

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

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

Dates of Hearing

September 16, 2021

Order-Redacted Version

Order dated April 29, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Trafco 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	Trafco Insurance Company Limited (the Company)
3. Nature of Offence	<u>Alleged contraventions of Rule 34(b)(i) of the Rules and Sections 97, 98(2), and 98(3) of the Insurance Ordinance, 2000 (the Ordinance) read with Section 156 thereof.</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have reviewed 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 of the Respondent Company. It is evident from the Debit Bills maintained by the Company that the Company has used those agents (Muhammad Pervaiz Azeem and MNJ, etc.) for procuring the insurance business which were not Included in its Agents' Register; therefore. the Company has violated the provisions of Section 98(3) of the Ordinance. The Company did not produce evidence that the Declaration required under Section 98(2) and the Statement required in Terms of rule 36 of the Rules from Its agents were obtained on every twelve months period. Similarly, the record of Agents' Foundation Course Certificates was not available with the Company to substantiate that its agents possess the prescribed qualification. Therefore, the Company has contravened the provisions of rule 34(b)(i) of the Rules read with Section 97 of the Ordinance.</p> <p>Therefore, in exercise of the powers conferred under Section 156 of the Ordinance, I, hereby, impose a fine of Rs. 30,000 (Rupees</p>

	Thirty Thousand Only) on the company on account of the aforesaid conceded and established defaults.
5. Penalty Imposed	Rs. 30,000/-
6. Current Status of Order	Penalty deposited and No Appeal has been filed by the respondent.