

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

**In the matter of Show Cause Notice issued to First Capital Securities Corporation Limited**

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Dates of Hearing

March 09, 2022

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**Order-Redacted Version**

Order dated March 17, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of First Capital Securities Corporation Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated June 10, 2021.
2. Name of Company	First Capital Securities Corporation Limited (the Company and/or the Respondent)
3. Name of Individual*	The proceedings were initiated against the Company.
4. Nature of Offence	<u>Alleged contraventions of Section 106 of the Securities Act, 2015 (the Act) read with Section 107 thereof and regulation 5(1) (a) and (b) of the Reporting and Disclosure of (Shareholding by Directors, Executive Officers and Substantial Shareholders) Regulations, 2015 (the Regulations).</u>
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have considered the submissions of the Representative both written and oral in light of the applicable legal provisions mentioned in the preceding paras and the available record and observed that:</p> <ol style="list-style-type: none"><li>i. the Respondent has failed to transmit the said annual return, for the year ended June 30, 2020 contrary to the requirements of Section 107 of the Act read with regulation 5 (1)(a) and (b) of the Regulations;</li><li>ii. The Representatives of the Respondent argued that non-transmission of the annual return was not intentional but it was due to the reasons that nil or very limited access was available to the Commission's e-services portal. The User ID</li></ol>

	<p>provided by the Commission to the Respondent was not functional. They submitted evidences of their efforts to rectify the aforesaid matter.</p> <p>In view of the foregoing and the admission made by the Representative, non-compliances/ contraventions of regulation 5(1)(a) and (b) of the Regulations have been established, however, keeping in view the fact that (a) t the Respondent has submitted evidences of its efforts to timely transmit the said return; and (b) Respondent has assured to (i) submit the aforesaid annual returns manually; and (ii) rectify the aforesaid non-compliance within fifteen days, therefore, I, in terms of the power conferred under Section 106 of the Act read with Section 107 thereof and regulation 5(1) (a) and (b) of the Regulations, conclude the proceedings initiated against the Respondent through the SCN without imposing any monitory penalty, however, the Respondent is hereby warned to rectify the aforesaid non-compliance as soon as possible and submit evidence of the compliance to the concerned Supervision Department of the Commission within fifteen (15) days of the date of this Order. The Respondent is also warned to be careful in future about timely compliance with all the applicable Laws</p>
6. Penalty Imposed	Warning
7. Current Status of Order	No Appeal has been filed by the respondents.