

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

In the matter of Show Cause Notice issued to HMC Stocks (Private) Limited

Dates of Hearing

May 26, 2022

Order-Redacted Version

Order dated June 08, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of HMC Stocks (Private) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated May 09, 2022.
2. Name of Respondent	HMC Stocks (Private) Limited (the Company and/ or the Respondent)
3. Nature of Offence	<u>Alleged contraventions of regulation 34(3) and 36(1) of the Securities Broker (Licensing and Operations) Regulations, 2016 (the Brokers Regulations) read with Section 84 and 150(2) of the Securities Act, 2015 (the Act).</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 submissions made by the Company in light of the relevant provisions of the law and observed non-compliance/contravention of regulation 36(1) of the Brokers Regulations as the Respondent failed to submit its annual financial statements along with audit report to the Commission within the prescribed time, which attract imposition of penalty under Section 150(2) of the Act. however, keeping in view the fact that: (a) the aforesaid non-compliance observed during a review was brought to the notice of the Company for the first time; (b) the Respondent already filed annual accounts with the Commission, though with delay; and (c) the Representatives committed for timely compliance With respect to filing of annual financial statements in future, I hereby, in terms of the power conferred under Section 150(2) of the Act, conclude the proceedings initiated against the Company through the SCN without imposing any monetary penalty. restrictions and cancellation, however, the Company is hereby warned to be careful in future about compliance with all the applicable regulatory laws.</p>

5. Penalty Imposed	Warning
6. Current Status of Order	No Appeal has been filed by the respondent.