



# Securities and Exchange Commission of Pakistan

Adjudication Division  
Adjudication Department-I

Before Ali Azeem Ikram, Executive Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to Mayari Securities (Private) Limited

Dates of Hearing

March 16, 2021

## Order-Redacted Version

Order dated March 18, 2021 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of Mayari Securities (Private) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated January 29, 2021
2. Name of Company	Mayari Securities (Private) Limited
3. Name of Individual*	The proceedings were initiated against the Company i.e. Mayari Securities (Private) Limited
4. Nature of Offence	In view of alleged violations of Regulations 4(a) and 18(c)(iii) of AML Regulations, 2018 read with Section 40 A of the SECP Act.
5. 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 Authorized Representatives. In this regard, I observe that:</p> <p>i. With regard to the violation of Regulation 15(3) of the AML Regulations, it was noticed that non-compliance of the said Regulation was not specifically alleged in letter of findings of JIT. During the hearing, Authorized Representatives denied the alleged non-compliance and subsequently vide Respondent's letter dated March 16, 2021 provided evidence substantiating pre-inspection compliance of Regulations 15(3) of the AML Regulations, therefore, no action is warranted on that context.</p> <p>ii. In response to SCN, the Respondent submitted that few minor shortcomings</p>



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	<p>may exist as observed by JIT which have been addressed in our AML Policy, Procedures and Controls updated in December 31, 2020. During the hearing and in response to SCN, Authorized Representatives admitted that Respondent updated its AML policy on December 31, 2020 to remove the identified deficiencies. Therefore, Respondent remained in contravention of Regulation 4(a) of AML prior to December 31, 2020.</p> <p>iii. The default of Regulation 18(c)(iii) were consequential to the default of Regulation 4(a) of the AML Regulations.</p> <p>In view of the foregoing and admission made by the Representatives, contraventions of the provisions of Regulations 4(a) and 18(c)(iii) of AML Regulations have been established. Therefore, in terms of powers conferred under section 40A of the Act, a penalty of Rs. 50,000/- (Rupees fifty thousand) is hereby imposed on the Respondent. However, in reference to Regulation 18 (c) (iii) Compliance Officer of Respondent is warned to be careful in future. The Respondent is advised to examine its AML/CFT policy &amp; procedures to ensure that the requirements contained in the AMI, Regulations are met in letter and spirit.</p> <p>Penalty order dated March 18, 2021 was passed by Executive Director (Adjudication-I).</p>
6. Penalty Imposed	A Penalty of Rs. 50,000/- (Rupees fifty thousand) was imposed on the respondent company to ensure compliance of law in future.
7. Current Status of Order	No Appeal has been filed by the respondent company