

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

In the matter of Show Cause Notice issued to Maan Securities (Pvt.) Limited

Dates of Hearing

February 18, 2022

Order-Redacted Version

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

Nature	Details
1. Date of Action	Show cause notice dated December 29, 2021.
2. Name of Respondent	Maan Securities (Pvt.) Limited (the Respondent)
3. Nature of Offence	<u>Alleged contraventions of rules 4(1) and 6(1) of the AML/CFT Sanctions Rules, 2020 (the AML Rules) and regulation 25(1)(a), 31 and Annexure I of the Securities and Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing of Terrorism) Regulations, 2020 (the AML Regulations) read with Section 6(A)(2)(h) of the Anti-Money Laundering Act, 2010 (the Act).</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 Representative and observed that:</p> <p>(i) With regard to the alleged violation of regulation 25(1)(a) of the AML Regulations, the Respondent did not submit the pre-Inspection evidence, which substantiate that it was not complying with the requirements of the aforesaid regulations. However, the Representative stated that subsequent to the inspection, now they are complying with the said regulations; and</p> <p>(ii) With regard to the alleged violation of clause (i)(o) of note to Annexure I of the AML Regulations, in four (04) instances, the Respondent did not submit pre-Inspection evidence pertaining to the highlighted client's source of earning/ proof of income, however, the authorized representative during the hearing stated that subsequent</p>

	<p>to the Inspection, they are now obtaining the required evidence from the highlighted clients.</p> <p>Therefore, in terms of the powers conferred under 6(A)(2)(h) of the Act, a penalty of Rs.1,080,000/- (Rupees One Million Eighty Thousand Rupees Only) is hereby imposed on the Respondent. Further, the Respondent is advised to examine its AML/ CFT policy and procedures to ensure that the requirements contained in the AML Regulations are met in letter and spirit, future.</p>
5. Penalty Imposed	Rs. 1,080,000/-
6. Current Status of Order	Penalty not deposited and Appeal has been filed by the respondents.