

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

In the matter of Show Cause Notice issued to The Pakistan General Insurance Company Ltd

Date of Hearing

August 25, 2020

Order-Redacted Version

Order dated September 18, 2020 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of The Pakistan General Insurance Company Ltd. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated May 28, 2020
2. Name of Company	The Pakistan General Insurance Company Ltd
3. Name of Individual*	Not relevant. The proceedings were initiated against the Company i.e. The Pakistan General Insurance Company Ltd
4. Nature of Offence	Proceedings under Section 11(1)(a) and Section 28 of the Insurance Ordinance, 2000. (the "Ordinance") read with Rule 11 of the Insurance Rules, 2017 (the "Rules").
5. Action Taken	<p>Key findings of default of the provisions of the law were reported in the following manner:</p> <p>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 Respondent Company/ Authorized Representatives. The Company failed to comply with the statutory requirement of minimum paid up capital of Rs. 500 million as on December 31, 2017. The failure of the Company in making compliance with the said requirement continued as on December 31, 2018. Therefore, I am of considered view that the Company has violated the provisions of Section 11(1)(a), Section 28 and Rule 11 of the Insurance Rules, 2017, for which the Company is liable to be penalized under Section 156 of the Ordinance.</p> <p>In exercise of the powers conferred on me under Section 156 of the Ordinance, I, instead of imposing the maximum fine, hereby, impose a fine of <u>Rs. 310,000/- (Three Hundred Ten Thousand only)</u> on the Company on account of the default of Section 11(1)(a) and Section 28 of the Ordinance read with Rule 11 of the Rules, as mentioned in the above paras hereof. The Respondent Company is hereby warned to ensure full compliance with the Ordinance, rules, regulations and directives of the Commission, in future.</p>



Securities and Exchange Commission of Pakistan
Adjudication Division
Adjudication Department-I

	Order dated September 18, 2020 was passed by Executive Director (Adjudication-I).
6. Penalty Imposed	A penalty of Rs. 310,000/- (Rupees three hundred and ten thousand only) was imposed on the Company.
7. Current Status of Order	No appeal was filed.

Redacted version issued for placement of website of the Commission.