

DAWN

DAWN ISLAMABAD, THURSDAY MAY 4, 2023

President directs State Life to pay insurance claims to complainants

ISLAMABAD: President Dr Arif Alvi has rejected three separate representations of State Life Insurance Corporation of Pakistan (SLIC) and directed the latter to pay insurance claims worth over Rs3.2 million to the complainants and report compliance to the Wafaqi Mohtasib within a month.

While rejecting the petitions, President Alvi found that maladministration was established against SLIC in all three cases where it had repudiated insurance claims of the complainants on the grounds that the insurance policyholders had pre-insurance ailments which they had wilfully hidden at the time of obtaining the policy.

The president gave these directions while rejecting three separate representations filed by SLIC against the decisions of the Wafaqi Mohtasib.

As per details, Samina Shahzadi, Mohammad Mehfooz, and Seeta, the complainants, stated that their family members had obtained insurance policies from SLIC worth Rs2.9 million, Rs198,290, and Rs192,000 respectively. After the deaths of policyholders, SLIC refused to pay the death insurance claims to the complainants. Feeling aggrieved, the complainants separately approached the Wafaqi Mohtasib, which passed orders in their favour.

The corporation, then, filed separate representations with the president against the decisions of the mohtasib, which the president also rejected. In the case of Ms Shahzadi, the president observed that her deceased husband, Mohammad Saeed Ahmed had died due to Covid-19, as reported by ABWA Hospital and Research Centre, Faisalabad, and not due to the pre-insurance ailment of brain tumour as claimed by SLIC.

In the case of Mr Mehfooz, the president pointed out that the policy was issued to his sister Ms Chand Bibi on 26.12.2018 and she died on 19.12.2021, after the expiry of a period of over three years and seven months. Similarly, he noted that the policy was issued to Jodho Mal, the husband of Ms Seeta, on 31.12.2018, who later died on 17.03.2021 after the expiry of a period of over two years and two months.

The president highlighted that as per Section 80 of the Insurance Ordinance, 2000, no policy of life insurance effected after the commencement date of the ordinance, could be called in question after the expiry of the two-year period on the ground that a statement made in the proposal for insurance or in any report of the medical officer was inaccurate or false. He further observed that in both cases, the confidential reports of the field officers of SLIC had declared the policyholders as healthy at the time of issuance of the policy and had categorically stated that they knew the deceased since birth.

The president concluded that since maladministration on the part of SLIC stood established in all the three cases, therefore, representations were being rejected and SLIC was directed to pay the death insurance claims to the complainants. — Staff Reporter