

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

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

Dates of Hearing

September 14, 2021

Order-Redacted Version

Order dated June 29, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of The United Insurance Company Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated June 11, 2021.
2. Name of Respondent	The United Insurance Company Limited (the Company),
3. Nature of Offence	Alleged contraventions of <u>regulation 33(1) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations)</u> read with <u>regulation 37 thereof and Sections 2(4)(a) and 512(2) of the Companies Act, 2017 (the Act)</u> .
4. Action Taken	Key findings were reported in the following manner: I have 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/ Legal Counsel. In view of the facts narrated in the foregoing para, the Company and SPI being inter-related companies engaged in providing financial services, were required to appoint the same firm of auditors to conduct the audit of their accounts. However, different auditors were appointed by the Company and SPI Insurance for the year 2019, which constitutes non-compliance with the requirement of proviso to regulation 33(1) read with regulation 37 of the Regulations. Therefore, in exercise of the powers conferred under Section 512(2) of the Act, I hereby, impose a fine of <u>Rs. 175,000/- (Rupees One Hundred Seventy-Five Thousand Only)</u> on the Company on account of the aforesaid established violation of the law.
5. Penalty Imposed	Rs. 175,000/-
6. Current Status of Order	Penalty deposited and No Appeal has been filed by the respondent.

