

COMPLAINT NO: BHP-L-041-1617-0554

Maturity

Claim

Case of Mr. Dilip Kumar Singh V/S SBI Life Insurance Co.Ltd.

Award Date 17.04.2017

Policy No.: 35019577208

Brief Facts:- Mr. Dilip Kumar had filed the complaint against the SBI Life Insurance Co.Ltd. alleging non receipt of full maturity claim.

FINDINGS & DECISION:- On perusal of papers on record and submission made during hearing, it emerged that respondent company has settled the claim as per letter dated 10.03.2017 wherein the customer has submitted the NOC on 24.03.2017 hence the payment is under process. The case is thus closed.

CASE OF (Sri A K Mohanty –V- LICI,Bhubaneswar DO)

COMPLAINT REF: NO: BHU-L-029-1718-0002

AWARD NO: Dated 30th May, 2017 (Maturity)

Brief Facts of the Case:-The complainant took a salary saving policy on 15.10.1993 with sum assured Rs.15,000/- and sent premium from NIA, Bhubaneswar to LICI BBSR BO III up to 09/2005. Then he got transferred to Patna and remitted premium to Branch No.41 Kolkata from 10/2005 to 05/2007. The policy got transferred to Kolkata Branch No.41 from Bhubaneswar. Again he was transferred to Bhubaneswar and remitted premium to BBSR BO III from 6/2007 to 01/2015. He applied for transfer of his policy to Bhubaneswar, but Kolkata Branch 41 did not do it. After maturity of the policy on 15.10.2013, Branch 41, Kolkata sent DV with SA of Rs.10,187/- instead of Rs.15,000/- which was not discharged by him since the amount was less. Moreover, he remitted excess premium from 10/2013 to 01/2015 which was not refunded to him. He wrote to Bhubaneswar & Kolkata offices many times but no solution came out. Finding no other alternative, he approached this Forum for Redressal.

On the other hand, the Insurer submitted SCN stating that policy was serviced by Kolkata Branch No.41 & premium was adjusted up to May 2007. Again LA was transferred to Bhubaneswar without any intimation to servicing Branch till August 2015. Premium due from 06/2007 to 05/2008 was remitted to Bhubaneswar Br.III, which was kept in suspense account. Further premiums are sent to servicing BO No.041 but the master was not updated there due to premium gap. On maturity in 10/2013, servicing BO Kolkata-041 initiated action for payment but complainant did not respond by providing DV, policy bond & NEFT mandate as per rules. On receipt of complaint from Honorable Ombudsman Bhubaneswar the matter was followed up with Kolkata. Payment by servicing BO-041, Kolkata would be made as soon as requirements from the complainant were received by servicing Branch.

AWARD

I have elaborately gone through the documents placed before the Forum. It is found that the complainant took a policy at Baleswar during October 1993 and premium was regularly adjusted up to May 2007 at servicing

Branch No.-041 Kolkata. From 06/2007 to 05/2008 premium was remitted to Bhubaneswar Br III due to his transfer to Bhubaneswar without any intimation to Kolkata servicing BO. Hence the master was not updated at Kolkata leading to issue of DV with lesser amount which has been updated now. The Insurer is willing to pay the maturity value with bonus & the excess premium on receipt of original policy bond, discharge voucher & bank particulars. When Insurer is agreeable to settle the claim, I feel that the complainant should cooperate in the matter by providing the requirement raised by the Insurer. However, the Insurer is directed to settle the claim without least delay and the complainant is to submit the required papers to the Insurer as early as possible.

CASE OF (Sri J N Nanda-V-L I C of India, Berhampur DO)

COMPLAINT REF: NO: BHU-L-029-1718-0082

ARD NO: Dated 7th July, 2017.(Maturity)

Brief Facts of the Case:- The complainant took a policy from the Insurer during March, 1998 and the policy got matured on 28-03-2013. The maturity amount was Rs.1,13,280/- as intimated by the Insurer. But the Insurer insisted on deduction particulars of premium from 3 stations. Within maturity date the complainant could be able to collect from 2 stations only. Due to urgency of money he accepted the maturity value on 30.03.2013 with less amount of Rs.17,333/- (gap premium) giving the Insurer an undertaking. On 07-10-2013, he submitted third deduction certificate requesting to refund the premium already deducted from maturity value, but no action was taken by Insurer to pay the balance of the claim along with interest. Finding no alternative, he approached this Forum for Redressal.

AWARD

After a careful scrutiny of the available materials, it is seen that the policy got matured on 28.03.2013 and the amount payable under the policy was Rs. 1,13,280.00. Admittedly, the Insurer on 30.03.2013 made payment of Rs.95,947/- thereby deducting an amount of Rs. 17,333/- for want of deduction particulars of some gaps of premium. It is quite apparent from the photo copies of complainant's letter and registration receipt of date 21.12.2016 that he submitted deduction particulars to the Branch Manager of the Insurer. It should have been processed within a period of 30 days. But the Insurer became callous and did not take any action in the matter. In such circumstances, the Insurer is hereby directed to pay the balance amount of Rs. 17333/- to the complainant without least delay along with interest with effect from 21.12.2016 at a rate 2% above the bank rate prevalent at the beginning of the previous financial year.

CASE OF (Smt. Usharani Dash -V-Reliance Nippon Life)

COMPLAINT REF: NO: BHU-L-036-1718-0096

AWARD NO: Dated 10th July,2017.(Maturity)

Brief Facts of the Case:- The complainant took two policies from Insurer during Aug, 2011 and Sep,2011 for a period of 5 years. She paid annual premium of Rs.1,13,000/- and Rs.1,80,000/- regularly. Total deposit under two policies were Rs.14,65,000/- whereas she got return of Rs.12,09,000/- as survival benefits and maturity value with bonus thereby making a loss of Rs.2,56,000/-. On representation to Insurer she could not get a satisfactory reply. Finding no other alternative, she approached this Forum for Redressal.

AWARD

Here the complainant makes a serious allegation of less payment of survival and maturity benefits under the aforesaid two policies. So the documents placed before this Forum, are put to scrutiny with utmost care and caution. As it appears, the complainant took the aforesaid two policies each with the policy and premium paying term of 5 years. She continued to pay the premium for the full term. The policy terms and conditions clearly lay down the survival and maturity benefits to which she is entitled. It is clear from the calculation sheet attached to SCN and Insurer's letter dated 07.11.2016 that the complainant was paid a total sum of Rs. 12,09,494/- after deducting TDS of Rs. 9,458/-. The payment has been made in strict compliance to the terms and conditions of both the policies. The authorized representative of the complainant openly admits that the complainant received the said amount. No infirmity is noticed with regard to the amount paid towards survival and maturity benefits. In such circumstances, nothing more is payable to the complainant under both the policies.

CASE OF Ms. Kuldeep Kaur Vs ICICI Prudential Life Insurance Co. Ltd

COMPLAINT REF. NO: CHD-L-021-1415-1900

Order Dated: - 15.06.2017

(Maturity)

Facts:- On 27-04-2016, Sh. M.P. Sharma had filed a complaint in this office against Life Insurance Corporation of India about alteration of Maturity Sum Assured under his Policy No.177537479 in plan "Jeevan Saral". He received letter, dated 02-09-2015, from the Insurer that there had been an inadvertent typographical error in the Maturity Sum Assured while issuing policy bond to him. "The correct Maturity Sum Assured is Rs. 1, 03,860. Please note that corrected amount of Maturity Sum Assured of Rs. 103860/- as reflected in the letter only will be payable on maturity."

The complainant did not find the Insurer's version justified and raised his objection that such alteration cannot be made retrospectively.

Findings: - The complainant submitted that he took the policy on 07.06.2004 and had been regularly paying premium for the last 12 years. The policy bond issued after insurance showed amount payable on maturity as 3 lac but the insurer, after 12 years, had corrected the same as Rs. 1, 03,860/- when he had already paid Rs. 1, 87,356/- (Rs. 14412x 13). The action on the part of insurer was quite unjustified and such modifications could not be done retrospectively.

The representative of the insurer submitted that this plan is having unique features regarding different sum assured i.e. Death Sum Assured and Maturity Sum Assured. As per the decision of National Commission dated 19-01-2014 in case of Satie Deo Malvia Vs LIC of India, that typographical mistake may be rectified by the Insurance Company and even after lapse of years if it is found that practically there has been an error. Accordingly, rectification in maturity sum had been done and conveyed to the complainant.

Decision: - The complainant had already paid premiums for 13 years which amounts to Rs. 1, 87, 356/- and after that the maturity amount was rectified as Rs. 1, 03, 860/-. Had the typographical mistake been rectified earlier and the rectified maturity amount communicated to the complainant, he might have taken the decision to discontinue the policy. Equity and justice demands refund of premium paid. Hence, the insurer was directed to refund the premiums collected therein without interest.

Case Of Ms. Sushma Sareen V/S HDFC Standard Life Insurance Ltd.

COMPLAINT REF. NO: CHD-L-019-1617-0038

Order Dated: - 12.04.2017

(Death)

Facts:- On 04.04.2016, Ms. Sushma Sareen had filed a complaint in this office against HDFC Standard Life Insurance Co. Ltd. about non-settlement of death claim under two policies bearing numbers 16464208 and 15512190 purchased on 27.12.2013 and 17.10.2012 for a premium of Rs. 50,000/= and Rs. 25,000/= respectively in the name of her husband Late Shri Sanjeev Sareen. Her Husband died on 03.08.2015 and she filed the claim on 24.08.2015. However, the Company rejected the claim vide letter dated 20.01.2016 for non-disclosure of the fact that he was suffering from diabetes and hypertension prior to the purchase of the policy

Findings: - The Life Assured Lt. Shri Sanjeev Sareen suffered from Diabetes and Heart Problems which is evident from the treatment papers submitted by the Company. However, the same is denied by the claimants and hence, they were given 15 days time to procure documentary evidence to disprove the treatment papers.

The claimants could not submit any proof to substantiate their claim that the life assured was not suffering from diabetes and heart ailments and was not under treatment for the same.

The Company informed that policies bearing numbers 15512190 and 16464208 were purchased on 13.10.2012 and 03.12.2013 for premium of Rs. 25,000/= and Rs. 50,000/= and premium paying term 15 years and 10 years respectively. The policies were delivered on 22.10.2012 and 01.01.2014. The life assured was suffering from Diabetes and Heart Ailment prior to the purchase of the policies and was under treatment of Dr. Gagandeep Singh at Healing Touch Super Specialty Hospital, Ambala and Dr. Rohit Aggarwal at Aggarwal Health Care, Patiala. The death claim was repudiated as this material fact was not disclosed while purchasing the policies.

Decision: - In view of the documentary evidence submitted by the Insurance Company and inability of complainants to provide any evidence to disprove the same, the stand of the Insurance Company is vindicated and the complaint is dismissed.

Case of Shri Shiv Kumar Singla Vs HDFC Standard Life Insurance Company Ltd.

COMPLAINT REF: NO: CHD-L-019-1617-0270

Order Dated: - 11.05.2017

(Death)

Facts:- On 02.05.2016, Shri Shiv Kumar Singla had filed a complaint in this office against HDFC Standard Life Insurance Company Ltd. about repudiation of death claim under policy bearing number 16578447 in the name of his father Shri Jugal Kishor. His late father had purchased the policy on 31.01.2014 from HDFC Bank and died after paying two premiums. The Company repudiated the death claim stating that “from investigations it was established that the Life Assured was suffering from Diabetes Mellitus and Hypertension prior to the issuance of the policy and it was not disclosed in the proposal form.” However, the complainant claimed that his father was neither suffering from Diabetes and Hypertension nor was under any treatment for the same.

Findings: - The complainant said that his father, Shri Jugal Kishor had purchased a policy from the Company on 17.01.2014. Unfortunately, after paying two premiums, he died on 26.10.2015. The Company repudiated the claim due to non-disclosure of the fact that Shri Jugal Kishor was suffering from Hypertension and Diabetes Mellitus prior to the issuance of the policy although he was neither suffering from these nor was under any treatment for the same. Moreover, death claim under another policy purchased in September, 2015 had been paid by LIC of India.

The Company informed that the policy was issued on 17.01.2014 for a premium of Rs. 50,000/= to be paid for 5 years. The life assured died on 26.10.2015 i.e. after 1 year 8 months and 26 days. On investigation it was revealed from medical records of Medanta Medicity, Gurugram that the Life Assured was suffering from Diabetes and Hypertension for past 4 years and 2 years respectively and the same was not disclosed at the time of purchase of the policy. This fact is confirmed in the death summary by the treating doctor, hence the claim was repudiated due to suppression

of material fact. Subsequently, fund value of Rs. 1,03,294.88 was transferred to the complainant's account.

Decision: - The complainant has claimed that his father was healthy and on 20.10.2015 complained of chest pain. He was admitted in DMCH, Ludhiana on 20.10.2015 but was got discharged on 24.10.2015 to be taken to Medanta, Gurgaon as he was suggested a heart surgery. He was admitted in Medanta, Gurgaon on 24.10.2015 but died on 26.10.2015. Since he was neither hypertensive nor diabetic, hence no medical records are available to confirm the status. The Company has produced the treatment papers of the deceased from 24.10.2015 to 26.10.2015 at Medanta, Gurgaon in which one of the treating doctors has mentioned that the patient suffered from Diabetes for 4 years and hypertension for 2 years. Also, in the Death Summary, it has been mentioned that the patient was "a known case of hypertension and type II Diabetes Mellitus". Based on these reports, the Company repudiated the Death Claim.

Although the treatment papers of Medanta, Gurgaon mention the patient to be a known case of Hypertension and Diabetes Mellitus, but no such mention is made by DMCH, Ludhiana. All these documents pertain to October, 2015 and no documents to prove that the patient was suffering at the time of purchase of the policy in 2014 have been produced. Moreover, Death Claim has been paid by another insurance company, LIC of India under policy number 165831812 purchased by the deceased on 28.09.2015.

In view of these facts, an award is passed with a direction to the insurance company to pay the death claim as per terms and conditions of the policy bearing number 16578447 after deducting the payment already made and the complaint is closed.

Case Of Ms. Kiran Dhamija Vs HDFC Standard Life Insurance Ltd.

COMPLAINT REF: NO: CHD-L-019-1617-0392

Order Dated: - 25.05.2017

(Death)

Facts:- On 26.05.2016, Ms Kiran Dhamija had filed a complaint in this office against HDFC Standard Life Insurance Company Ltd. about repudiation of death claim under policy bearing number 17064922 on the life of her husband Late Shri Sudhir Kumar Dhamija. The policy was sold by HDFC Bank employees who were well aware of Shri Dhamija's health condition but the policy was issued without any medical check-up. Subsequently, after the death of Shri Dhamija, the death claim was repudiated due to non-disclosure of fact that he was suffering from cancer.

Findings: - The complainant stated that her husband was sold the policy by Bank officials who were aware of his health conditions. Even then, no medical was done prior to purchase of the policy.
The Company informed that the policy 17064922 was issued to Shri Sudhir Kumar Dhamija on 08.09.2014 for a premium of Rs. 1 lakh to be paid for 10 years. The life assured died on 29.10.2015 after 1 year 1 month and 21 days from the issuance of the policy. On investigation, it was revealed that the Life Assured was suffering from Adenocarcinoma prior to the purchase of the policy and the same was not disclosed at the time of the purchase (Medical Records dated August, 2014 from Alchemist, Panchkula enclosed). Further, the fund value of Rs. 1,80,542.80 had already been transferred to the complainant's account.

Decision: - Shri Sudhir Kumar Dhamija was suffering from Adenocarcinoma and was under treatment for the same prior to purchase of the mentioned policy. This fact was not disputed by his wife Ms. Kiran Dhamija. However, this fact was not disclosed in the proposal form submitted to the Company. The Company on its behalf has already paid the fund value as per the terms and conditions of the policy. It is thus, a clear case of non-disclosure of material facts, hence the case is closed.

Case Of Shri Jasmer Singh V/S Reliance Nippon Life Insurance Ltd.

COMPLAINT REF: NO: CHD-L-036-1617-0254

Order Dated: - 11.05.2017

(Miscellaneous)

Facts:- On 21.04.2016, Shri Jasmer Singh had filed a complaint in this office against Reliance Nippon Life Insurance Company Ltd. about mis-selling of three policies bearing numbers 51453570, 51815645 and 51815727 on 24.01.2014, 15.09.2014 and 15.09.2014 for a premium of Rs. 28,000/-; Rs. 30,000/- and Rs. 30,000/- on the pretext of getting bonus under existing policies. He was not only sold policies of three insurance companies but also made to deposit money in personal accounts. He fell into the trap as he was sent a photocopy of a bonus cheque of Rs. 17, 65,000/- issued in his name. When he realized that he had been befooled, he complained to the Company in June, 2015 but could not get refund of his premium.

Findings: - The representative of the Company informed that the policies were delivered on 06.02.2014, 20.09.2014 and 20.09.2014 and the first representation was received on 26.06.2015 which is after 9 months from the purchase of the policies.

However, being a customer-centric organization, the Company offered to cancel policies bearing numbers 51453570, 51815645 and 51815727 since inception and refund the premium collected there-in without interest and deduction of any charges.

The offer was acceptable to the complainant.

Decision: - In view of the Company's offer to cancel policies bearing numbers 51453570, 51815645 and 51815727 since inception and refund the premium collected there-in without interest and deduction of any charges, an agreement to that effect was signed between the two parties and the complaint is closed.

Case of Sh. Yash Pal Singh Vs Exide Life Insurance Company

COMPLAINT REF: NO: CHD-L-025-1617- 0220

Order Dated: - 10.05.2017

(Miscellaneous)

Facts:- On 20-04-2016, Sh. Yash Pal Singh had filed a complaint in this office against Exide Life Insurance Company about mis-selling of 4 policies bearing No's 03013401, 030150078, 02636679, 02636699 which were issued on the basis of false and fake promises that huge bonus of 21 lac 40 thousand had been declared on his previous policies which would be released only if he purchased some new insurance policies. He was also told by the Insurer's representative that the amount invested in the new policies would also be refundable along with bonus on previous policies but nothing had been received by the complainant so far. He raised concern about the same vide letter dated 21.03.2016 and requested for cancellation of policies and refund of premium but his request was rejected because he had not availed FLC option within 15 days from receipt of policy bonds.

Findings: - The insurer has informed that terms and conditions were dispatched at the complainant's address mentioned in the proposal form. Further first two policies were purchased by the complainant after almost after 20 months of purchasing the last two policies. Had the said allegations of the complainant been true, instead of purchasing the subsequent policies, he would have approached the company with the allegation of mis-selling.

Decision: - In the very beginning of the hearing, The Insurer offered to convert all the four policies into single premium to which the complainant also agreed, hence an award is passed with a direction to the Insurance Company to convert all the four policies bearing nos. 03013401, 030150078, 02636679 and 02636699 into a Single premium. The complaint is accordingly treated as closed.

Case of Shri Gurkirpal Singh Dhatt Vs Bharti Axa Life Insurance Company Ltd.

COMPLAINT REF: NO: CHD-L-008-1617-0293

Order Dated: - 10.05.2017

(Miscellaneous)

Facts:- On 03.05.2016, Shri Gurkirpal Singh Dhatt had filed a complaint of mis-selling of policies by Bharti Axa Life Insurance Company Ltd., in respect of six policies bearing numbers 501-2273834, 501-1370763, 501-1428116, 500-9919126, 500-9864256 and 501-1370706 with dates of commencement as 26.07.2014, 28.10.2013, 08.01.2013, 28.05.2013, 11.05.2013 and 1.10.2013. He was assured that the amount so paid by him was necessary to get his previous policies of another insurance company cancelled and the amount so invested would also be refunded in the first week of September 2015 along with a car. But, he was shocked to receive new policies with signatures copied from the ID proofs that he had submitted for getting his previous policies cancelled. He wrote to the Insurance Company on 08.04.2016 to cancel all the policies and refund the amount paid which was not considered by the Insurer.

Findings: - The representative of the Company stated that all the policies were dispatched in time on 18.05.2013, 03.06.2013, 14.11.2013, 11.08.2014, 09.11.2013 and 21.10.2013 respectively while a complaint for the first time was received on 11.04.2016 i.e. after the expiry of the free-look period. Therefore, his complaint was not considered.

Decision: - It is observed that the policies were sold to Shri Gurkirpal Singh Dhatt in a fraudulent manner. After promising huge returns on his previous policies he was actually issued new regular premium policies without looking into actual insurance needs, age and premium paying capacity of the proposer. No income proof of the policy holder was taken by the Company for issuing him policies at an advanced age with substantial premium outgo to the tune of Rs. 12,63,421/-, which is not justified. Even though the complaint is delayed an award is passed with a direction to the insurance company to issue a New Single Premium ULIP Policy with a lock-in period of 5 years subject to underwriting norms & completion of necessary formalities against the earlier policy bearing number 501-2273834 without deduction of any charges. The free-look period clause shall not apply for the New Single Premium Policy. The company is also directed to cancel all the remaining five policies bearing numbers 501-1370763, 501-1428116, 500-9919126, 500-9864256 and 501-1370706 since inception and

refund the amount received therein without deduction of any charges of any charges and without payment of any interest.

Hence, the complaint is treated as closed.

Case of Mrs. Lakshmi Vs Future Generali India Life Ins. Co. Ltd.

COMPLAINT REF: NO: CHD-L-017-1617-0452

Order Dated: - 26.05.2017

(Miscellaneous)

Facts:- On 25.05.2016, Mrs. Lakshmi had filed a complaint in this office against Future Generali Life Insurance Company about mis-selling of policy bearing No 01263431. The complainant has stated that she was allegedly cheated by Info line Insurance Broker who promised installation of mobile tower at her land for which she was required to pay Rs. 26,000/- as security for 25 days. Later, a regular policy with annual premium of Rs. 26,000/- was issued by the insurer. She requested for cancellation of policy and refund of premium on 31.10.2015 but no reply was received from the insurer. The insurer vide their SCN dated 18.05.2017 have sought proof in support of allegation of mis-selling and have stated that the application form and benefit illustration signed by the policyholder do not promise anywhere installation of mobile tower or other benefits.

Findings: - The complainant reiterated the complaint that she was cheated by the insurer promising installation of a mobile tower at her land subject to deposit of Rs. 26,000/- to be refunded after 25 days of installation of tower.

The representative of the Company informed that the first representation regarding mis-selling of the policy and cancellation of the same was received after 3 months of the delivery of policy bond which was beyond the free look period. In view of the delay, request for cancellation of policy and refund of premium was declined by the Company. The Application form and benefit illustration signed by the complainant do not promise anywhere installation of mobile tower or other benefits.

Decision: - From the facts and arguments put forward by the complainant and the insurer, the complainant could not substantiate the charge of mis-selling and alleged promise of installation of mobile tower. She had successfully completed the PIVC which proves that she was informed about all details of policy and she had agreed and accepted the same. Looking at the facts of the case the complaint was dismissed

Case of Sh. Harkamal Singh Vs Aviva Life Insurance Co. Ltd.

Complaint Ref. No. CHD-L-004-1617-0072

Order Dated: - 19.04.2017

(Miscellaneous)

Facts: - On 10-3-2016 Shri Harkamal Singh had filed a complaint in this office against Aviva Life Insurance co. Ltd., in respect of Policy No. 10218425 which was alleged to be mis-sold .He wrote to the company on 19-6-2015 and also filed request form for partial withdrawal and free look cancellation on 22-6-2015 but insurance company declined the request vide letter dated 24-6-2015 since the same was received after free look period.

Findings: - The representative of the Company stated that the policy bearing number 10218425 was issued on 31-3-2015 to the complainant based on the details provided in the proposal form. The policy document was dispatched on 6-4-2015 and the same was delivered on 13-4-2015. The complaint alleging mis-selling of policy was received only on 22-6-2015, which was after the expiry of free look period. As such the request was declined being after the expiry of free look period.

Decision: - It is observed that Sh. Harkamal Singh, being an educated person, had ample opportunities to go through the contents of the proposal form and the policy document and exercise free look option within the prescribed period, which he did not utilize. However, considering the fact that he filed a complaint after a gap of only two months from date of issuance of the policy, a lenient view may be taken and his request for cancellation of policy and refund of premium may be considered. Hence, the insurer is

directed to cancel the policy bearing number 10218425 and refund the premium without interest / and or deduction of any charges.

Case of Sh. Kulvinder Chand VS Life Insurance Corporation of India
Complaint No-CHD-L-029-1617-0081

Order Dated: - 19.04.2017

(Miscellaneous)

Facts: - On 08-03-2016, Sh. Kuwinder Chand had filed a complaint in this office against Life Insurance Corporation of India about non-payment of Health Insurance Benefit Claim as per the provisions contained under policy number 163419652.

Findings: - The Complainant's original complaint, that the insurer did not pay Health Insurance Benefit claim as per the policy conditions, was considered. The representative of the Company informed that policy no. 302456999 was issued under Plan No. 904 (LIC's Jeevan Arogya) in the name of the complainant. The complainant met with an accident for which he was admitted in Nova Heart and Research Centre on 04.06.2015 and subsequently discharged on 09.06.2015. He was diagnosed with displaced fracture and was treated surgically by K-wire fixation. As per the claim sheet, the procedure named "close reduction of fracture" falls under Sr. No. 72 of the surgery listed in "Day Care Procedure Benefits annexure". Since DCB limit is Rs. 1000/- and the benefit payable under DCPB is five times of applicable daily cash benefit, Rs. 5000/- were paid to the complainant on 29.01.2016 through NEFT.

Decision: - On perusal of documents produced by the insurer, it was observed that expenses incurred by the complainant had been re-imbursed by the insurer strictly as per the policy conditions. So, the complaint was dismissed.

Case of Sh. R.K. Mittal Vs Life Insurance Corporation of India.

COMPLAINT REF: NO: CHD-L-029-1617- 0094

Order Dated: - 17.07.2017

(Miscellaneous)

Facts:- On 31.03.2016, Sh. R.K.Mittal had filed a complaint in this office against Life Insurance Corporation of India about policy no. 161184465 under Jeevan Suraksha plan. The maturity of the policy was due on 15.03.2016 and the complainant applied for maturity claim on 02.02.2016, one month before the date of maturity, as per the requirement of insurer but Instead of making payment of G.I.V.E/ Cash Option, insurer paid S.V. of Rs. 326466/- on 23.02.2016 even though S.V. Quotation dated 08.04.2015 issued by the insurer shows S.V. payable Rs. 360511/-.

Findings: - The complainant reiterated the basic complaint. The insurer submitted that there was some error in data entry while processing the proposal and hence system had generated S.V. Quotation for higher amount. The same was meant for internal use and was to be checked at the time of making payment.

Decision: - On perusal of all the documents submitted by both, the complainant as well as insurer, it was observed that some system error occurred while generating S.V. Quotation dated 08.04.2015 and the same was for departmental use only and was to be checked before making final payment. The payment made by the insurer was thus correct as per circular. Hence, the complaint was dismissed.

DATE: 20.06.2017

In the matter of Mr. Mukesh Sharma

v/s

Kotak Life Insurance Company Ltd.

1. The above policy of Kotak Life Insurance Co. bearing no. 00006318 having sum assured of Rs, 100000 with commencement dated 28-12-2001 with 15 years term matured for payment on 28-12-2016. On getting poor maturity value of Rs. 153009 he contacted the Insurance Company and got the reply that No Returns was paid on the Premiums paid during the period of 2009 to 2012 since these premiums were kept under Suspense A/c. The Complainant had paid these premiums at the regular intervals and he maintains that it was due to the sheer negligence of the Insurer to keep these premiums in Suspense

A/C and later had revived the policy without any penalty. The complainant approached the Company on many a times since 05-01-2017 for making him the correct maturity value by giving credit of the premiums paid during the period from 2009 to 2012 but no reply has been given by the Insurance Company. The Complainant had approached the Office of Insurance Ombudsman on 09-05-2017 for getting the full maturity value.

2. The Insurance Company in the SCN submitted on 20-06-2017 has submitted that the above policy was issued on the terms and conditions of proposal form dated 13-12-2001 from the complainant who is a MBA Graduate and who has opted for this policy after fully understanding the same. That the complainant had paid the premiums regularly but during the period of 2009-2012 the same were paid with a minor shortfall in the premiums and hence lapse notice along with revival requirements were sent on 01-05-2010 and on 03-06-2011 on the last updated address of the complainant. The policy was revived and updated without any penalty on receipt of a letter dated 08-08-2012 from the complaint for updating of the address. The maturity for payment on 28-12-2016 and the claim was paid and informed to the complainant vide letter dated 31-12-2016. The insurance Company has prayed the Insurance ombudsman not to consider this complaint.
3. I heard the both sides, the complainant as well as the Insurance Company. During the course of hearing the complainant alleged for deficiency in service on the part of Insurance Company since the premiums paid by him during the period of 2009-12 were kept in suspense a/c and later on the policy was revived by the Insurer without any penalty/requirement in 2012. The complainant also complained that the maturity claim due on 28-12-2016 was paid without any return/bonus on the amount deposited during this period of 2009-12. The Insurance Company pleaded that the policy was kept in lapse mode and the premiums received during the period of 2009-12 were kept in suspense a/c because there was a minor shortfall in premiums received. The lapse notice along with revival requirements were sent on 01-05-2010 and on 03-06-2011 on the last updated address of the complainant. The Insurance Company also submitted that the complainant had not intimated about the change of address before 08-08-2012. It was on humanitarian ground the policy was revived without any penalty. During the course of hearing the Company had agreed to pay interest of 4% on the amount of Rs. 26182.71 kept in suspense a/c during the period of 2009-12 on which no return or bonus was paid. I find that the Insurance Company is guilty of deficiency in service since they have not intimated the complainant about the lapse of the policy. Hence the Insurance Company is directed to pay the proposed interest of 4 % on this amount kept in suspense along with the penal interest of 2 % for deficiency in service as per the provisions of Protection of Policyholders Regulations 2002. Both the above interest are payable for the period from 09-07-2009 to 30-07-2012 for the amount deposited during this period. Accordingly an Award is passed with the direction to the Insurance Company to make payment of interest as mentioned above.

Case No: L-029-1718-0002

Mrs.R.Shakuntala

Vs

Life of India

Award No: IO/HYD/A/LI/0030/2017-2018

Award Date: 11.08.2017

Maturity claim:

Mrs.R.Shakuntala filed a complaint that the insurer M/s LIC of India had rejected payment of full Maturity Claim amount along with Loyalty Additions on her Jeevan Saral Policy as printed in the Policy Schedule

The respondent insurer LIC of India submitted that under Jeevan Saral Policy taken by the complainant, the Maturity Sum Assured would be less than the Death Sum Assured as per the Plan design. It was further submitted, the mortality expenses being high, the maturity sum assured was less under the policy and that there was a printing mistake in the policy schedule due to some programming error.

During the course of the hearing the forum felt that by reading the policy document no person of ordinary prudence could make out that there was a mistake in the Maturity Sum Assured. Therefore, it would be unfair to bring in the concept of 'program error' when the policy was about to mature shortly. As per the principle of promissory estoppels, having allowed the insured person to live with the belief for eleven years that she would get Rs. 100000- plus loyalty addition, the insurer should not deny the benefit now. Therefore the forum held that the insurer had no option but to honor the claim, in respect of maturity value stated in the policy schedule.

In result the complaint was allowed.

Award No. IO/KOC/A/LI/0003/2017-2018

Complaint No. KOC-L-019-1718-0003

Award passed on : 20.04.2017

Mrs. Sali Joy Vs HDFC Standard Life Insurance Co. Ltd.

Denial of Maturity benefit in lumpsum

The Complainant had taken a Unit Linked Pension Policy from the respondent Insurer in October, 2006 for a term of 10 years. The Policy got vested/matured on 24/10/2016. She says that the requirements/ documents for getting the Maturity value in lump-sum could not be submitted before the vesting date, due to some health issues. On approaching the Insurer after vesting date, she was informed that only 1/3rd of the Maturity value can be given in lump-sum and the balance 2/3rd shall be given as annuities. She appealed to the Grievance Cell of the Insurer to pay the entire Maturity Fund Value in lump-sum, but in vain. Hence, she filed a complaint before this forum, seeking direction to the Insurer for payment of entire Maturity Fund Value in lump-sum.

Decision : pay as per settlement offer made.

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Award No. IO/KOC/A/LI/0013/2017-2018

Complaint No. KOC-L-029-1718-0024

Award passed on : 16.06.2017

Mr. Joseph Kuriakose M Vs LIC of India

Dispute in maturity value payable

The complainant has taken a Jeevan Saral Policy in March, 2007 for a premium paying term of 10 years with a yearly premium of Rs.19216/-. He got a letter from the Insurer informing that the Maturity Sum Assured was omitted due to some technical error and unfortunately it was left unnoticed and the correct Sum Assured is Rs.118528/-. He had remitted a total premium of Rs.188160/- for basic plan alone, under the policy. The policy has matured for payment in March, 2017 and an amount of Rs.160605/- was credited to his Bank A/c on 15/03/2017. He appealed to the Grievance Cell of the Insurer to consider the Sum Assured shown in the policy (Death Sum Assured) as the Maturity Sum Assured, for which the reply was not satisfactory. Hence, he filed a complaint before this Forum, seeking direction to the Insurer for an amicable settlement of the claim.

Decision : pay total premium paid.

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Award No. IO/KOC/A/LI/0014/2017-2018

Complaint No. KOC-L-029-1718-0057

Award passed on : 16.06.2017

Mr. Soloman K varghese Vs LIC of India

Dispute in maturity value payable

The complainant has taken a Jeevan Saral policy in May 2007 for a premium paying term of 10 years with a yearly premium of Rs.14412.00. He got an intimation along with discharge voucher from the Insurer on 19.04.2017 stating that the maturity sum assured with loyalty addition is Rs.49739.00. The maturity amount as intimated is short by Rs.94381.00 than the total premium paid under the policy. He had remitted a total premium of Rs.144120.00 under the policy. The policy has matured for payment on 21.05.2017. He appealed to the grievance cell of the insurer to consider an amount as maturity after deducting the 1st year premium only, for which no reply has been received. Hence he filed a complaint before this forum seeking direction to the insurer for an early and favourable action in the matter.

Decision : pay total premium paid.

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Award No. IO/KOC/A/LI/0018/2017-2018

Complaint No. KOC-L-029-1718-0049

Award passed on : 16.06.2017

Mr. Kelu. P Vs LIC of India

Dispute in maturity value payable

The complainant has taken a Jeevan Saral Policy in March, 2007 for a premium paying term of 10 years with Qly. Premium of Rs.1225/. He got a Discharge voucher from the Insurer on 28/12/2016 stating that the Maturity Sum Assured with loyalty addition is Rs.31039/-, which is short by Rs.17961/--than the total premiums paid under the policy. He had remitted a total premium of Rs.49000/- under the policy. The policy has matured for payment in March, 2017. He appealed to the Grievance Cell of the Insurer to consider the total premiums paid plus eligible bonus, while settling the Maturity claim, for which no reply has been received. Hence, he filed a complaint before this Forum, seeking direction to the Insurer for payment of total premiums paid plus eligible bonus as Maturity amount under the policy.

Decision : pay total premium paid.

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Award No. IO/KOC/A/LI/0025/2017-2018

Complaint No. KOC-L-019-1718-0070

Award passed on : 16.06.2017

Mr. T.P. Girish Babu Vs HDFC Standard Life Insurance Co. Ltd.

Dispute in maturity value payable

The Complainant has taken a policy from the respondent Insurer in August, 2013, for a term of 5 years with a yearly premium of Rs.485014/-. While taking the policy, he was told that full amount of Rs.25 Lakhs plus additional Bonus would be available after 5 years. On a perusal of the policy, it was noticed that the name and address were changed and hence returned the same for necessary correction. But the respondent Insurer has returned the policy document without effecting any correction, that too after paying second year's premium. On a visit to their Branch, he came to know that after investing Rs. 25 Lakhs within a span of 5 years, he would be getting only Rs.16 Lakhs, as against their initial commitment. He had paid 2 yearly premiums @Rs.5 lakhs each. He made several requests for cancellation of the policy alleging mis-sale and cheating, for which the respondent has not taken any action and hence this complaint was filed for refund of premiums with interest.

Decision : cancel the policy and refund premium.

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MR. SARAT CHANDRA CHAUDHARY

VS

LIC OF INDIA (KMDO-1)

COMPLAINT REF: NO: KOL-L-029-1718-0011

AWARD NO: IO / KOL / A / LI / 0211 / 2017-2018

Award Date : 19.06.2017 17

Brief Facts of the Case :

The complainant had asked for payment of the sum that is due after the DOM of the policies and had submitted documents (receipts. copy policy) as had been sought by the Insurer. The complainant had submitted that the claim after the maturity of the policies not yet been paid by the Insurer. The Insurer on their submissions expressed their inability to proceed further as these cases are as old as minimum 20 years. The Policy holder also could not produce any record of payment of premium.

AWARD :

The date of maturity of these policies are as old as minimum 20 years.

The Complainant had lodged his complaint after expiry of 20 years of its due date of maturity.

(DOM- 28.10.1992, 10.03.1994 ,21.04.1995) .

Neither the Insurer have any record of settlement of the policies nor the complainant has any record of payment of premium.

Because the period / time elapsed in lodging the complaint with this forum is 20 years or more the case has been treated as as "time barred " one.

The complaint is accordingly disposed of.

**MS. NAMITA CHAKRABORTY
V/S
LIC OF INDIA (KSDO)**

COMPLAINT REF: NO KOL-L-029-1718-0061

AWARD NO: IO/KOL/A/LI / 0196 /2017-2018

AWARD DATE : 16.06.2017

Brief Facts of the Case :

The complainant had lodged complaint that the company had not paid the cost of gall bladder operation Rs 32000/- and even did not write a line informing the status of the payment of claim. She informed the TPA on their query that she had undergone hysterectomy operation in the year of 2000 and had no idea that an operation done 17 years back had any effect on the present operation and so did not mention it. Hence the rejection of the claim under Pre Existing Disease on the ground of hysterectomy is not acceptable by her.

The Insurer had submitted that since Cholecystectomy is not in the list of major Surgical benefit as appearing in "Annexure II", the operation cost is not reimbursable as per policy condition. The insurer was not sure that the Annexure II was sent to the policy holder while sending the Policy bond to the complainant.

Award :

Hearing revealed that the complainant had not been provided with the list of reimbursable major Surgical benefit as appearing in "Annexure II". Therefore for the complainant it is not possible to know which surgical benefit is payable . Besides the official of the Corporation assured her of smooth payment of Claim before undergoing the operation. Under the circumstances the Insurer is directed to reimburse the cost involved in this operation.

**MR.JAGANNATH SADHUKHAN
V/S
LIC OF INDIA (KMDO-I)**

COMPLAINT REF: NO KOL-L-029-1617-1799

AWARD NO: IO/KOL/A/LI / 0142 /1350 /2017-2018

AWARD DATE : 18.05.2017

Brief Facts of the Case :

The complainant had submitted a medical bill of Rs5,28,500/-, that was incurred for his kidney transplantation (recipient for reimbursement.. The complainant was admitted on 23.07.16. Transplantation done on 25.07.2016 and discharged on 03.08.16 from RN Tagore hospital.

The insurer had submitted that at the time of revival of this policy on 16.08.2014. the complainant suppressed the facts of his sufferings from CKD which Dr. B.K.Bhattacharya clearly mentioned in his prescription dt 30.11.2013. The complainant knowingly not disclosed the facts of sufferings at the time of revival of the policy, and on the ground of non disclosure of sufferings in the DGH , the claim is repudiated.

Award :

It has been ascertained that the complainant himself voluntarily disclosed his sufferings from CKD and brought to the notice of the Insurer , who based on which repudiated the claim. The complainant had no deliberate intention to cheat the insurer. He has been undergoing regular treatment and looks like an active man. It has also been understood that the Insurer had repudiated the claim and the policy is void. Under the circumstances as a special case the Company is directed to refund the premiums paid by the complainant on exgratia basis The complaint is accordingly disposed of.

MRS.SUVASREE BANERJEE

VS

LIC OF INDIA (KMDO -I)

COMPLAINT REF NO: KOL-L-029-1718-227

AWARD NO: IO / KOL / A / LI / 0293 / 2017-2018

AWARD DATE : 21.07.2017

Brief Facts of the Case :

The complainant had lodged complaint on the point that the Maturity proceeds of the policies had not been paid by the company. She also alleged that her deceased husband (expired on 28.02.2002) had applied for payment of maturity proceeds on 11.05.1989 and 19.10.1990 but no payment had yet been made.

Insurers' argument: The letter of Manger (CRM), dt 31.08.2016 addressed to the complainant had expressed their inability to proceed in this regard as the complaint is lodged after 28 / 26 years of maturity i.r.o. of policy No 32342296 and 32566149 respectively and The death intimation is being given after 14 years of death.

AWARD :

From the deliberation it has been revealed that it is a very old case of allegation of non-payment of maturity claim which was due for payment at least 25 years back from now. The company had also no record to justify that the payment had been made or not, due to destruction of their record as per their rules. Under the circumstances, in absence of any record after a very long gap of more than 25 years nothing can be done. It is a Claim barred by law of limitation.

CASE OF AJAY KR RAI
V/S
HDFC STANDARD LIFE INSURANCE CO. LTD.
COMPLAINT REF: NO: KOL-L-019-1617-1872 AWARD DATE : 27-04-2017

Brief facts of the case :

The complainant had received Discharge Voucher by Ordinary post on 20.10.2016 in which Maturity Settlement Option under enhanced cash option was Rs. 129231/- and under enhanced cover option was Rs. 1226158/- (the amount paid by him in 5 years was Rs. 125000/-). He had submitted the requisite document on 21.10.2016 at HDFC Life and opted for Maturity Under Enhanced Cover Option as there was no much of monetary difference between the two options available. But on 10.11.2016, Rs. 127937.90 was credited to his bank account after deduction of Rs. 1292.30 under Enhanced Cash Option then on 23.11.2016 for which he lodged written complaint. On 6.12.2016 a telephonic conversation was held with Mr. Ajeemuddin Shaikh, Customer Relations-HDFC where he was told to repay the refund amount of Rs. 127937.90 in order to reprocess the maturity payout with Enhanced Cover Option. After that he had refunded the amount through cheque and submitted a letter to HDFC Life regarding the reprocess of maturity under enhance cover option. But no maturity amount was credited to his Bank Account until 19.1.2017. The premium paid by him in 5 years as Rs. 125000/- and the maturity amount under the two options available were meager Rs. 129231.00 under Enhanced Cash Option and Rs. 122615.00 under Enhanced Cover Option that not received till date by the complainant.

Hearing :

Complainant's argument : As stated that the complainant wanted enhanced cover option instead of enhanced cash option. But company had settled his claim under enhanced cash option. He contacted the Insurance Company by drawing their attention for the mistake. Company replied and agreed to do it and requested the customer for depositing the money which he had deposited. But since then no payment has been received by the complainant.

Insurer's argument : The insurance company informed that they are in the process of making payment. However, they requested not to impose any interest as the amount which was paid to the complainant was on the higher side.

Award :

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, it is observed that the insurance company made a mistake in settling the claim of the complainant and there has been inordinate delay. In view of the above, the insurer is directed to settle the claim with interest from the date of maturity with 2% above Bank Rate.

Complaint no.PUN-L-029-1617-0082

Award no IO/PUN/A/LI/0029/2017-2018 dated 30th May,2017

S Venkatesh vs. Life Insurance Corporation of India.

Maturity claim amount paid is less than shown in policy document

Policy no 922298350 Jeevan Saral

The complainant had received policy document which showed the maturity sum assured as ₹ 125000/- After payment of almost all premiums , the complainant received a letter from the Respondent stating that the actual maturity sum assured was ₹ 42210/- and not ₹ 125000/-and the mistake was due to typographical error. The Respondent had called for original policy document to effect an endorsement to that effect. The complainant had already paid ₹ 59950/- as premium. The complainant prayed that the Respondent cannot deviate from what is mentioned in the policy document. The Forum observed that the stamping of the policy document was for sum assured ₹ 125000/-.The respondent should refrain from altering the scheduled benefits by unilaterally passing an endorsement and grossly reducing the maturity benefit.The Respondent should have given an option to the policyholder to rescind the contract ab initio or to continue the policy in the light of revised benefits.

The Respondent is directed to refund the premiums paid by the complainant with Loyalty additions if any, declared under the plan as on date of maturity of the policy towards full and final settlement of the complaint.

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Complaint no.PUN-L-022-1718-0103 and 0104

Award no IO/PUN/A/LI/0040 and 0041 /2017-2018 dated 29th June,2017

Shilpa and Sham Kulkarni vs. IDBI Federal Life Insurance co ltd.

Wrong deduction from Surrender

Policy no 4000068193 and 4000067709

The complainant and his wife both invested in Wealth-insurance Guaranteed Returns Fund in the name of their daughter and paid annual premium for three consecutive years. Three years later both raised issue with that the terms and conditions of the policy document did not match with what was told to them by channel partner of the Respondent. The complainant's wife received a cheque for ₹ 20000/- which they assumed was compensation towards mis match in terms and conditions of the policy document. The complainant received legal notice to return the amount of ₹ 20000/- , however the matter came to a standstill when the complainant sent a reply to the legal notice. The complainants applied for surrender of both policies and received the surrender value. The surrender value paid to the complainant's wife was less by ₹ 20000/-. The Respondent averred that the cheque of ₹ 20000/- was intended for another policyholder as refund of excess premium but was wrongly sent to the complainant's wife. The Respondent documented the erroneous transaction to the satisfaction of the Forum. The Respondent submitted calculation of surrender value which was accepted by the complainants. The complainants were given an option to reinstate the policies, but they did not opt for continuing the policies. The complainants could not produce

supporting evidence about the allegation of mis match of terms and conditions in the policy document. The complaint lacks merit and is dismissed.

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Complaint no.PUN-L-029-1718-0238

Award no IO/PUN/A/LI/0068 dated 31st July, 2017

Prakash Pandit vs. Life Insurance Corporation of India.

Partial repudiation

Policy no 976594151

The complainant's wife had taken immediate annuity plan and had opted for 'option F' Annual pension under the terms and conditions of the policy. On her death, the complainant being the nominee received the claim amount after deduction of annuity paid for broken period .Further , as per policy terms and conditions no proportionate annuity from the date of last annuity to the date of death is payable , hence the same is not paid by the Respondent. The Forum observed that the annuity ceases on death of the annuitant, from which it can be inferred that annuity is payable till the date of death. The policy document is drafted by the Respondent and any ambiguity in construing the benefits payable under the policy should necessarily be in favour of the other party to the contract. This premise often referred to as "Golden Rule of Interpretation" is aptly applicable in the instant case. The Forum has no hesitation in invoking it to deliver justice to the complainant. The respondent is directed to pay ₹ 29763/- to the complainant towards annuity for the period from the date of last annuity to date of death.

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Complaint no.PUN-L-029-1617-0234

Award no IO/PUN/A/LI/0072/2017-2018 dated 31st July,2017

Jaiprakash Bhattad vs. Life Insurance Corporation of India.

Maturity claim amount not paid

Policy no 970468857, 970468788

Two policies were assigned absolutely in the name of Sri Bhattad, father of the complainant by the policyholders due to financial obligations. The assignee died before the maturity of the policies . Before his death he had executed will clearly mentioning that all his individual properties and his share in all movable and immovable properties shall jointly devolve upon his wife and sons.The Respondent rejected the claim as the Will did not have policy details. The Forum observed that the Respondent did not have any objection about the will and the assignment. The Respondent had settled some claims of assigned policies in favour of Executor of Estate of Late Chaganlal Bhattad . The contention of the Respondent that the Will does not contain the policy numbers and hence cannot be taken as admissible legal document is not tenable. The Respondent is directed to settle maturity claim on both the policies as per policy terms and conditions in the name of Executor of Estate of Late Chaganlal Bhattad.

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Complaint No: MUM-L-029-1718-0303

Award No: IO/ MUM/A/LI/0043/2017-18

Date of Award : 26.07.2017

Subject: Maturity claim

Complainant: Mrs. Manjeeta Y. Deshmukh

Respondent: Life Insurance Corporation of India, M.D.O.-III

FACTS OF THE CASE:

The complainant, Mrs. Manjeeta Y. Deshmukh had purchased a policy bearing no.893004877 under Jeevan Saral Plan from the Insurance Company in October 2005 with the understanding that she would receive sum assured of Rs. 1,00,000/- on maturity. The policy document received from the Insurance Company also stated the same amount for maturity sum assured as well as for death benefit sum assured. She has paid premium @ Rs. 4804/- per annum for 11 years. The total amount of premium paid was Rs. 52,844/-. The policy matured on 20.10.2016 and she received maturity intimation letter with maturity sum assured of Rs. 15,796/-, loyalty addition of Rs. 5,134/- and for total amount of Rs. 20,930/- only. She received a letter from Branch 91Q of the Respondent dated 14.07.2016 informing thereby that there was an inadvertent typographical error in the policy document and the actual maturity sum assured is only Rs.15,796/-. An amount of Rs. 20,930/- was credited to her Bank account on maturity due date i.e. on 20.10.2016. On her return to India she approached the Respondent with her letter dated 23.11.2016 on 01.12.2016. She thereby lodged her protest and called for the reasons for reduction of sum assured. She received a reply letter dated 13.02.2017 from the Respondent informing that the Sum Assured of Rs. 1,00,000/- mentioned in her letter was Death Sum Assured and not Maturity Sum Assured. There had been inadvertent Typographical error in the Maturity Sum Assured in the policy document. As per the plan conditions, the correct Maturity Sum Assured was Rs. 15,796/- and not Rs.1,00,000/-. She would not have taken this policy had this Maturity Sum Assured (MSA) was made known to her at the time of Proposal stage, the amount of which is much lower than the total premiums paid. She has requested the Forum to direct the Respondent to settle the maturity claim amount as per the policy document i.e. with MSA of Rs.1,00,000/-.

OBSERVATIONS OF THE FORUM:

The Forum was informed that there was typographical error in MSA in the policy document due to some programming error. The mistake was corrected in the later versions. The mistake was informed to the complainant by letter dated 14.07.2016, i.e. two to three months before the policy maturity date and on completion of nearly 11 years after policy issuance date. The Respondent has all the support system like man power, technology and actuarial expertise and it cannot take 11 years for detecting the error. i. e. at the time of maturity of the policy. The policy document is an evidence of contract and the Respondent cannot be allowed the liberty to issue incorrect policy document on the pretext of some snag in the

programming. MSA is an important feature of the policy. Had the complainant been informed about the terms and conditions of the policy regarding MSA at the time of proposal, she would have got the option to change her decision regarding insurance accordingly. She might have not taken the policy or taken another policy according to her needs. This option was denied to her. The Respondent has affixed the Stamp Charges on the policy bond for Sum assured of Rs. 1,00,000/-. The Respondent now cannot change the material terms of the legally concluded contract unilaterally without the consent of the Complainant. The complaint has merit as the Respondent has failed to mention correct Maturity Sum Assured on the policy document and the complainant deserves relief from the Forum.

AWARD:

The Respondent is directed to refund all the premiums paid by the complainant during the term of the policy bearing no. 893004877 with Loyalty additions, if any declared under the plan as on the date of maturity of the policy after deducting the maturity amount of Rs. 20930/- which is already paid under the policy, towards full and final settlement of the complaint.

Complaint No: MUM-L-029-1718-0016

Award No: IO/ MUM/A/LI/0002/2017-18

Date of Award : 25.04.2017

Subject: Maturity claim

Complainant: Mr. Venkitachalam Viswanathan

Respondent: Life Insurance Corporation of India, M.D.O.-III

FACTS OF THE CASE:

The complainant, Mr. Venkitachalam Viswanathan had purchased a policy bearing no.892640472 under Jeevan Saral Plan from the Insurance Company in May 2004 with the understanding that he would receive sum assured of Rs. 1,00,000/- on maturity. The policy document received from the Insurance Company also stated the same amount for maturity sum assured as well as for death benefit sum assured. He has paid premium @ Rs. 6118/- per annum for 12 years. The total amount of premium paid was Rs. 73416/-. The policy matured on 10.05.2016 and he received maturity intimation letter with maturity amount of Rs. 26541/- only. After the maturity date he received a letter from Branch 891 of the Respondent dated 26.05.2016 informing thereby that there was an inadvertent typographical error in the policy document and the actual maturity sum assured is only Rs. 19,660/-. He would not have taken this policy had this Maturity Sum Assured (MSA) was made known to him at the time of Proposal stage, the amount of which is much lower than the total premiums paid. He has requested the Forum to direct the Respondent to settle the maturity claim amount as per the policy document i.e. with MSA of Rs.1,00,000/-

OBSERVATIONS OF THE FORUM:

The Forum was informed that there was typographical error in MSA in the policy document due to some programming error. The mistake was corrected in the later versions. The mistake was informed to the complainant by letter dated 26.05.2016, i.e. after the policy maturity date and on completion of 12 years after policy issuance date. It cannot take 12 years for the Respondent, which has all the support system like man power, technology and actuarial expertise to detect the error and that too after the date of maturity. The policy document is an evidence of contract and the Respondent cannot be allowed the liberty to issue incorrect policy document on the pretext of some snag in the programming. The Respondent cannot now change the material terms of the concluded contract unilaterally without the consent of the Complainant. MSA is an important feature of the policy. Had the complainant been informed about the terms and conditions of the policy regarding MSA at the time of proposal, he would have got the option to change his decision regarding insurance accordingly. He might have not taken the policy or taken another policy according to his needs. The complaint has merit as the Respondent has failed to mention correct Maturity Sum Assured on the policy document and the complainant deserves relief from the Forum.

AWARD:

The Respondent is directed to refund all the premiums paid by the complainant during the term of the policy bearing no. 892640472 with Loyalty additions, if any declared under the plan as on the date of maturity of the policy towards full and final settlement of the complaint.

Complaint No: MUM-L-036-1718-0188

Award No: IO/ MUM/A/LI/0042/2017-18

Date of Award : 26.07.2017

Subject: Maturity claim

Complainant: Mr. Allwyn D'souza

Respondent: Reliance Nippon Life Insurance Company Co. Ltd.

FACTS OF THE CASE:

The Complainant, Mr. Allwyn D'souza had taken a unit linked Insurance policy bearing no. 10560123 from Reliance Life Insurance Company Ltd. under Reliance Money Guarantee Plan with sum assured of Rs. 1,50,000/-. The date of commencement of the policy was 28.02.2007 and the policy term was 10 years. The policy matured for payment on 28.02.2017 and he received an amount of Rs. 4,58,468.85 as maturity value on 21.03.2017. The complainant received a statement of account dated 02.03.2017 from the Respondent Insurance Company which showed total value of units (Fund Value) with NAV updation as at 27.02.2017 as Rs. 5,14,238.59. Accordingly he claimed the difference amount. His request for payment of differential amount of Rs. 55,769.74 was rejected and hence approached the Forum.

He has also received a statement of account from Bandra Office of the Respondent showing total units 20,197.316810 and unit value as Rs. 4,58,468.85 with NAV dated 28.02.2017. He immediately took up this matter with the Respondent vide his letter dated 06.03.2017 and sought for their confirmation on correctness of the two statements of account received. He was informed by the Respondent that due to technical error the statement of account dated 02.03.2017 was erroneously printed and dispatched to his mailing address. He approached the Insurance Company for payment of difference of maturity amount. The Insurance Company regretted his request citing that the maturity amount paid was correct & appropriate amount. Hence the complaint was escalated to the Forum by the Complainant with a plea to direct the Respondent to make payment of the difference amount.

OBSERVATIONS OF THE FORUM:

From the copy of the consolidated statement of account produced by the complainant it is observed that :-

- a) Total premium paid Rs. 3,00,000.00
- b) Allocation charges Rs. 23100.00
- c) Net premium Allocated Rs. 2,76,900.00
- d) Units allotted under Fund F i.e. Life High Growth Fund (FNDF): 20,486.4851
- e) Switch out from Return Shield Fund (RTSH) on 02.12.2011- Rs. 64472.23, units 4660.14875.
- f) Switch in to Life pure Debt Fund (PDFS) on 02.12.2011- Rs.64472.23, units 4660.14904.

In terms of policy condition 9.1.b):- The Company applies premiums to allocate units in one or more of the three Unit Linked Funds-D, E and F in the proportions which the policy holder specifies. There will be no allocation of premiums directly towards Return shield Fund. As per the above mentioned policy condition there would not be direct allocation of premium to Return Shield fund (RTSH). However, the consolidated statement showed a switch out transaction on 02.12.2011 from the RTSH Fund of Rs. 64472.23. This clearly indicates that there must be switch in transactions to RTSH Fund from Fund F prior to 02.12.2011, which did not reflect in the statement of account produced by the Complainant. Similarly switch transactions from Fund F to PDFS Fund were also not reflected in the statement of account. As a result of this the closing unit balances under Life High Growth Fund i.e. Fund F, RTSH Fund and PDFS Fund were incorrect in the consolidated statement of account. From the statement of account produced by the Respondent it is observed that there were regular switch out transactions in Life High Growth Fund folio (FNDF) during the period from 27.04.2007 to 28.10.2011. The corresponding switch in transactions were reflected in Return Shield fund folio. It is thus concluded that the consolidated statement of account dated 02.03.2017 received by the Complainant is incomplete statement as it did not contain all the switch transactions and hence it was an erroneous statement. The complainant received the maturity amount of Rs. 4,58,468.85 which was correct and appropriate amount as it was in accordance with policy terms as mentioned at 4.2 of the policy bond and as such no difference amount is payable. Taking into account the facts & circumstances of the case and the submissions made by both the parties

during the course of hearing, the Forum gave an opportunity to the Respondent to explain the discrepancies noticed in the consolidated statement to the complete satisfaction of the Complainant and to ensure that the maturity payment made was correct and appropriate amount in terms of the policy provisions. The complainant expressed his satisfaction that the Maturity amount was correctly received by him in terms of the policy provisions and got convinced that the consolidated statement received by him was incomplete and erroneous one. The Forum therefore declines to intervene in the decision of the Respondent.

AWARD:

In view of the above, the complaint is dismissed.

CASE OF ASHOK SAINI V/S LIC OF INDIA

(Hearing dated: 20.06.2017)

The complaint filed by Shri Ashok Saini against the decision of Life Insurance Corporation of India relating to rejection of partial Medi-claim of Jeevan Arogya Policy by LIC of India on the ground of exclusion clause. The complainant had submitted the claim before LIC for 40% of the sum assured (Rs 1 Lakhs) as per terms and conditions of the policy, but the TPA (third party administrator) of LIC had rejected his claim on the ground that two stents could not be inserted in one artery as per condition no 7 related to MSB (Major Surgical Benefits). The complainant was admitted in Fortis Hospital Delhi on 23.6.2016 and discharged after treatment on 26.6.2016 and claimed that angioplasty was done due to heart problem, but the Insurance Company/TPA (Third party administrator) had rejected the claim on the ground of terms and conditions of the policy according to which the MSB was eligible only if stenting was done in two or more arteries, whereas, in this case, two stents were inserted into the same artery. The MSB (major surgical benefit) claim was rejected as per policy condition 7 of MSB, wherein it is mentioned that the insurance company will pay 40% of the sum assured if "Coronary Angioplasty with stent implantation (two or more coronary arteries must be stented)". The HCB (hospital cash benefit) claim was also paid after 48 hours from the time of admission in ICU. Both conditions have been examined and appear ridiculous. The admission in ICU pre-supposes that condition of the patient is serious but as per term of the policy ICU payment will be made only if patient remain admitted in ICU for more than 48 hours for the period exceeding first 48 hours from the time of admission.. Secondly, major surgical charges are admissible only if stenting was done in two or more arteries. In other words, if only one artery is affected and one or two stents are required to be inserted, the claim is not payable. It is very difficult to understand the logic behind this condition, which almost verges to absurdity. It is not for the patient but for the doctor to take a call whether one or two stents are required to be inserted and the stent or stents could be planted only in the affected artery. It is not denied that it was a major heart surgery and that the doctor of a reputed heart hospital was a quack to insert two stent in one artery. In view of above discussion, the complainant, is eligible for claim..

(a) CASE OF SH. MAHESH CHANDRA AGARWAL V/S LIFE INSURANCE CORPORATION OF INDIA

(Hearing dated: 10.07.2017)

This is a complaint filed by Shri Mahesh Chandra Agarwal against the decision of LIC relating to rejection of Accidental claim by LIC of India. The complainant stated that his wife died due to fall from the roof of iron grill at home. The Insurance Company paid the death claim but rejected the accidental claim on the ground that the deceased had not submitted the copies of Nakal Tehrir, Panchnama, PMR, Police Investigation Report. The claim of his wife was paid by SBI General Insurance Company on the basis of death certificate issued by the Municipality, which mentions fall from

iron grill roof as the cause of death. The enquiry conducted by LIC itself records the cause of death as fall from iron grill roof which hardly leaves any scope for any dispute as it would amount to denial of their own investigation. The reason of death has been clearly mentioned in death certificate that the deceased fell from the roof and the incident was nothing but an accident. No police case was registered and it is also on record that SBI Insurance Company have paid accidental benefit on the basis of available records and there is no reason why LIC should deny it.