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

**In the matter of Show Cause Notice issued to The Cooperative Insurance Society of Pakistan Limited.**

|  |  |
| --- | --- |
| Date of Hearing | November 06, 2020 |

**Order-Redacted Version**

Order dated November 17, 2020 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of The Cooperative Insurance Society of Pakistan Limited. Relevant details are given as hereunder:

|  |  |
| --- | --- |
| **Nature** | **Details** |
| * Date of Action | Show Cause notice dated September 3, 2020 |
| * Name of Company | The Cooperative Insurance Society of Pakistan Limited. |
| * Name of Individual\* | The proceedings were initiated against the Company i.e. The Cooperative Insurance Society of Pakistan Limited. |
| * Nature of Offence | Proceedings under section 46 read with Rule 19 of the Insurance Rules, 2017 and Section 51 and Section 156 of the Ordinance, 2000. |
| * Action Taken | Key findings of default of Regulations were reported in the following manner:  The facts giving rise to initiation of the instant proceedings are that the Society did not submit the Annual Audited Accounts and Regulatory Returns for the year ended December 31, 2019 and Statements of Assets and Liabilities for the quarters ended December 31, 2019, March 31, 2020 and June 30, 2020 within stipulated timelines despite issuance of reminder dated August 4, 2020.  I have carefully examined the facts of the case in light of the applicable provisions of the law and have given due consideration to the written as well as verbal submissions and arguments of the Respondents. I am of the considered view that the Respondents did not ensure their compliance with the mandatory provisions of the Regulations in the following instances:   * The Society did not submit the annual audited accounts and regulatory returns for the year ended 31 December, 2019 within the stipulated timeline in contravention of Section 46 (1) read with Rule 19 of the Rules and Section 51(1) of the Ordinance. * The Society didn't submit the statement of Assets and Liabilities for the quarters ended 31 December, 2019, March 31, 2020, and June 30, 2020 within the stipulated timelines in contravention of Section 46(2) read with Rule 19 and Section 51(2) of the Ordinance.   In view of the foregoing facts, I am of the considered view that flagrant and multiple violations of the provisions of Section 46 read with Rule 19 of the Insurance Rules, 2017 and Section 51 and Section 156 of the Ordinance, 2000. Therefore, in terms of powers conferred under section 156 of the Act, a penalty of **Rs. 75,000/- (Rupees Seventy Five Thousand only)** is hereby imposed on the Corporation. The Respondents are also warned and Corporation is hereby directed:   * To ensure meticulous compliance with the applicable provisions of the Ordinance, Rules and Regulations made thereunder and directives issued by the Commission.   Penalty Order dated November 17, 2020 was passed by Executive Director (Adjudication-I). |
| * Penalty Imposed | Penalty of 75,000/- (Rupees seventy five Thousand only**)** was imposed. |
| * Current Status of Order | No Appeal was filed against the order. |

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