

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

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

Dates of Hearing

May 06, 2022

Order-Redacted Version

Order dated May 27, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of TS Securities (Pvt.) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated March 03, 2022.
2. Name of Respondent	TS Securities (Pvt.) Limited (the Company)
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) & (2), 8, 8 10, 12, and 19(2) of the Securities & Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing- of Terrorism) Regulations, 2020 (the 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 considered the facts of the case and the written as well as oral submissions of the Respondent and its Representatives in light of the applicable legal provisions and observed that:</p> <p>(i) with regard to the alleged violation of regulations 25(1, and 25(2) of the AML Regulations, the Respondent submitted the pre-review evidence substantiating compliance at its end, therefore, no action is warranted.</p> <p>(ii) with regard to the violation of regulations 8, 9, 10, 12 and 19(2) of the AML Regulations, the Respondent failed to submit the pre-review evidences of compliance regarding the identified clients. However, during the hearing, the Representative admitted the default and informed that subsequent to the Inspection they have rectified the said non-compliances, therefore the Respondent cannot deny non-compliance of the aforesaid regulations of the AML Regulations.</p>

	Therefore, in terms of powers conferred under 6(A)(2)(h) of the Act, I hereby impose penalty of Rs. 40,000/- (Rupees Forty Thousand Only) on the Respondent. Further, the Respondent is advised to review its AML/ CFI policy & procedures to ensure full and timely compliance with all the requirements of the AML Laws in letter and spirit in future.
5. Penalty Imposed	Rs. 40,000/-
6. Current Status of Order	Penalty not deposited and No Appeal has been filed by the respondent.