

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

In the matter of Show Cause Notice issued to Hellenic Sun Insurance Brokers (Pvt.) Limited

Dates of Hearing

January 17, 2022

Order-Redacted Version

Order dated April 07, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Hellenic Sun Insurance Brokers (Pvt.) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated November 29, 2021.
2. Name of Respondent	Hellenic Sun Insurance Brokers (Pvt.) Limited (the Company and/or Respondent)
3. Nature of Offence	Alleged contraventions of <u>rules 38(1), 39 and 50 of the Insurance Rules, 2017 (the Rules) read with Sections 102, 109, 156 and 158 of the Insurance Ordinance, 2000 (the Ordinance) and Section 159 of the Companies Act, 2017 (the act) read with Sections 169 and 479 thereof.</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have reviewed the facts of the case and considered the written and verbal submissions and arguments of the Respondents, in light of the applicable provisions of the law and states that the Respondent is a private limited company with overwhelming majority of 99.99% vested in two directors only, the non-compliance of Section 159 of the Act is condoned and the Respondent is warned to ensure compliance of the relevant provisions of the law in litter and spirit, in future. However, non-compliance of rule 38(1) of the Rules read with Section 102(3)(d) of the ordinance is established as the Company has admitted that it did not seek prior approval of the Commission in respect of appointment of its six (6) Directors. Moreover, the Annual Audited Accounts of the Company for the year ended December 31, 2020 were submitted with a delay of over five (5) months i.e. on October 7 2021, whereas the same were required to be filed by April 30, 2021. Therefore, noncompliance of rule 50 of the Rules read with Section 109 of the Ordinance also established.</p>

	<p>Accordingly, the Respondent is liable for penal action under Section 156 of the Ordinance. Further, the Respondent is also liable for penalty under Section 158 of the Ordinance on account of the misstatements made in the Application for renewal of its license and declaration submitted along with the said Application.</p> <p>Keeping in view the aforesaid non-compliances, I in exercise of the powers conferred under Sections 156 & 158 of the Ordinance, hereby impose an aggregate penalty of Rs. 75,000/- (Rupees Seventy-Five Thousand Only) on the Respondent Company.</p>
5. Penalty Imposed	Rs. 75,000/-
6. Current Status of Order	Penalty deposited and No Appeal has been filed by the respondent.