



# 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 FDM Capital Securities (Pvt.) Limited

Dates of Hearing

January 15, 2021

## Order-Redacted Version

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

Nature	Details
1. Date of Action	Show cause notice dated December 18, 2020
2. Name of Company	FDM Capital Securities (Pvt.) Limited
3. Name of Individual*	The proceedings were initiated against the Company i.e. FDM Capital Securities (Pvt.) Limited
4. Nature of Offence	In view of alleged violations of Regulations 4(a), 13(7), 18(a), 9(3), 9(4)(a), 9(4)(b), 9(4)(c), 6(3)(a), 7(1)(a), 7(1)(b), 7(2)(a), 6(7)(a) and 6(4) of AML Regulations through SCN dated December 18, 2020 and order dated January 18, 2021 was passed.
5. Action Taken	Key findings were reported in the following manner:  I have gone through the fact of case, the written as well as oral submissions of the Respondent and its Authorized Representatives. . During the hearing and as well as in response to SCN, contravention of Regulations 4(a), 13(7), 18(a), 9(3), 9(4)(a), 9(4)(b), 9(4)(c), 6(3)(a), 7(1)(a), 7(1)(b), 7(2)(a), 6(7)(a) and 6(4) of the AML Regulations were admitted. During the hearing Authorized Representatives claimed that that the said highlighted deficiencies prevailing at the time of Inspection were subsequently rectified.  In view of the foregoing and admission made by the Representatives, contraventions of the provisions of Regulations



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	<p>4(a), 13(7), 18(a), 9(3), 9(4)(a), 9(4)(b), 9(4)(c), 6(3)(a), 7(1)(a), 7(1)(b), 7(2)(a), 6(7)(a) and 6(4) of AML Regulations have been established. Therefore, in terms of powers conferred under section 40A of the Act, a penalty of Rs.850,000/- (Rupees Eight Hundred 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 AML, Regulations are met in letter and spirit.</p> <p>Penalty order dated January 18, 2021 was passed by Executive Director (Adjudication-I).</p>
6. Penalty Imposed	A Penalty of Rs. 850,000/- (Rupees Eight Hundred 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

Redacted version issued for placement on website of the Commission.