

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

In the matter of Show Cause Notice issued to M/s. H.P. Byramji & Co. (Pvt) Limited

Date of Hearing

June 19, 2020

Order-Redacted Version

Order dated July 07, 2020 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of H.P. Byramji & Co. (Pvt) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated April 30, 2020
2. Name of Company	H.P. Byramji & Co. (Pvt) Limited
3. Name of Individual*	The proceedings were initiated against the Company i.e. H.P. Byramji & Co. (Pvt) Limited and its Compliance Officer.
4. Nature of Offence	Proceedings under Section 40A of SECP Act, 1997 and Section 150 of the Securities Act, 2015 for the violations of Regulation 4(a), 4(d) and 18(c)(iii) of the AML and CFT Regulations, 2018 and Regulation 16(9)(e) and 16(9)(f) of the Licensing Regulations.
5. Action Taken	<p>Key findings of default of Regulations 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> <ol style="list-style-type: none">i. The violation of Regulation 4(a) of the AML Regulations is evident as the Authorized Representatives of the Respondent during the hearing also admitted that the deficiencies in its AML/CFT policies were removed only after identification in Review.ii. The default of Regulation 18 c(iii) cannot be denied in view of facts mentioned above. Furthermore, Authorized Representative of the Respondent also acknowledged the said violation during the hearing.



Securities and Exchange Commission of Pakistan
Adjudication Division
Adjudication Department-I

	<p>iii. It has been revealed from the Respondent's letter dated July 17, 2019 and May 29, 2020 in response to Commission's letter of findings and Show cause Notice that Respondent is still non-complied in terms of the Regulation 4(d) of AML Regulations and Regulation 16(9)(e) and Regulation 16(9)(f) of the Licensing Regulations as not having an independent and effective internal audit function. Authorized Representative also admitted the defaults during the hearing. Therefore, the Respondent has contravened Regulation 4(d) of AML Regulations and Regulation 16(9)(e) & 16(9)(f) of Licensing Regulations.</p> <p>In view of the foregoing and admission made by the Representatives, contraventions of the provisions of AML Regulations and Licensing Regulations have been established. Therefore, in terms of powers conferred under section 40A of the Act, a penalty of Rs. 200,000/- (Rupees two hundred thousand only) is hereby imposed on the H. P. Byramji & Co. (Pvt.) Limited on contravention of AML Regulations. Furthermore, in terms of powers conferred under section 150 of the Securities Act 2015, a penalty of Rs. 50,000/- (Rupees fifty thousand) is hereby imposed on the H. P. Byramji & Co. (Pvt.) Limited on contravention of Licensing Regulations made under Securities Act, 2015. The H. P. Byramji & Co. (Pvt.) Limited is advised to examine its AML/CFT policy & procedures to ensure that the requirements contained in the AML Regulations are met in letter and spirit.</p> <p>Penalty Order dated July 07, 2020 was passed by Executive Director (Adjudication-I).</p>
6. Penalty Imposed	A penalty of Rs. 200,000/- (Rupees two hundred thousand only) under Section 40A of the Act and Rs. 50,000/- (Rupees fifty thousand only) under Section 150 of the Securities Act, 2015 was imposed on the Company.
7. Current Status of Order	No appeal was filed.

Redacted version issued for placement on the website of the Commission.