BROKER FIDUCIARY RATING REPORT

Standard Capital Securities (Private) Limited

REPORT DATE:
July 27, 2026

RATING ANALYST:
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RATING DETAILS	
Broker Fiduciary Rating	**BFR3+** *Good Fiduciary Rating*
Rating Rationale	The rating signifies sound client management services, while internal controls and regulatory compliance, ownership and governance and business and financial sustainability are considered adequate.
Rating Date	July 27, 2026

COMPANY INFORMATION	
Incorporated in 1998	**External auditors:** M/s Kreston Hyder Bhimji & Co. Chartered Accountants
Private Limited Company	**Chairman of the Board:** Mr. Naushad Chamdia
Key Shareholders (with stake 5% or more):	**Chief Executive Officer:** Mr. Naushad Chamdia
Mr. Naushad Chamdia ~ 49%	
Ms. Feroza Haroon ~14%	
Ms. Shazia Mustafa ~12%	
Mr. Navid Chamdia ~12%	
Mr. Haroon Chamdia ~12%	

APPLICABLE METHODOLOGY

Applicable Rating Criteria: Broker Fiduciary Ratings
https://docs.vis.com.pk/Methodologies-2025/BrokerFiduciaryRating-Nov25.pdf

APPLICABLE METHODOLOGY

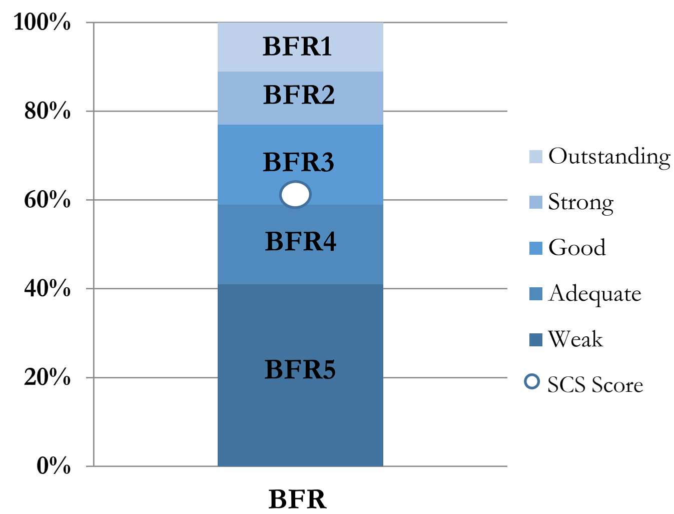
VIS Issue/Issuer Rating Scale:
https://docs.vis.com.pk/docs/VISRatingScales.pdf

Standard Capital Securities (Private) Limited

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.

OVERALL GRADING



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).

Business and Financial Sustainability Indicators

	1HFY26*	FY25	FY24
Size of Net Worth (Rs. In Million)	1,129.17	866.67	567.50
Gearing Ratio (x) (Total interest-bearing debt/ Total Equity)	0.26x	0.21x	0.22x
Leverage Ratio (x) (Total liabilities/ Total equity)	2.17x	1.80x	2.34x
Liquid Assets /Total Liabilities (x)	1.32x	1.34x	1.25x
Short term Investments/ Total Equity (%)	126%	97%	166%

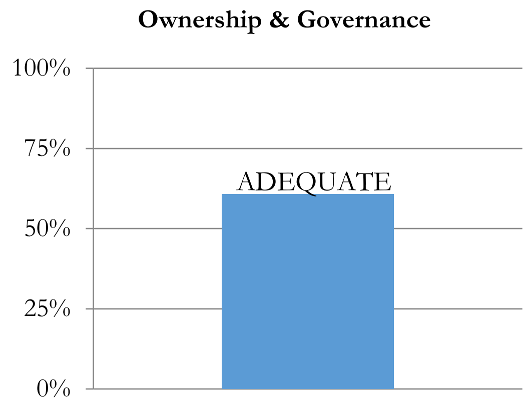
** Management Accounts*

Standard Capital Securities Private Limited

Rating Indicators

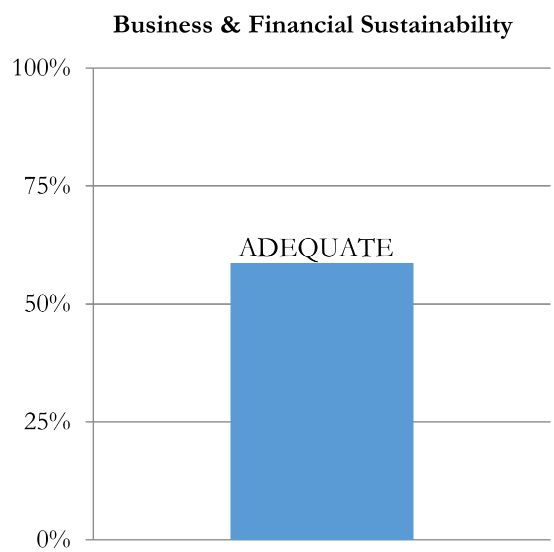
Ownership & Governance

- 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.
- Improvement in disclosure levels have been noted.



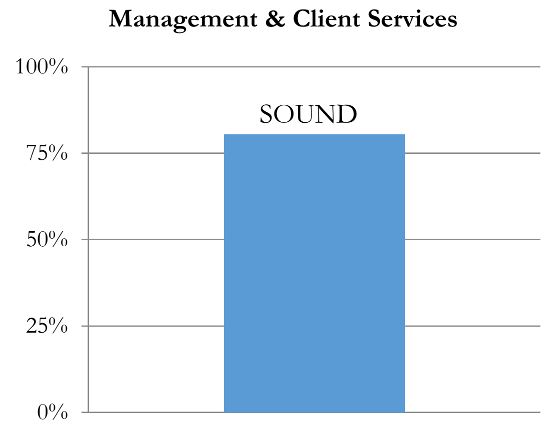
Business & Financial Sustainability

- 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.



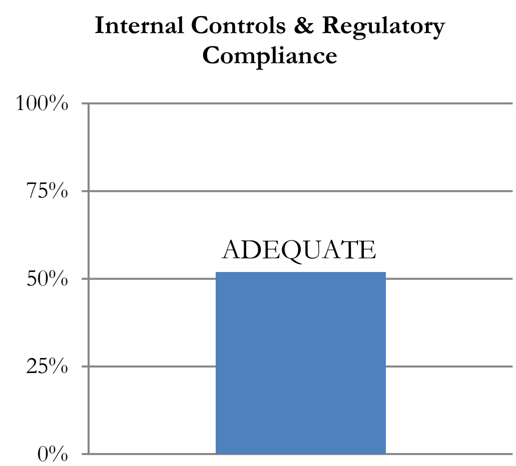
Management & Client Services

- 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 establishing independent Internal Audit and Risk Management functions to further strengthen its organizational structure.
- Contingency measures are in place to support business continuity and operations. However, conducting more frequent disaster recovery exercises may further enhance the effectiveness of these arrangements.
- The Company may consider further expanding its geographical footprint to enhance market presence.



Internal Controls & Regulatory Compliance

- The Company's internal control framework may be further strengthened by broadening the scope of its internal policies.
- Ensuring compliance with all applicable regulations will be important for the rating



Broker Fiduciary Rating Explained

In Securities Broker Fiduciary Rating (SBF), the strength of fiduciary role of the securities brokers is captured through the relative financial strength of the securities broker firm and its sponsors along with depth of internal control and governance framework, which are key rating ingredients. Responsiveness of the risk and internal control structure, quality of HR and soundness of the business infrastructure determine the strength of management and level of service quality of a stock broker. VIS Credit Rating Co. Ltd. (VIS) has developed a rating system that evaluates brokerage firms on the basis of such practices and the systems instituted to safeguard investor interests are at the forefront.

Standard Capital Securities Private Limited

REGULATORY DISCLOSURES	Appendix I
Name of Rated Entity	Standard Capital Securities (Private) Limited
Sector	Brokerage
Type of Relationship	Solicited
Purpose of Rating	Broker Fiduciary Rating (BFR)
Rating History	see table below
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
Disclaimer	Information herein was obtained from sources believed to be accurate and reliable; however, VIS does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information.

Rating History

Rating Date	Rating	Rating Outlook	Rating Action
RATING TYPE: BFR			
27/07/2026	BFR3+	Stable	Upgrade
02/07/2025	BFR3	Stable	Reaffirmed
22/05/2024	BFR3	Stable	Reaffirmed
29/9/2022	BFR3	Stable	Initial