



## Rating Action

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## PACRA MAINTAINS ENTITY RATINGS OF JS GLOBAL CAPITAL LIMITED

The Pakistan Credit Rating Agency (PACRA) has maintained the long-term and short-term entity ratings of JS Global Capital Limited (JSGCL) at "AA" (Double A) and "A1+" (A One plus) respectively. The ratings denote a very low expectation of credit risk emanating from very strong capacity for timely payment of financial commitments.

The ratings reflect the strong financial profile of JSGCL as indicated by its sound capital structure. In addition, JSGCL enjoys a strong position in the equity broking business emanating from its healthy market share and established brand. The ratings recognize JSGCL's association with the JS Group, carrying extensive experience in the local capital markets. The change in shareholding structure of the company, whereby JSBL has become the majority shareholder, has added an additional tier of vigilance. Furthermore, the company, while maintaining a sizeable liquid investment book, maintains a low risk profile owing to its policy of not engaging in proprietary trading.

**About the company:** JSGCL started its commercial operations in May 2003. The company has been listed on Karachi and Islamabad Stock Exchanges since February 2005. Jahangir Siddiqui & Co. Limited (JSCL) and Global Investment House (GIH) are the major shareholders of the company, each holding around 44% stake in JSGCL. JSCL is financially sound and is the investment holding company of JS Group entities. It has been assigned entity ratings of "AA/ A1+" by PACRA. The financial profile of GIH continues to remain under stress.

In recent developments, the shareholding of the company is undergoing a change whereby JS Bank Limited (JSBL) (a majority owned subsidiary of JSCL) is to acquire the shares of JSGCL from JSCL and other shareholders. Post transaction JSBL will become the majority shareholder of JSGCL with minimum 51% of the shares. The management is expecting the whole process to be completed by end 2011.

The BOD of JSGCL comprises eight members including the CEO. Both JSCL and GIH have equal representation on the board. The board members are well-qualified and have diversified local and international business exposure. Mr. Kamran Nasir, the current CEO, took up this position in January 2011. He carries around 10 years of diversified experience. He is assisted by a team of young but qualified professionals.

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