

# VIS Credit Rating Company Limited

International Affiliates: Islamic International Rating Agency - Bahrain, Credit Rating Information & Services Ltd.  
- Bangladesh, Borhan Credit Rating Company Ltd. - Iran

## Press Release

### VIS Assigns Initial Broker Management Rating to Fortune Securities Limited

**Karachi, October 12, 2021:** VIS Credit Rating Company Ltd. (VIS) has assigned initial Broker Management Rating of 'BMR2' to Fortune Securities Limited. Outlook on the assigned rating is 'Stable'.

The rating signifies strong external control framework, sound client relationship and HR and infrastructure, internal control framework and risk management while regulatory requirement and supervision and financial management are considered adequate.

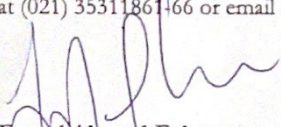
The assigned ratings take into account adequate regulatory requirement and supervisory framework where the Board comprises of three certified members with recent independent representation. Inclusion of more certified members to the strengthen overall governance framework additionally, acquisition of related licenses would also support trading activity.

Ratings also take into account sound internal control framework and client relationships, client servicing tools are available to assist customers. HR infrastructure, compliance and risk management are also considered sound. The company has recently established a separate risk management department for customer evaluation procedures. Overall organizational infrastructure of the company is sound with the size of the operations.

Assessment of financial profile indicates improvement in profitability the back of increase in core income supported by revenues arising from margin finance business. The company's cost to income ratio improved during FY21 on account of increase in recurring income. Liquidity profile remained adequate while market risk remained minimal during FY21. Capitalization indicators slightly increase however remained manageable during the period under review. Going forward, diversifying and increasing revenue streams, maintaining acceptable capitalization levels and improvement in market share will remain important for the rating.

Fortune Securities Limited has a TREC (Trading Right Entitlement Certificate) for Trading and Clearing Services granted by Pakistan Stock Exchange Limited (PSX). External auditors of the company are M/s Naveed Zafar Ashfaq Jaffery & Co. – Chartered Accountants. Auditors belong to category 'A' on the approved list of auditors published by the State Bank of Pakistan (SBP).

For further information on this rating announcement, please contact Ms. Sara Ahmed (Ext: 207) or the undersigned (Ext: 306) at (021) 35311861-66 or email at [info@vis.com.pk](mailto:info@vis.com.pk)

  
**Faryal Ahmad Faheem**  
Deputy CEO

**Applicable Rating Criteria: Broker Management Ratings 2020**

<https://docs.vis.com.pk/docs/BMR202007.pdf>

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