



Securities and Exchange Commission of Pakistan
Securities Market Division

Through Courier

Before the Commissioner (SMD)

In the matter of Show Cause Notices issued in terms of Section 96 of the Futures Act, 2016 read with Regulation 11 of the Futures Brokers (Licensing and Operations) Regulations, 2018

ORDER

This Order shall dispose of the proceeding initiated through show cause notices dated January 14, 2019 (“SCN”) issued to the following futures brokers (collectively referred to as “Respondents”) under section 96 of the Futures Act, 2016 (the “Act”) read with Regulation 11 of the Futures Brokers (Licensing and Operations) Regulations, 2018 (the “Futures Regulations”):

Sr. No.	Name
1	Alfa Adhi Securities (Pvt.) Limited
2	Arif Latif Securities (Pvt.) Limited
3	Bawa Securities (Pvt.) Limited
4	Chenab Commodities (Pvt.) Limited
5	Credit and Commerce Consultants (Pvt.) Limited
6	Dosslani Securities (Pvt.) Limited
7	Dr. Arslan Razaque Securities (SMC-Pvt.) Limited
8	Fawad Yousuf Securities (Pvt.) Limited
9	Floret Commodities (Pvt.) Limited
10	Foresight Investments Pakistan (Pvt.) Limited
11	Invest Capital Markets Limited
12	Irfan Mazhar Securities (Pvt.) Limited
13	JS Abamco Commodities Limited
14	MAN Securities (Pvt.) Limited
15	MAS Capital Securities (Pvt.) Limited
16	Pirani Trading Company (Pvt.) Limited
17	Saya Weaving Mills (Pvt.) Limited
18	Shaffi Securities (Pvt.) Limited
19	Sherman Securities (Pvt.) Limited
20	Vision Commodities (Pvt.) Limited
21	Westbury (Pvt.) Limited
22	Zillion Capital Securities (Pvt.) Limited

2. Brief facts of the case are that the Respondents are futures brokers of Pakistan Mercantile Exchange Limited (“PMEX”) licensed by the Securities and Exchange Commission of Pakistan (“Commission”). In terms of sub-section (8) of the section 123 of the Act, all futures brokers having valid certificate of registration under the Commodity and Futures Contracts Rules, 2005 were deemed licensed as futures brokers under the Act for a





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period of one year i.e. until November 14, 2018. Sub-section (10) of section 123 of the Act requires as under:

“Where, within one year from the commencement of Part IV, the registered broker referred to in sub-section (7) or a registered broker referred to in sub-section (8) applies to be licensed as a futures broker under this Act, he shall be deemed to have been so licensed until the license applied for is granted or until notice in writing of the refusal of the Commission is served on the company.”

Therefore, the Respondents were required to apply for licenses before November 14, 2018. However, the Respondents did not submit application to the Commission through PMEX.

3. In view of the above, SCNs dated January 14, 2019 were issued to the Respondents individually. In response, the Respondents tabulated above informed that the delay was unintentional and they were interested in the futures brokers' license;

4. I have perused the available record and responses filed by the Respondents. The requirements of law are clear that the Respondents were required to submit applications for grant of license before expiry. It is evident that the respondents are in breach of the legal requirements. However, keeping in view their intent to continue as futures brokers, to facilitate their clients and in spirit of beneficial regulation, the aforesaid respondent are given an opportunity to submit their applications for license with a delay.

5. The SCN against the respondents is concluded with a strict warning for delay in filing of license application and respondents are advised to strictly adhere to the mandatory timelines laid in the statute and the underlying regulations in future. This order is issued without prejudice to any other action that the Commission may initiate against the Respondent in accordance with law on matters subsequently investigated or otherwise brought to the knowledge of the Commission.

Announced on May 29, 2019
Islamabad.




Shauzab Ali
Commissioner (SMD)