

Before Ali Azeem Ikram, Executive Director/HOD (Adjudication-I)

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

Date of Hearing

June 17, 2020

Order-Redacted Version

Order dated July 3, 2020 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of Progressive Insurance Company Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated November 6, 2018
2. Name of Company	Progressive Insurance Company Limited.
3.	The proceedings were initiated against the Company i.e. Progressive Insurance Co. Ltd. and its Board of Directors.
4. Nature of Offence	Proceedings under Section 46(1)(b), 46(2), 51(1) & 51(2) of the Insurance Ordinance, 2000 (the "Ordinance")
5. Action Taken	<p>Key findings of default of Regulations were reported in the following manner:</p> <p>I have carefully 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 Respondents. The Company failed to submit its Annual Accounts for the year ended December 31, 2017 within due date i.e. April 30, 2018. The Company also failed to submit its Quarterly Statements of Assets and Liabilities for the quarters ended on March 31, 2017, June 30, 2017, September 30, 2017 and December 31, 2017 within due dates. Therefore, I am of the view that violations of Section 46(1)(b), 46(2), 51(1) & 51(2) of the Insurance Ordinance, 2000 were clearly established, for which the Respondents are liable to be penalized under Section 156 of the Ordinance.</p> <p style="text-align: center;">Section 156 of the Ordinance provides that:</p> <p style="text-align: center;"><i>"Penalty for default in complying with, or acting in contravention of this Ordinance.- Except as otherwise provided in this Ordinance, any insurer who makes default in complying with or acts in contravention of any requirement of this Ordinance, or any direction made by the Commission, the Commission shall have the power to impose fine on the insurer, and, where the insurer is a company, any director, or other officer of the company, who is knowingly a party to the default, shall be punishable with fine which may extend to one million rupees and,</i></p>



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	<p><i>in the case of a continuing default, with an additional fine which may extend to ten thousand rupees for every day during which the default continues.”</i></p> <p>In exercise of the powers conferred on me under Section 156 of the Ordinance, I, hereby impose a fine of Rs. 75,000/- (Rupees Seventy Five Thousand Only) on the Company due to the established default of Section 46(1)(b), Section 46(2), Section 51(1) and 51(2) of the Ordinance, as mentioned in the above paras hereof. Furthermore, the Respondents are warned that in case of a similar non-compliance in future, strict action will be taken.</p> <p>Penalty order dated September 11, 2020 was passed by Executive Director (Adjudication-I).</p>
6. Penalty Imposed	A penalty of Rs. 75,000/- (Rupees seventy-five thousand only) was imposed on the Company.
7. Current Status of Order	No appeal was filed.

Redacted version issued for placement of website of the Commission.