



# Securities and Exchange Commission of Pakistan

Adjudication Division  
Adjudication Department-I

Before Asif Jalal Bhatti, Executive Director (Adjudication-II)

In the matter of Show Cause Notice issued to SPI Insurance Company Limited

Date of Hearing

January 27, 2021

## Order-Redacted Version

Order dated March 19, 2021 was passed by Executive Director (Adjudication-II) in the matter of SPI Insurance Company Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show-Cause Notice dated September 10, 2020
2. Name of Company	SPI Insurance Company Limited
3. Name of Individual*	The proceedings were initiated against the Company i.e. SPI Insurance Company Limited.
4. Nature of Offence	Alleged violations of Section 45 read with Section 46, Section 12(1)(d), Section 2(xxvii), Section 59A(3), Section 166(3), Section 97 and Section 98 of the Insurance Ordinance, 2000 read with Section 156 of the Insurance Ordinance, 2000
5. Action Taken	<p>Key findings were reported in the Order in the following manner:</p> <ol style="list-style-type: none"><li>In view of the foregoing and after carefully examining the facts including applicable provisions of the law and submissions made by the Company and its Authorized Representatives, it is established that the Company has failed to comply with the mandatory requirements of Section 45, Section 46, Section 12(1)(d), Section 2(xxvii), Section 59A(3), Section 97 and Section 98 of the Ordinance, which attracts the penal provision of Section 156 of the Ordinance. Therefore, in exercise of the powers conferred on me under Section 156 of the Ordinance, I, hereby, impose an aggregate fine of Rs. 1,000,000/- (Rupees one million only) on the Company on account of various defaults of the stated provisions of the law.</li><li>Further, considering the conduct of Company during inspection resulting in contravention of 59A (3) of the Ordinance coupled with the observations of the inspection team of the Commission that due to non-provision of the requisite information, it was not possible for the inspection team to assess</li></ol>



# Securities and Exchange Commission of Pakistan

## Adjudication Division Adjudication Department-I

	<p>the complete trail of transactions and inspection team is unable to inspect any financial transaction due to non-provision of the information by the Company. All the senior management including CEO, Board of Directors and CFO are responsible for provision of information to the regulator., the relevant Supervision Department of Insurance is advised to conduct afresh inspection into the affairs of the Company in terms of Section 59A of the Ordinance. The Company through its Chief Executive Officer is hereby, directed to extend full cooperation to the inspection team of the Commission as non-cooperation raises serious concerns with regard to the state of the affairs of the Company.</p> <p>Penalty order dated March 19, 2021 was passed by Executive Director (Adjudication-II).</p>
6. Penalty Imposed	A Penalty of Rs. 1,000,000/- (Rupees one million only) was imposed on the company.
7. Current Status of Order	Appeal was filed by the Company.