

BROKER MANAGEMENT RATING REPORT

Taurus Securities Limited

REPORT DATE:

15 September, 2021

RATING ANALYSTS:

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APPLICABLE

METHODOLOGY:

Broker Management Ratings 2020:

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

Rating Category	Latest Rating
Broker Management Rating	BMR2+
Rating Rationale	The rating signifies strong compliance and risk management and external controls, sound internal control, HR and infrastructure and client relationship and adequate financial management and regulatory requirement.
Rating Date	15 September, 2021

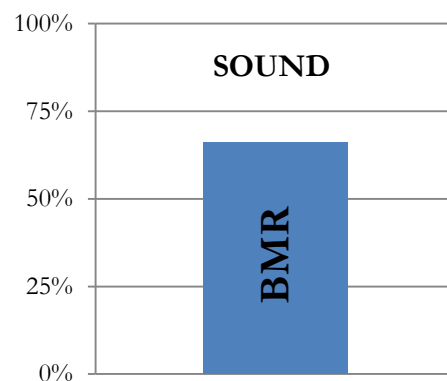
COMPANY INFORMATION

Incorporated in 1993	External auditors: Yousuf Adil Chartered Accountants
Public Unlisted Company	Chairman of the Board: Mr. Muhammad Ismail Usuf
Key Shareholders (with stake 5% or more):	Chief Executive Officer: Mr. Syed Zain Hussain
<i>National Bank of Pakistan ~ 58.32%</i>	
<i>The Bank of Khyber ~ 30.0%</i>	
<i>Saudi Pak Industrial & Agricultural Inv. Co. Ltd. ~ 8.33%</i>	

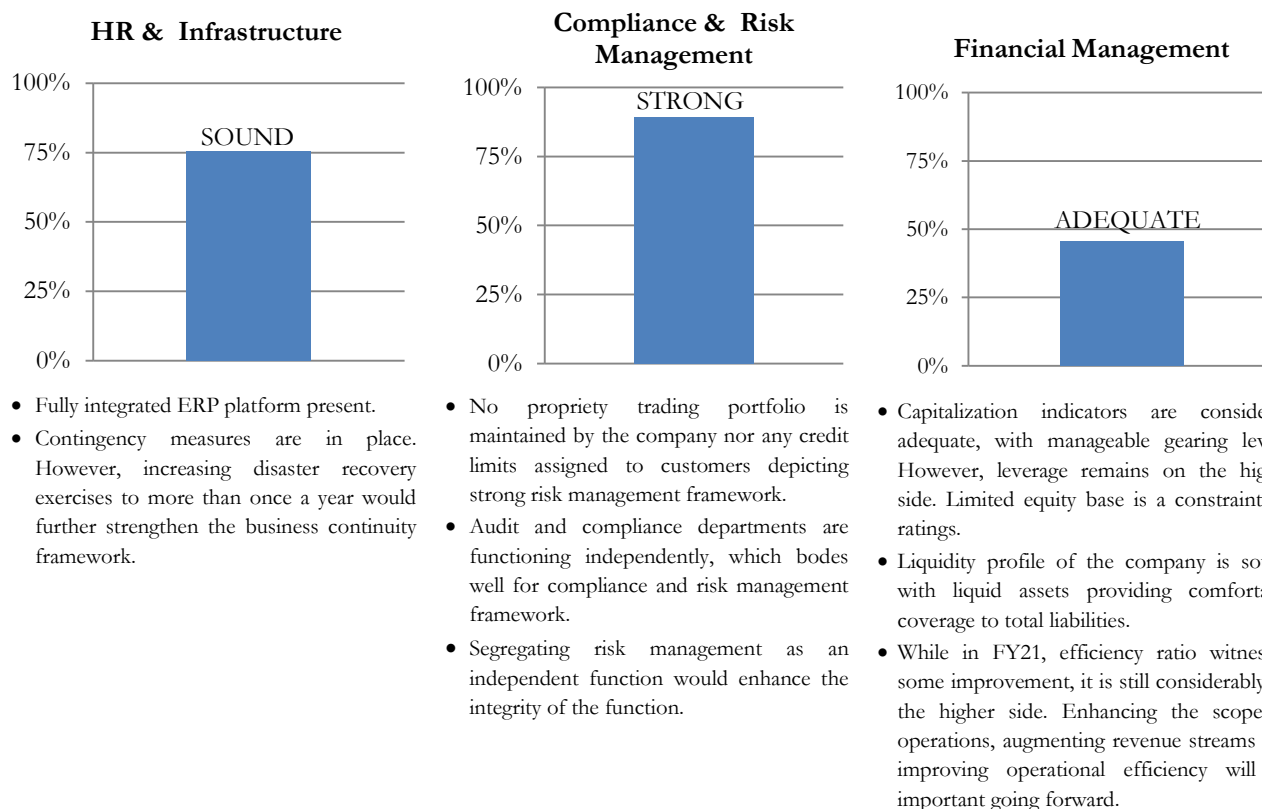
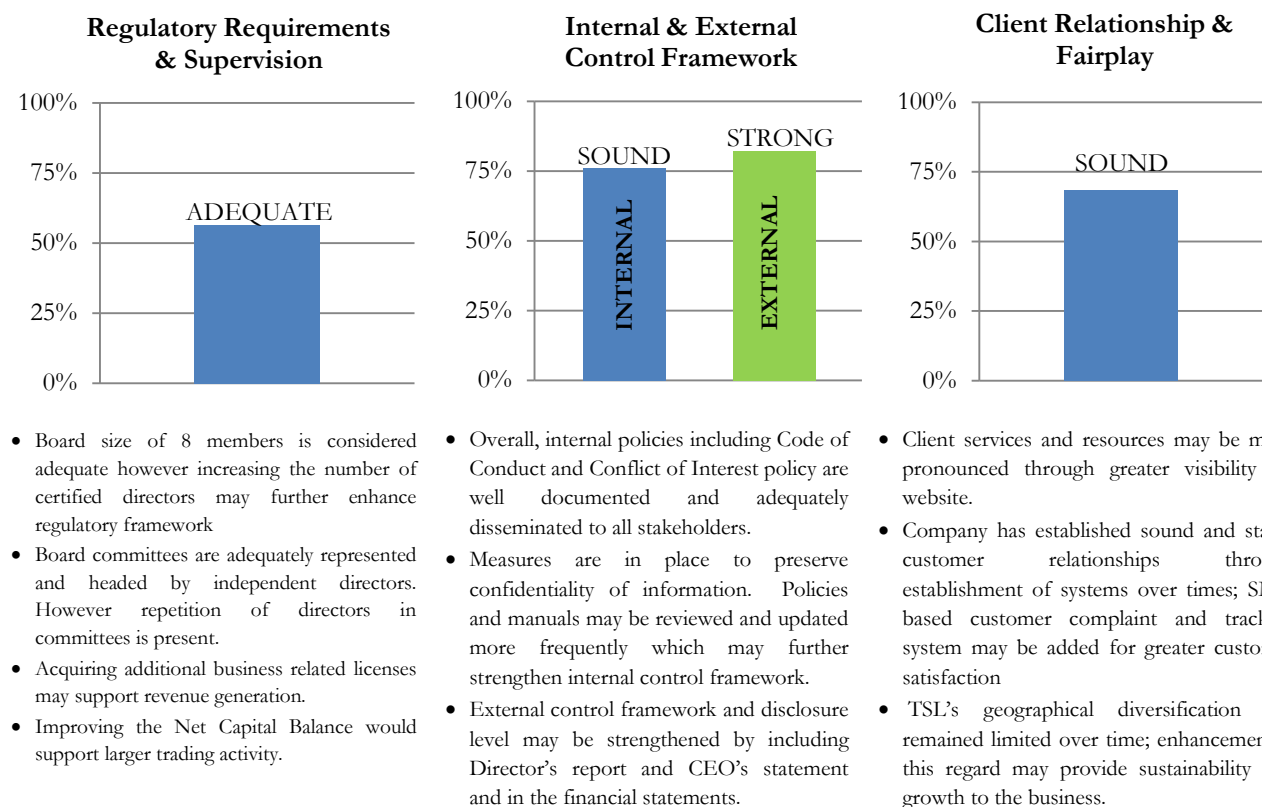
Corporate Profile

Taurus Securities Limited (TSL) is a public unlisted company incorporated in 1993, providing equity brokerage services and financial/economic data research analysis. Major shareholding of the company is vested with National Bank of Pakistan (NBP). The head office of the company is located in Karachi, while a branch office is located in Peshawar. The company provides both online and assisted trading services to its clients.

TSL is a public unlisted company holding Trading Rights Entitlement Certificate (TREC) granted by Pakistan Stock Exchange Limited (PSX), and is registered with SECP to provide Trading & Self Clearing Services. External auditors of the company are Yousuf Adil Chartered Accountants. External auditors belong to category 'A' on the approved list of auditors published by the State Bank of Pakistan (SBP).



Rating Factors Scores



MANAGEMENT QUALITY SCALE & DEFINITIONS

Appendix I

VIS Credit Rating Company Limited

RATING SCALE & DEFINITIONS: BROKER MANAGEMENT RATING

BMR1A

Excellent regulatory compliance, control environment, and financial management; governance and risk management frameworks are extremely effective; HR, IT, and customer services are strongly proactive.

BMR3++, BMR3+, BMR3

Adequate regulatory compliance, control environment, and financial management; governance and risk management frameworks are satisfactory; HR, IT, and customer services are adequate.

BMR1++, BMR1+, BMR1

Strong regulatory compliance, control environment, and financial management; governance and risk management frameworks are highly effective; HR, IT, and customer services are highly proactive.

BMR4++, BMR4+, BMR4

Inadequate regulatory compliance, control environment, and financial management; governance and risk management frameworks need improvements; HR, IT, and customer services are insufficient.

BMR2++, BMR2+, BMR2

Sound regulatory compliance, control environment, and financial management; governance and risk management frameworks are effective; HR, IT, and customer services are proactive.

BMR5

Weak regulatory compliance and business practices

Rating Outlooks:

The three outlooks 'Positive', 'Stable' and 'Negative' qualify the potential direction of the assigned rating(s). An outlook is not necessarily a precursor of a rating change. Refer to our 'Criteria for Rating Outlook' for details. www.vis.com.pk/images/criteria_outlook.pdf

REGULATORY DISCLOSURES		Appendix II		
Name of Rated Entity	Taurus Securities Limited			
Sector	Brokerage			
Type of Relationship	Solicited			
Purpose of Rating	Broker Management Rating (BMR)			
Rating History	Rating Date	Rating	Rating Outlook	Rating Action
	RATING TYPE: BMR			
	15/ 09/ 2021	BMR2+	Stable	Initial
Instrument Structure	N/A			
Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.			
Probability of Default	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.			
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