by the emperor Hadrian. Set on a massive circular drum the coffered dome forms a perfect hemisphere on the interior, with a large oculus (eye) in its center to admit light.

Jahangir Kothari Parade

National Excellence, International Reach

VIS Credit Rating Company Limited is committed to the protection of investors and offers a blend of local expertise and international experience to serve the domestic financial markets. With its international reach, VIS is positioned to aim for an international mark. In this regard, the global experience of our principal, Japan Credit Rating Agency, Ltd. has been invaluable towards adding depth to our ongoing research endeavors, enriching us in ways, that enable us to deliver our responsibilities to the satisfaction of all investors.

The edifice of the Jahangir Kothari Parade has stood proudly through the years and is a symbol of our heritage. Its 'Dome' as the most stable of building structures, exemplifies architectural perfection. Committed to excellence, VIS continues its endeavor to remain an emblem of trust.

VIS Credit Rating Company Limited

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