

**PRESIDENT'S SECRETARIAT (PUBLIC)
AIWAN-E-SADR, ISLAMABAD**

Rep. No. 433/WM/2022
Date of Decision: - 09.01.2023

Muhammad Muqarab Butt Vs SLICP

SUB: REPRESENTATION FILED BY MUHAMMAD MUQARAB BUTT AGAINST THE FINDINGS OF THE WAFAQI MOHTASIB DATED 24.08.2022 IN COMPLAINT NO. WMS-GRW/925/22

Kindly refer to your representation addressed to the President in the background mentioned below:-

2. This representation has been filed by Muhammad Muqarab Butt (the Complainant) assailing the order dated 24.08.2022 of the Wafaqi Mohtasib whereby it has been held as under: -

“The Complainant could not rebut the stance of the Agency. As the same subject matter had already been decided vide earlier findings of this Office; hence, further investigation is not warranted in the instant complaint.

Foregoing in view, further investigation into the complaint is closed under Regulation No. 23(1)(o) of the Wafaqi Mohtasib (investigation and Disposal of Complaints) Regulations, 2013 as the complaint has already been disposed of by earlier Findings.”

3. The complainant had obtained a life insurance policy from the State Life Insurance Corporation Pakistan (the Agency) on 31.10.2009 for a period of 10 years for sum assured of Rs. 225,000/- with annual premium of Rs. 34,293/-. According to the complainant, he had deposited an amount of Rs. 343,000/- as premiums but at the time of maturity of the policy, the Agency had paid him an amount of Rs. 318,000/- which was less than the deposited amount.

4. Feeling aggrieved, the complainant approached the learned Wafaqi Mohtasib who passed the impugned order, hence the instant representation.

5. The hearing of the case has been held on 04.01.2023. The complainant Muhammad Muqarab Butt has appeared while Raja Abdul Waheed, Deputy General Manager on behalf of the Agency has attended the hearing.

6. The complainant has contended that he had deposited an amount of Rs. 343,000/- as premiums and was told by the representative of the Agency that an amount of Rs. 1,000,000/- would be paid at the time of maturity of the policy; that the Agency had not even paid the amount of premiums deposited by him which is unjustified; that the impugned order is not based on law and facts which may be set aside by accepting the instant representation.

7. Conversely, the representative of the Agency has contended that the insurance policy was approved under NDS, National Declinature Scheme which is designed to cater to the financial protection requirements of persons who do not want to fulfill medical requirements or are unable to fulfill due to their present state of health; that extra ND charges had been charged from the complainant and that normal premium worth Rs. 25,597/- with NDS charges worth Rs. 8,696/- which amounts to total Rs. 34,293/- per annum has been paid by the complainant which comes to an amount of Rs. 3,429x10=34,2930/-; that being short term policy, ten years bonus worth Rs. 93,600/- plus sum

assured of Rs. 225,000/- which amounts to a total of Rs. 318,600/- had been paid to the complainant in accordance with rules and regulations; that the instant representation is devoid of merit which may be rejected.

8. The respective contentions of the parties have been considered in the light of the material available on record.

9. Admittedly, an amount of Rs. 343,000/- had been received by the Agency from the complainant as deposited premiums. The Agency having invested the money of the complainant in business must have earned considerable profit. The equitable principle of unjust enrichment envisages that one should not unjustly and unduly enrich himself at the expense of others. Any civilized system of law is bound to provide remedies against unjust enrichment. This doctrine rests upon the principle of economic and distributive justice enshrined in the preamble of the Constitution of the Islamic Republic of Pakistan, 1973 which attaches significance to the unethical consequences and the fiscal and financial chaos which would flow if it is not rationalized. Moreover, Section 72 of the Contract Act, 1872 contains inter alia the equitable principle and consideration for this doctrine of unjust enrichment. It would be unjust to deprive the complainant of his contribution in respect of which the Agency would have earned considerable profit. Likewise, the preamble of the Insurance Ordinance, 2000 envisages to ensure the protection of the interests of insurance policy holders but the Agency has failed to comply with aforesaid provisions. Article 2(2)(i)(b) of the Establishment of the Office of Wafaqi Mohtasib (Ombudsman) Order, 1983 provides that maladministration includes an act of omission or commission which is unreasonable, unjust or oppressive. The non-payment of even the deposited premiums to the complainant is unreasonable, unjust and oppressive constituting maladministration.

10. In view of the above, the Hon'able President has been pleased to order modification of the impugned order directing the Agency to refund the full amount of deposited premiums to the complainant within 30 days of the receipt of this order.

Sd/-
(Muhammad Saleem)
Director (Legal)

- 1) The Chairman
State Life Insurance Corporation of Pakistan
Principal Office: State Life Building No. 9
Dr. Ziauddin Ahmed Road, **Karachi.**
- 2) Mr. Muhammad Muqarrab Butt
R/o Mohallah Sultanpura Ghakkhar,
Tehsil Wazirabad, District **Gujranwala.**
(Mob. No. 0306-9502667)

Copy to:

The Secretary, Wafaqi Mohtasib's Secretariat, **Islamabad.**