

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

**In the matter of Show Cause Notice issued to Fortune Securities Limited**

Dates of Hearing

November 21, 2022

**Order-Redacted Version**

Order dated November 28, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Fortune Securities Limited (the FSAL). Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated June 04, 2022.
2. Name of Respondent	Fortune Securities Limited (the Respondent).
3. Nature of Offence	Alleged contraventions of <u>Regulation 16(2)(m) Securities Brokers (Licensing &amp; Operations) Regulations, 2016 (the Regulations 2016)</u> read with <u>Section 150(2) of the Securities Act, 2015 (the Act) thereof.</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have reviewed the facts of the case and considered the written as well as the oral submissions of the Respondent and its Representatives, considering the facts that FSAL is operating from the registered office of the Respondent as reflected in the reply of the SCN and the agreement and as confirmed by the Representatives of the Respondent in the hearing. The Submission is evaluated in light of the <b>Regulation 16(2)(m) of the Regulations 2016 which states that:</b></p> <p><u><i>A securities broker shall not:</i></u> <u><i>(m) engage in arrangement with a person against fixed fee or commission in relation to introducing or facilitating a customer for trading through the securities broker operate from any office/location other than the registered office of the securities broker and branch office of the securities broker registered with the securities exchange under Branch office Regulations of the securities exchange;</i></u></p> <p>Therefore, the aforesaid arrangement between the Respondent and FSAL is not prohibited by the aforesaid provisions of the Law. Therefore, in terms of the powers conferred under Section 150(2) of the Act, I hereby conclude the proceeding initiated</p>

	through the SCN without imposing any monetary penalty and any other adverse order.
5. Penalty Imposed	No adverse Order
6. Current Status of Order (As of the uploading date)	No Appeal has been filed by the respondent.