

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

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

Dates of Hearing

June 08, 2021

Order-Redacted Version

Order dated July 15, 2021 was passed by Director/Head of Department (Adjudication-I) in the matter of Tannu Securities (Pvt.) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated April 08, 2021.
2. Name of Company	Tannu Securities (Pvt.) Limited (the Respondent)
3. Name of Individual*	The proceedings were initiated against the Company.
4. Nature of Offence	Alleged contraventions of <u>Section 40A of the Securities and Exchange Commission of Pakistan Act 1997 (the Act)</u> .
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 representative and observed that:</p> <ol style="list-style-type: none">i. with regard to the alleged violation of regulation 6(3)(c) of the AML Regulations, the Respondent provided post-inspection appropriate evidences of the highlighted instances pertaining to their source of income; andii. with regard to the alleged violation of regulations 6(4) of the AML Regulations as well as Note iv of Annexure-I, the Respondent neither provide any evidence i.e. updated CNICs of highlighted instances, which exhibits that they have made post-inspection's efforts nor subsequently, they have fulfilled the requirement contained in the aforesaid regulation, therefore, the Respondent cannot deny the aforesaid violation of the regulation of the AML Regulations.

	<p>In view of the foregoing and admission made by the Representatives, contraventions of the provisions of regulations 6(4) 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 Only) is hereby imposed on the Respondent. The Respondent 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>
6. Penalty Imposed	Rs. 50,000/-
7. Current Status of Order	No Appeal has been filed by the respondents.