

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

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

Dates of Hearing

June 15, 2022

Order-Redacted Version

Order dated June 24, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of The Pakistan General Insurance Company Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated May 28, 2022.
2. Name of Respondent	The Pakistan General Insurance Company Limited (the Company and/ or the Respondent).
3. Nature of Offence	Alleged contraventions of <u>rule 8 of the Insurance Rules, 2017 (the Rules)</u> read with Section 11(3) of the <u>Insurance Ordinance, 2000 (the Ordinance)</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have reviewed the facts of the case and have given due consideration to the verbal and written submissions of the Respondent Company, in the light of the aforesaid legal provisions and state that the Company has failed to comply with the mandatory requirements of Section 11(3) read with rule 8 of the Rules. The Company was required to compute ASF for the current year on gross written premium in the calendar year preceding to the last year, however, it failed to do so in respect of ASF for the years from 2001 to 2019. Therefore, non-compliance of the said provisions of the Ordinance is established and the Company is found guilty of an offence under the Ordinance. However, considering the fact that subsequent to the SCN, the Company has paid approximately 26% of total outstanding amount of ASF and committed to pay the balance 74% amount by the end of October 2022, I in terms of the powers conferred under Section 156 of the Ordinance conclude the proceedings without imposing any monetary penalty. the Company, is however, advised to deposit the said balance outstanding amount of ASF by</p>

	October 31, 2022 and ensure compliance with all the applicable regulatory requirements including Section 11 (3) of the Ordinance read with rule 8 of the Rules in letter and spirit, in future.
5. Penalty Imposed	Ensure Compliance
6. Current Status of Order	No Appeal has been filed by the respondents.