

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

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

Dates of Hearing

October 22, 2021

Order-Redacted Version

Order dated April 14, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Security General Insurance Company Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated June 14, 2021.
2. Name of Respondent	Security General Insurance Company Limited (the Company)
3. Nature of Offence	Alleged contraventions of <u>rules 4(2) and 8 of the Credit and Suretyship (Conduct of Business) Rules, 2018 (the CS Rules) read with Section 156 of the Insurance Ordinance, 2000 (the Ordinance).</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have examined the facts of the case in light of the applicable provisions of the law and the written as well as verbal submissions by the Respondent Company and its Representative and observed that the Company has failed to comply with the requirements of rule 4(2) of the CS Rules. The Company's this failure attracts applicability of Section 156 of the Ordinance read with rule 8 of the Rules.</p> <p>Keeping in view the above, non-compliance with the requirements rule 4(2) of the CS Rules has been established. Considering the fact that the Company has subsequently rectified the aforesaid non-compliance, a nominal penalty of <u>Rs. 200 000/-</u> (Rupees Two Hundred Thousand Only) is imposed on the Company, in exercise of the powers conferred under Section 156 of the Ordinance, for the aforementioned non-compliance.</p>
5. Penalty Imposed	Rs. 200,000/-
6. Current Status of Order	Penalty not deposited and Appeal has been filed by the respondent.