BROKER MANAGEMENT RATING REPORT

Standard Capital Securities (Private) Limited

REPORT DATE:
July 28, 2026

RATING ANALYSTS:
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Rating Category	Latest Rating
Broker Management Rating	**BMR2**
Rating Rationale	The rating signifies strong client relationship and external control framework. Supervision framework and HR and infrastructure framework are considered sound, while regulatory requirements, internal control framework, compliance and risk management and financial management are considered adequate.
Rating Date	July 28, 2026

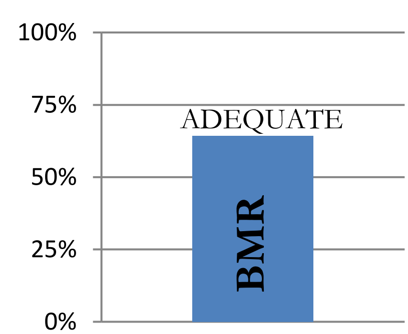
APPLICABLE METHDOLOGY:
Broker Management Ratings:
https://docs.vis.com.pk/Methodologies-2025/Broker-Management-2025.pdf
VIS Rating Scale:
https://docs.vis.com.pk/docs/VISRatingScales.pdf

COMPANY INFORMATION

Incorporated in 1998	**External auditors:** Kreston Hyder Bhimji & Co. Chartered Accountants
Private Limited Company	**CEO/Board Chairman:** Mr. Naushad Chamdia
Key Shareholders (with stake 5% or more):	
Ms. Naushad Chamdia ~ 49%	
Ms. Feroze Haroon ~ 14%	
Ms. Shazia Mustafa ~ 12%	
Mr. Navid Chamdia ~ 12%	
Mr. Haroon Chamdia ~ 12%	

Corporate Profile

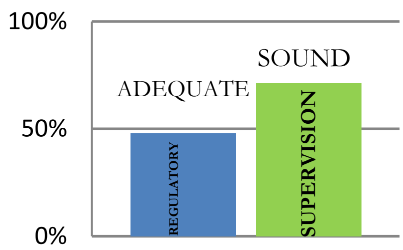
Standard Capital Securities (Private) Limited was incorporated in 1998, providing full scale equity brokerage services to institutional as well as individual clients. Shareholding of the company is vested with members of the Chamdia family including the Chief Executive Mr. Naushad Chamdia. The company has three offices in Karachi and one in Sialkot. SCS provides both online and assisted trading services to its clients.



SCSPL is a private limited 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 Kreston Hyder Bhimji & Co Chartered Accountants. External auditors belong to category 'A' on the approved list of auditors published by the State Bank of Pakistan (SBP).

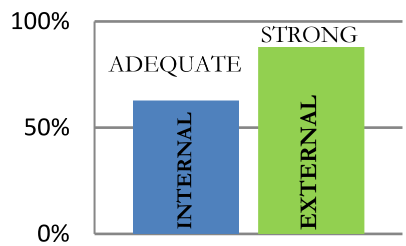
Rating Factors Scores

Regulatory Requirements & Supervision Framework



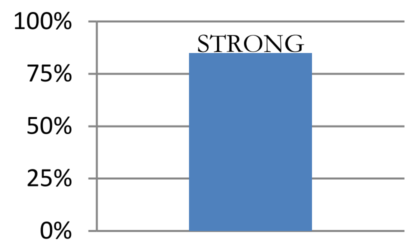
- The Company's governance framework continues to be constrained by its small Board size, comprising only three members with no independent representation.
- The governance framework may be further strengthened through an increase in Board size, along with the appointment of independent and certified directors. This would also facilitate a more diversified composition across the board committees.

Internal & External Control Framework



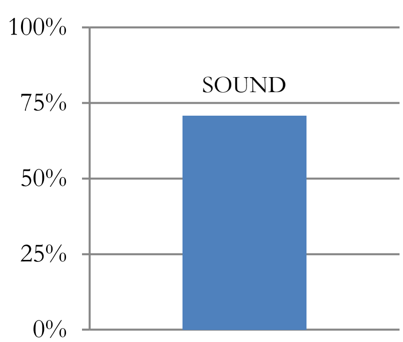
- Internal control framework is considered adequate. The Company's internal control framework may be further strengthened by broadening the scope and coverage of its internal policies.
- External control framework is considered strong, supported by improved disclosure levels.

Client Relationship & Fairplay



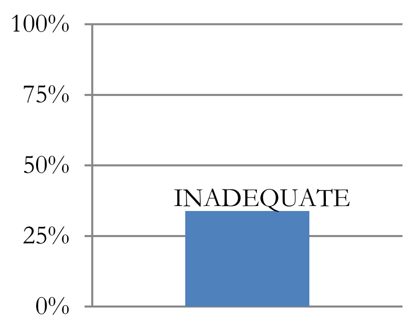
- Overall, management and client services are considered sound, with research reports available on the Company's website. Multiple channels, including mobile and web-based trading platforms, have been employed to ensure smooth trade transactions. Additionally, providing prompt trade alerts to clients further strengthens the Company's client servicing function.
- The Company may consider further expanding its geographical footprint to enhance market presence.

HR & Infrastructure



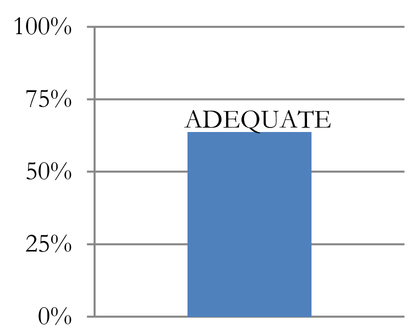
- The Company has established contingency measures to support business continuity and maintains offsite backups at a third-party facility and under own control. However, conducting more frequent disaster recovery exercises may further enhance the effectiveness of these arrangements.
- The Company may consider establishing independent Internal Audit and Risk Management functions to further strengthen its organizational structure.

Compliance & Risk Management



- Adherence to all applicable regulatory requirements will remain an important consideration from the ratings perspective, going forward.

Financial Management



- During FY25 and 1HFY26, the Company continued to depict higher profitability, supported by capital gains along with higher brokerage revenue, which was in line with the favorable performance of the brokerage industry.
- The Company's cost-to-income ratio remained broadly at moderate levels, reported at 48.5% in 1HFY26 (FY25:46.8%, FY24: 49.1%).
- The Short-term investments relative to equity stood at 126.3% as at Dec'25 (Jun'25: 96.9%, Jun'24: 165.5%), indicating a higher exposure to market risk.
- The Company's liquidity profile is considered sound, given liquid assets coverage of 1.32x against total liabilities as at Dec'25 (Jun'25: 1.34x; Jun'24: 1.25x).
- The Company's leverage continued to remain elevated with the ratio standing at 2.17x as at Dec'25 (Jun'25: 1.80x, Jun'24: 2.34x), while gearing stood at 0.26x as at Dec'25 (Jun'25: 0.21x, Jun'24: 0.22x). The Company's Equity base continued to improve in line with its profitability.
- Going forward, continued growth in profitability and revenue, along with maintaining operational efficiency, liquidity and gearing levels, will remain important for the rating.

REGULATORY DISCLOSURES				Appendix I
Name of Rated Entity	Standard Capital Securities (Private) 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			
	28/07/2026	BMR2	Stable	Reaffirmed
	02/07/2025	BMR2	Stable	Reaffirmed
	22/05/2024	BMR2	Stable	Reaffirmed
	12/05/2023	BMR2	Stable	Reaffirmed
	03/12/ 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	N/A			
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