

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

**In the matter of Show Cause Notice issued to PICIC Insurance Limited**

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Dates of Hearing

June 15, 2022

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**Order-Redacted Version**

Order dated June 17, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of PICIC Insurance Limited. Relevant details are given as hereunder:

<b>Nature</b>	<b>Details</b>
1. Date of Action	Show cause notice dated May 28, 2022.
2. Name of Respondent	PICIC Insurance Limited (the Company and/ or the Respondent).
3. Nature of Offence	<u>Alleged contraventions of rule 8 of the Insurance Rules, 2017 (the Rules) read with Section 11(3) of the Insurance Ordinance, 2000 (the Ordinance).</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>It is evident from the record that, the Company has failed to deposit the outstanding ASF for the year 2022 despite issuance of reminders. The Respondent also admitted non-payment of the ASF in its written as well as verbal submissions. It is clarified that regardless of ceasing of the Company's new insurance business, the Company as an insurer is obligated to deposit ASF as long as it is registered under the Ordinance. As regards the submissions of the Company relating to filing of petition against the decision of the Commission on its application for revocation of license it is stated that filing of the said petition does not absolve the Respondent of its obligations and responsibilities under the Ordinance and rules and regulations made thereunder. Therefore, both the aforesaid arguments being not tenable cannot be agreed to.</p> <p>After carefully reviewing the facts and findings of the case as mentioned in the preceding paras, contravention of rule 8 of the Rules read with Section 11(3) of the Ordinance has been established. The said contravention attracts applicability of the relevant penal provision i.e. Section 156 of the Ordinance. Therefore, I in exercise of the powers conferred under Section 156</p>

	of the Ordinance, hereby impose a fine of Rs. 100,000/- (Rupees one hundred thousand only) on the Respondent Company on account of the aforesaid established default of rule 8 of the Rules read with Section 11(3) of the Ordinance. Further, the Company is directed to deposit the Annual Supervision Fee for the year 2022 within 15 days of the date of this Order.
5. Penalty Imposed	Rs. 100,000/-
6. Current Status of Order	Penalty not deposited and No Appeal has been filed by the respondent.