

Before Asif Iqbal, Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to FAMCO Associates (Private) Limited

Dates of Hearing

December 05, 2022

Order-Redacted Version

Order dated December 06, 2022 was passed by Director/ Head of Department (Adjudication-I) in the matter of First FAMCO Associates (Private) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated August 24, 2022.
2. Name of Respondent	FAMCO Associates (Private) Limited (the Company and/or the Respondent).
3. Nature of Offence	Alleged contraventions of Section 150(2) of the Securities Act, 2015 read with regulation 10(2)(b) of the Share Registrar and Balloters Regulations, 2017 thereof.
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have reviewed the facts of the case and considered both the written and verbal submissions made by the Respondent, in light of the relevant provisions of the law and state that CEO is one of the key statutory positions in corporate bodies including the companies providing the share registrar services, which is one of the regulated securities activities as well. Regulation 10(2)(b) of the SRB regulations requires that a share registrar shall not change its CEO without prior approval, in writing of the Commission. Being a licensed entity, it is incumbent upon the company to be aware of the applicable regulatory framework and ensure its compliance in letter and spirit. However, in the instant case, it has been observed that the Company had changed its CEO w.e.f. June 08, 2021 after the sudden demise of Mr. Ovais (ex-CEO of the Company) and also timely intimated the Commission vide its letters dated June 08, 2021 and July 15, 2021. It is also noted that the Company had regularized the appointment of its CEO after its submission of application renewal of its license as a Share Registrar under the Regulations vide letter dated December 13, 2021. The Commission granted the approval for Pit & Proper of Mr. Ghazali as CEO of the Company under the Regulations on</p>

	<p>March 28, 2022, hence, no concerns were raised regarding his eligibility/fit & proper in terms of the Act & the Regulations.</p> <p>Considering the arguments and facts presented above I, in terms of the powers conferred under Section 150 of the Act, take a lenient view in the matter and conclude the proceedings without imposing any monetary penalty or issuance adverse order. However, the Respondent is advised to be careful in future and timely comply with the requirements of the Regulations and the Act in true letter and spirit</p>
5. Penalty Imposed	
6. Current Status of Order (As of the uploading date)	No Appeal has been filed by the respondent.