

PM cautions insurance companies against “intentional damage” claims

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Online Desk: Prime Minister Sheikh Hasina on Wednesday advised insurance companies to be cautious against “intentional damage” claims and defy any such inappropriate demands even in the face of political pressures by influential people. “Please don’t bow down to pressure from anyone,” she said while opening the National Insurance Day-2023 at the Bangabandhu International Conference Centre (BICC) in the capital.

The premier said influential people like cabinet ministers and she herself might lobby for payment of undue insurance claims in cases like fire incidents. “I myself or our cabinet colleagues may lobby. (But) you must know first the real damage (caused by the fire). They can demand a huge amount. But pay the money after conducting a proper investigation,” she said.

The premier said she feared unscrupulous insurance claim investigators often might get a share of the amount paid by insurance companies against intentional property damage. Sheikh Hasina described her as a member of the insurance family recalling her father and Bangladesh founder Bangabandhu Sheikh Mujibur Rahman’s association with the then Alpha Insurance Company. “I don’t want the insurance companies to earn a bad reputation as I am a member of the family,” she said.

Finance Ministry and the Insurance Development and Regulatory Authority (IDRA) jointly organised the programme. The Day is being observed with the theme ‘My life, My Wealth, If Insured, It Will Be Safe (Amar Jibon, Amar Sampad, Bima Koriley, Thakbe Nirapod)’. The prime minister said the people involved in the insurance business will have to remain a little bit cautious about the matter. Referring to frequent fire incidents in some readymade garments factories, she said investigations revealed that some such fire incidents were intentional to demand huge money from the insurance companies as compensation.

Without mentioning the name of any factory she said that the owner of a factory gave Tk 20,000 to a female worker to set it on fire and the worker confessed it after being arrested. The prime minister said she have recently learnt that Sadharan Bima Corporation gave Tk 40 crore as compensation for damage of a flat in a fire despite the fire basically broke out at an adjacent flat. “I have learnt about such an incident. I will make the matter to be investigated. How much assets were in his flat that Tk 40 crore have been paid as damages claim,” she said.

The premier said the flat which had caught the fire and was damaged badly didn’t get any single penny as the flat has no insurance. “Do you (insurance companies) have any answer in the matter,” she said. She asked insurance companies to make grassroots people aware about the good things of insurance as the people in the upzila level are now economically capable in doing so.

Secretary of the Financial Institutions Division, Ministry of Finance, Sheikh Mohammad Salim Ullah, Chairman of the IDRA Jynul Bari and Bangladesh Insurance Association (BIA) President Sheikh Kabir Hossain, also spoke on the occasion. A video documentary on the insurance sector was screened at the ceremony. On March 1, 1960, Father of the Nation Bangabandhu Sheikh Mujibur Rahman started working at the then-Alpha Insurance Company. Therefore, the government has decided to celebrate March 1 as the National Insurance Day, every year.

The government had upgraded the “National Insurance Day ” from ‘B’ category to ‘A’ category last year commemorating the great architect of independence, greatest Bangalee of all times and Father of the Nation Bangabandhu Sheikh Mujibur Rahman.