

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

In the matter of Show Cause Notice issued to Amanah Investments Limited

Dates of Hearing

February 17, 2022

Order-Redacted Version

Order dated May 31, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Amanah Investments Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated November 04, 2021.
2. Name of Respondent	Amanah Investments Limited (the Respondent)
3. Nature of Offence	<u>Alleged contraventions of rule 4(1) and rule 6(1) of the AML/CFT Sanctions Rules, 2020 (the rule 2020) and regulations 5(a), 27(2)(c)(i) & (ii), 9(b) and 31 of Securities and Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing of Terrorism) Regulations, 2020 (the AML Regulations).</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have examined the written as well as oral submissions of the Respondent and its Representatives and observed that:</p> <ul style="list-style-type: none">(i) with regard to the alleged violation of regulation 5(a) of the AML Regulations, in response to JIT correspondence, the Respondent informed that kindly see page 45, 46 & 48 of the AML/ CFT Policy. however, the clauses of beneficial ownership with respect to regulation 11 and enhanced monitoring with respect to regulation 21(2)(f) were missing in the said policy. Further, in response to the SCN, the Respondent submitted that <i>the same is updated</i>. Therefore, the Respondent cannot deny from the violation of the aforesaid regulation of the AML Regulations.(ii) the defaults of regulation 27(2)(c)(i) & (ii) were consequential to the default of Regulation 5(a) of the Regulations as mentioned in para (i)(iii) with regard to the alleged violation of regulation 9(b) of the AML Regulations, in one instance, her occupation was

	<p>mentioned as "House Wife" on Standard Account Opening Form (SAOF). The Respondent did not provide the evidence pertaining to KYC/CDD from of the joint account holder of the client and during the hearing, the Representatives admitted the said violation. Further in three (03) instances, the Respondent admitted during the hearing, in response to reply of the SCN and in response to JIT that they did not obtain the evidence pertaining to proof of income of the highlighted clients. Therefore, the Respondent cannot deny from the violation of the aforesaid regulation of the AML Regulations read with point 2 and clause (i)(o) of the Note to annex1 of the AML Regulations.</p> <p>Therefore, in terms of powers conferred under 6(A)(2)(h) of the Act, a penalty of Rs. 120,000/- (Rupees One Hundred Twenty Thousand Only) is hereby imposed on the Respondent.</p>
5. Penalty Imposed	Rs. 120,000/-
6. Current Status of Order	Penalty not deposited and No Appeal has been filed by the respondent.