

Before Amir M. Khan Afridi, Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to AGAHE Pakistan

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Dates of Hearing

July 16, 2021

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**Order-Redacted Version**

Order dated December 30, 2021 was passed by Director/Head of Department (Adjudication-I) in the matter of AGAHE Pakistan. Relevant details are given as hereunder:

<b>Nature</b>	<b>Details</b>
1. Date of Action	Show cause notice dated June 02, 2021.
2. Name of Respondent	AGAHE Pakistan, (the Respondent and/ or the Company)
3. Nature of Offence	<u>Alleged contraventions of regulation 25(1)(a) read with regulation 31 of the Securities and Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing of Terrorism) Regulations, 2020 (AML Regulations), rules 4(1) and 6(1) of the AML/ CFT Sanction Rules, 2020 (AML Rules) and Section 6(A)(2)(h) of the Anti-Money Laundering Act, 2010 (the AML Act)</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have considered the written as well as verbal submissions of the Company and the Representatives respectively and of the view that justifications provided by the Representatives are not cogent as the non-compliances highlighted in the SCN are based on key information required for screening of the clients' database against the proscribed persons/ entities, as notified by NACTA and MOFA. Owing to maintaining inaccurate and incomplete information about some of the clients in MIS of the Company, screening of the clients of the Company rendered ineffective. Therefore, it is imperative that the Company undertakes data audit as an ongoing practice to ensure accuracy and integrity of the MIS data, to enable the Company to properly and effectively fulfill its obligations for screening of its clients, their beneficiaries and nominees.</p> <p>In exercise of the powers conferred under Section 6 (A) (2) (h) of the AML Act, I, hereby, impose a fine of <b>Rs.3,240,000/- (Rupees Three Million Two Hundred and Forty Thousand Rupees Only)</b></p>

	on the Company on account of established and conceded default of regulation 31 of the AML Regulations, rule 4(1) of the Rules, and Section 6(A)(2)(h) of the AML Act.
5. Penalty Imposed	Rs. 3,240,000/-
6. Current Status of Order	Penalty not deposited and Appeal has been filed by the respondents.