



Rating Action

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PACRA MAINTAINS THE ENTITY RATINGS OF FIRST WOMEN BANK LIMITED; ASSIGNS POSITIVE OUTLOOK

The Pakistan Credit Rating Agency (PACRA) has maintained the long-term and short-term entity ratings of First Women Bank Limited (FWBL) at 'BBB+' (Triple B Plus) and 'A2' (A Two), respectively. These ratings denote a low expectation of credit risk emanating from an adequate capacity for timely payment of financial commitments.

The ratings reflect the bank's relatively constrained position among the peers emanating from its limited outreach and unique mandate of focusing on women or related borrowers that offers fewer avenues for fund deployment. Meanwhile, bank's capital is well short of the statutory requirement, though its capital adequacy remains strong.

Recently, the bank has been removed from the GoP's privatization agenda. The government has decided to keep the bank in public sector by acquiring majority shareholding in the bank. Recognizing this development, the ratings have been assigned a positive outlook. Nevertheless, the timeline for the acquisition process remains uncertain.

The Bank: Formed in 1989, First Women Bank Limited is mandated to cater to the special banking needs of women in Pakistan. The bank operates a network of 38 branches spread across 23 cities nationwide. Its ownership lies with five banks (HBL and MCB: 27% each; UBL, ABL, NBP: 9% each) and the Ministry of Women Development (19%) with the President appointed by the Federal Government. The overall control of the bank presently vests with seven member BoD, comprising one nominee director of each shareholder bank and two nominees of GoP including the President of the bank.

The President, Mrs. Shafqat Sultana, has been associated with the bank since inception. She is a seasoned banker and her service for the bank and socio-economic empowerment of women are widely recognized and acknowledged.

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