

# *Burglary*

**Bhubneshwar Ombudsman Centre**

**Case No. 11-005-0178**

**Mr. Ramakanta Mishra**

**Vs**

**Oriental Insurance Co. Ltd.**

**Award Dated : 10.10.2007**

Insured Complainant insured his Cloth Shop M/s – Sri Krishna Cloth Store under Shop Keeper's Insurance Policy of Oriental Insurance co. Ltd. During currency of policy some miscreants committed the theft and decamped with the stocks of insured shop. Incident was reported to the police authorities who has submitted the Final report as FRT no Clue. Insurer appointed a surveyor to assess the loss. The said surveyor has assessed the loss for Rs 17069/ against a claim of Rs 77,221/. Insurer settled the claim for Rs 17069/. Insured did not accept that amount and being dissatisfied with the quantum of settlement preferred this complaint.

During Hearing insurer stated that as per survey report they have settled the loss. Insured stated that he has started the shop in 1983 and availed a loan of Rs 40,000/ from bank as cash credit for this shop. He has submitted all the papers and books of accounts to surveyor.

Hon'ble Ombudsman directed the insurer to pay Rs 77,221/ to the insured as the assessment of surveyor based on surmise and without any basis. Insured had insured his shop for Rs 100,000/ . The surveyor has disallowed the claim without any plausible reason. Moreover the surveyor has physically verified the stock after the loss was Rs 12818/. Settlement made by insurer is arbitrary.

**Bhubneshwar Ombudsman Centre**

**Case No.11– 002-0179**

**Sri Pradeep Biswas**

**Vs**

**New India Assurance Co. Ltd.**

**Award Dated : 6.11.2007**

Insured Complainant is the proprietor of a electronics shop named and styled as M/s – Maa Laxmi Enterprises. The stocks of that shop was insured under Shop Keeper's Insurance policy of New India Assurance co. Ltd for sum insured of Rs 300,000/ . On 14/15-11-2003 night some unknown miscreants stolen away the stocks .Incident was reported to police authorities who filed FRT No Clue. Insurer appointed surveyor has assessed the loss for an amount of Rs159,940/. Again the said surveyor assessed the loss for Rs 141660/applying back calculation method.

Insurer appointed Sri S.K. Padhi to verify the genuineness of bills and cash memos, stock ,purchase and sales register of Maa Laxmi Enterprises. The investigator of insurer found the documents are genuine and in order. Insurer trimmed the loss for Rs 71820/ and assessed the loss on non standard basis . Complainant accepted that amount but lodged this complaint being aggrieved of quantum of settlement.

Insurer filed the Self Contained Note stating insured had not maintained the records and books of accounts relating to his day to day transactions properly. There was no purchase and supply orders. There was no supporting evidence regarding payment

against purchase. Insurer settled the claim on non standard basis as the investigator pointed out non availability of details of serial nos and stock register or in sales bills.

During hearing Insurer re iterated their stand taken in self contained note.

Complainant stated that he had submitted the sales ,purchase and stock register along with the books of and cash memos to the surveyor. But insurer has paid only fifty percent of his claim amount.

Honourable Ombudsman directed the insurer to pay additional Rs 37332.29/ to the complainant as the surveyor has correctly assessed the loss for an amount of Rs 159400/ after physical verification of stocks and investigator has confirmed the genuineness of incident and documents.

**Bhubneshwar Ombudsman Centre**  
**Case No.11– 003-0376**  
**M/s Kalinga Automobiles**  
**Vs**  
**National Insurance Co. Ltd.**

**Award Dated : 21.11.2007**

Insured Complainant proprietor of a Motor Cycle and Spare parts shop insured his stocks under Burglary Policy of National Insurance Co. Ltd. On 23.05.2005 some unknown miscreants decamped with the stocks worth Rs. 62673.00. Incident was reported to Rajgangpur P.S vide F.I.R No. 69 dated 24.05.2005. Police authorities submitted the Final report as ' True No Clue'. Insurer appointed Surveyor who assessed the loss for an amount of Rs. 11987.00 with a remark that Insured failed to show the Sales and Stock Register. Insured did not accept the amount of Rs. 11987.00 offered by the Insurer. Being aggrieved insured moved this forum.

In self-contained note Insurer stated that insured lodged a claim for an amount of Rs. 20946.00 including cash loss of Rs. 7970.00. As per the survey report they made the offer Rs. 11987.00 to the insured which he did not accept.

During hearing two claim forms were exhibited by Insurer and insured complainant respectively mentioning the amount of loss as Rs. 20496.00 and Rs. 62673.00. Neither of the claim forms bear the seal or signature of Insurer representative. Insured failed to submit any documentary evidence regarding the loss amounting to Rs.62673.00. Honourable Ombudsman awarded Rs. 12527.00 in favour of the complainant.

**Delhi Ombudsman Centre**  
**Case No.GI/317/OIC/07**  
**Smt. Geetika K. Gupta**  
**Vs**  
**Oriental Insurance Company Limited**

**Award Dated : 30.01.2008**

The complaint was heard on 02.01.2008. The complainant Smt. Geetika K. Gupta was present along with her Husband Shri Alok K. Gupta. The Insurance Company was represented by Shri V.K. Gupta, Assistant Manager.

Smt. Geetika K. Gupta had lodged a complaint with this Forum on 02.03.2007 that she had taken a Householder's Policy No. 215200/48/2006/2141 from Oriental Insurance Co. Ltd., New Delhi, valid from 07.03.2006. The claim may please be approved alongwith the penal interest @ 2% above the SBI's interest rate of 12.25% (for loans against securities) to be calculated from date of original claim till the date of payment. Adequate penalty be levied on the Insurance Company for harassment. She has

requested that directions be given to Insurance Company to blacklist the said surveyor and bar him for any business in future, to lodge formal complaint with IRDA against the surveyor for perpetuating fraud on Insurance Companies, to carry out through review of processes and procedures to be followed by its officer and the insured for claim and settlement of such cases, to initiate high level enquiry and take exemplary action against them.

At the time of hearing, the complainant mentioned that the burglary took place in her house on 6-7.05.2006 when they had left for the U.S. and when they returned from their holiday, they lodged a claim with the Insurance Company on 20.05.2006. She had lodged a claim for Rs.342900/- with the Insurance Company. Shri R.N. Sharma, surveyor was deputed who was not categorized by IRDA to assess the miscellaneous claims, however, for reasons best known to the Company he was deputed and he has assessed the loss for Rs.19000/-. She informed the Forum that she had been insuring her jewellery for the full value for Rs.334331/- but for the last two years on the advise of the Insurance Agent the entire jewellery was covered for Rs.100000/- based on the valuation report submitted by her. She further mentioned that they had first lodged the FIR with the Police on 27.05.2006 giving the details of the item stolen and the valuation of each item therein. She had requested the Insurance Company to submit the survey report of Shri R.N. Sharma who has assessed the loss for Rs.19000/-. She further requested the Forum that her claim may be settled on the basis of the Police report and the Policy issued to her where her claim would be for Rs.342900/-.

The representative of the Insurance Company informed the Forum that they had deputed Shri R.N. Sharma and as per his survey they have offered her Rs.19000/- towards the payment of the claim. They further mentioned that the jewellery was cover on first loss basis for the total value of Rs.100000/- whereas as per the valuation report the jewellery value was Rs.334331/-. On enquiry by this Forum that Shri R.N. Sharma was not duly categorized by IRDA for Miscellaneous Insurance, how they have deputed him to assess the loss? The Forum was informed that the competent authority had decided to depute Shri R.N. Sharma. Further, on enquiry by this Forum why the copy of the Survey Report not sent to the insured? The representative of the Insurance Company has no reply to submit.

After hearing both the parties and on examination of the documents submitted, I have pursued the list of articles stolen. As per the FIR no. 644 dated 27.05.2006 I find that the total claim of Smt. Geetika K. Gupta, net assessment works out to be Rs.119600/- after deducting Rs.52 towards salvage value of metal Window Grill. The details of assessment of the claims is as follows:-

Sr No.	Item Description	Q t of Claim (Rs.)	Amount of Claim (Rs.)	Available S.I. As per the Proposal	The Prevailing Value	Loss in % of total	The Assessed Loss (Rs.)	Remarks
<b>A Section-II (House Hold Contents):</b>								
1	Sarees (Zari Silk)	4	25000.00	20000.00		50.00	10000.00	Considered
2	Cash		20000.00	20000.00		50.00	10000.00	only Rs. 10000.00**
3	Wrist Watches	2	4000.00	-				Not Insured
4	Sony Camera DSC 92	1	35000.00	35000.00	28000.00	50.00	14000.00	
5	Pen Drive	1	1650.00	61500.00	1000.00	50.00	500.00	
6	Mobile & Handsets							

7

Nokia 6100	1	7000.00	2500.00	2500.00
Nokia 1100	1	3000.00	1000.00	1000.00
<b>Total</b>		<b>95650.00</b>	<b>146500.00</b>	<b>32500.00</b>

**B Section-III  
(Jewelry &  
Valuables):**

1 Gold Chains (29.9 G)	2	29900.00	15428.00	100.00	15428.00	As per valuation report
2 Gold Bangles (41.5 G)	4	41500.00	22914.00	100.00	22914.00	As per valuation report
3 Gold Rings (15.0 G)	2	15000.00	0.00	0.00	0.00	Not Insured
4 Gold Coins	1	31100.00	18971.00	100.00	18971.00	
5 Gold Ear Rings (29.5G)	3	29500.00	5241.00	100.00	5241.00	
6 Pearl Necklace	2	10000.00	0.00		0.00	Not Insured
7 Pearl Earrings	2	8000.00	0.00		0.00	Not Insured
8 Diamond Ring	1	6000.00	2448.00		2448.00	As per valuation report
9 Silver Tea Set + Tray	1	62000.00	27516.00	34.00	9000.00	The weight of Silver tea set & tray***
<b>Total</b>		<b>233000.00</b>	<b>92518.00</b>	<b>74002</b>		
<b>Grand Total (A&amp;B)</b>		<b>328650.00</b>	<b>239018.00</b>	<b>112002.00</b>		

(\*\*) since the amount mentioned in the FIR is approximate and insured has not produced any evidence for exact amount.

(\*\*\*) is taken as 1kg since other utensils have been covered also.

Therefore the Assessed Loss/Liability Amount Rs.112002.00

Repairs to damaged Almirah/ Grills etc.

a) Repairs to six wooden window shutters 42" x 18" with Glass/Jali incl. Hardware		Rs.	2400.00
b) Replacement of 2 Nos. Window Grills	Rs.	750.00	
c) Repair of Steel Door and Painting	Rs.	750.00	
d) Repairing of Wooden Almirah	Rs.	750.00	
e) Repair of Steel Almirah	Rs.	3000.00	
The Assessed Loss:	Rs.	119652.00	
Less: Salvage Value of metal Window Grill (-)	Rs.	52.00	

**Therefore the net Assessment Rs. 119600.00**

I, therefore, pass an Award that a sum of Rs.119600/- be paid to Smt. Geetika K. Gupta along with 8% interest from the date, the final report has been submitted by Smt. Geetika K. Gupta to the Insurance Company since, there would be pending formalities to be completed, no interest will be paid on this amount after 30.01.2008. No cost and penalty for harassment is to be paid as this Forum is not competent to pass an Award on this issue. This Authority cannot issue any directions with regard to erring officials

of the Insurance Company, however, the Insurance Company is being directed to examine and take appropriate action as per the rules of the Company.

A copy of this Award is being sent to the General Manager (Technical) of the Insurance Company, Head Office, to examine and take appropriate action in the matter with regard to how Shri R.N. Sharma, Surveyor has been deputed when he has not been categorized by IRDA to assess the loss against Miscellaneous Policies.

The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

**Delhi Ombudsman Centre**

**Case No. GI/460/OIC/07**

**Shri S.N.Bansal**

**Vs**

**Oriental Insurance Company Limited**

**Award Dated : 10.03.2008**

The complaint was heard on 03.03.2008. The complainant, Shri S.N.Bansal, was present accompanied by his son Shri Rakesh Bansal. The Insurance Company was represented by Shri D.K.Arora, Senior Divisional Manager.

Shri S.N.Bansal has lodged a complaint with this Forum on 22.06.2007 that he had taken a House Hold Policy first time in Mar,1999 which has been renewed from year to year. He gave a consent letter for car amounting to Rs.39000/- and for Jewellery as per the insured value. Since then he has been waiting for the claim. He requested the Forum that both his claims be settled.

At the time of hearing, Shri S.N.Bansal informed the Forum that his son Shri Rakesh Bansal was going to deposit the jewellery in the bank locker. However, since there was no parking space available at the bank, he proceeded to National Heart Institute where he had an appointment with doctor to consult about his mother-in-law health case. He had parked the vehicle and had kept the jewellery bag under the seat of the car. He had put starring lock in car while locking his car; it did not come to his mind to take jewellery bag. He visited the doctor and came back. He was shocked to see his car missing. He inquired from security staff of hospital that whether crane tow car from that place and he was told that car cannot be towed from that place. He inquired the same from other nearby like pan shop and he realized that his car has been stolen. He immediately called on 100 number from his mobile. He also rang to his father. Later FIR was lodged with the police station. The Insurance Company has not paid the claim for stolen vehicle as well as the jewellery which was stolen along with the car. He requested the Forum that both his claim be paid.

The representative of the Insurance Company informed the Forum that they would be settling the motor claim as they have received the necessary reports. As far as jewellery claim is concerned, the Company was not liable since jewellery was left in the car unattended and there was no care and caution taken by the insured. As such, they are not liable to make the payment of the claim as per general condition of the policy. They have, therefore, rightly repudiated the claim.

After hearing both the parties and on examination of the documents submitted, it is observed that the Oriental Insurance Company has agreed to settled the motor claim under Motor Policy No.214600/31/2006/5386.

With regard to the theft of the jewellery, the jewellery bag as per the version of the insured was kept under the set of the vehicle and he had forgotten to take it with him when he went to see the doctor at National Heart Institute, New Delhi. The jewellery

was stolen along with the car. The Insurance Company has repudiated the claim on the ground that Shri Bansal had left the car unattended thereby violated the general condition of the policy. I have examined the terms and conditions of the policy and have gone through the reasonable care so mentioned in the general conditions as well as Section III All Risks (Jewellery And Valuables) of the House holders policy under Special Condition 5 which reads as under:-

“Theft from car except from car of fully enclosed saloon type having all the doors, windows and other openings securely locked and properly fastened”

During the hearing Shri Bansal reiterated as well as drawn the attention of the Forum that he had locked the vehicle properly including the additional starring lock. Having complied with all the conditions as mentioned in the policy, I am not in agreement with the decision of the Insurance Company repudiating the liability under the Householders policy. However, on examination of the inventory under the policy, only 21 gold bangles weighting 201.60 gm were insured for a sum assured of Rs.85680/- is payable since as per the list submitted by Shri Bansal to the Insurance Company, there is no mention of the Kundan Set. As such, the Insurance Company is only liable to make the payment towards 21 gold bangles.

I, therefore, pass the Award that Shri S.N.Bansal be paid Rs.85680/- along with 8% interest from 01.07.2007 till the time the payment is made.

The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.

**Hyderabad Ombudsman Centre**

**Case No.G-11-004-0363**

**Sri J.S.Nagaraj**

**Vs**

**United India Insurance Co. Ltd.**

**Award Dated : 31.3.2008**

**Brief facts :** Dr. Nagaraj obtained a Householder's insurance policy for the period 13.9.05 to 12.9.06. His house was burgled some time between 16.5.06 and 19.5.06 and the police registered FIR dated 20.5.06. Insurance survey was also conducted. Sri Nagaraj submitted the claim papers including non-traceable certificate issued by the police, but the claim was not settled.

**Decision :** As per papers placed on record, the complainant submitted all documents that are required for settlement of the claim. The insurer's representative admitted that their Surveyor assessed the loss at Rs.41,000/-. The insurer was found to be not justified in delaying settlement of the claim and hence they were directed to settle the claim for Rs.41,000/- together with interest.

**Kolkatta Ombudsman Centre**

**Case No. 479/11/011/NL/11/2006-2007**

**Brig. Harish Swami**

**Vs**

**Bajaj Allianz General Insurance Co. Ltd.**

**Award Dated : 28.12 2007**

**Facts & Submissions :**

This petition was filed by the petitioner against partial repudiation of a claim under a Travel Companion – Overseas Travel Insurance Policy for overseas travel due to loss of wallet by snatching.

The petitioner Brig. Harish Swami in his original petition dt. 04.10.2006 and subsequent communication to this office on 29.10.2006 stated that he purchased a Travel Medical Insurance Policy from Bajaj Allianz General Insurance Co. Ltd. for his visit to U.S.A.

A claim bearing No.OC-07-2401-9910-00000007 was sent to the Insurers' Office for burglary on 22.03.2006 on his way to Sanfrancisco, U.S.A. The incident took place when the petitioner with his wife, son and nephew were on their way to Sanfrancisco and took an exit to Oakland and halting by the side of the road. Suddenly another car stopped ahead of his car. A young black youth at pistol point took the petitioner and his nephew's wallets. The petitioner's wallet was containing \$500. The criminal quickly disappeared picking up one of their bags. The report for this loss was lodged with the Sanfrancisco Police Station. The claim for this loss was preferred to the insurance company on 04.10.2006. The petitioner sent to the insurance company the original policy, preliminary report and details of Police Report including the report from the Hotel. But they rejected the claim vide their letter dt.11.10.2006 admitting the claim for "Golfer's Hole in One" without allowing loss of cash. In spite of petitioner's persuasion with the insurance company for payment of the cash lost the insurance company did not consider and therefore the petitioner filed this petition for payment of compensation. As the petitioner was out of this country for visit to U.S.A., he submitted the 'P' forms on 29.10.2007 seeking relief of US \$500.

The insurance company vide their self-contained note dt.28.11.2006 while giving the consent to the Insurance Ombudsman to act as a mediator between the complainant and the insurance company, submitted that Brig. Harish Swami had taken a 'Travelage' policy (An overseas travel policy designed for persons in the age group of (61 – 70 years) having opted the following sections :

Coverage(US \$)

- i) Delay of Checked Baggage 100
- ii) Emergency Cash Advance 500
- iii) Golfer's Hole in One 250
- iv) Hijack 50 per day max 300
- v) Loss of Checked Baggage 250
- vi) Loss of Passport 250
- vii) Medical Expenses 50000
- viii) Personal Accident 25000
- ix) Personal Liability 100000

**The insured lodged a claim for the following:**

The petitioner's entitlement under Section 'Golfer's Hole in One' were if the insured person was able to put the Golf Ball in Hole at one shot, he was reimbursed the expenses incurred in celebration upto the limit of Sum Insured mentioned in the policy.

Even though there was no reimbursement for cash loss, the complainant made a claim for loss of cash worth USD 500 along with other papers kept in his wallet, which was robbed at gunpoint near a shop at Oakland Knoll Market place.

While the Insurance company paid the full amount of USD 250 i.e. Rs.11,250/- (@ Rs.45/- USD) to the Insured vide their cheque number 429760 dt.11.05.2006 drawn on

SCB, towards his entitlement for claim under "Golfers Hole in One", the Insurer expressed their inability to pay the petitioner any claim towards loss of cash, because it was not covered under any sections of the said Travel Age policy.

On discussion with the representative of the insurance company, Hon'ble Ombudsman found that he was not averse to granting ex-gratia payment.

**Decision :**

This office considered the facts and submissions of the case as well as the materials available on records. On going through the policy conditions, it is clear that no payment against cash loss could be made. It is the general practice of the insurance company to follow the policy conditions before making any payment. However, in this case the situation is different. The circumstances under which the loss took place, the life of the complainant might have been in danger. Therefore, I propose to grant an ex-gratia payment of Rs.12,000/- out of the total claimed amount of \$500. The payment should be made within 15 days from the date of receipt of the consent letter from the complainant. The complaint is disposed of accordingly.

**Mumbai Ombudsman Centre  
Case No. : GI-416 of 2007-2008  
Shri Anurag Kothari  
Vs**

**ICICI Lombard General Insurance Company Limited**

**Award Dated :**

Shri Anurag Kothari, had taken a Home Safe Plus – Home Insurance Policy from the ICICI Lombard General Insurance Company Ltd., Mumbai On 23.5.2007, there was a theft at his residential premises and valuables worth around 1.5 lacs were stolen. The theft was reported to the Police Station at New Mumbai on the same day and an FIR was issued. The Insured lodged a claim with ICICI Lombard General Insurance Company and the Company sent their Surveyor to survey the premises. The company informed Shri Kothari, that the risk location address which was provided at the time of issuance of the policy was different from the address where the burglary took place. Hence the claim was treated as 'No claim'.

Aggrieved by the decision of the company, Shri Anurag Kothari, approached the Ombudsman on 6.9.2007. He stated that the decision of repudiation of his claim by the Insurance Company was unjust, illegal and against the provision of Insurance laws and requested for justice in settlement of his claim.

The material on record have been examined. ICICI Lombard has clarified that the customer had approached the ICICI Bank for a home loan and he had also consented for an insurance policy against the home under Home Safe Plus Insurance Policy for a period of 5 years. The burglary cover was provided to the customer as a part of the package policy. The loan was taken from ICICI Bank and the Home Safe Plus insurance policy was marketed by ICICI Lombard General Insurance Company, which was optional and it was not compulsory to take the policy while taking the loan. The policy was for a period of 5 years, however, the coverage was taken over the same property for which the loan is taken. It is observed that the Insured had instructed and authorized ICICI Bank to directly make the payment of insurance premium to ICICI Lombard General Insurance Company and had stated that he had availed of financial assistance from the Bank.

A close scrutiny of the terms and conditions of the Home Safe Plus Insurance Policy reveals that it is mentioned in the terms and conditions that structure cover is

applicable only for completed construction. For properties under construction, the cover gets activated on completion of construction for Contents cover, the coverage amount is 25% of the sum insured (Jewellery coverage is for maximum Rs.1,00,000/- or 25% of the sum insured whichever is lower). The Insured's contention was that the policy being a Package Policy covering the risk of Burglary for which premium has been accepted by the Insurer, there can be no possibility of any burglary in respect of flat under construction. However, this policy was primarily issued to the home loan applicants for a term of 5 years and as per the terms and conditions, for properties under construction, the cover gets activated on completion of construction for Contents cover.

The policy inception date was 25<sup>th</sup> April, 2007 and the burglary took place on 23<sup>rd</sup> May, 2007 and the Insured has stated that he received the policy document after nearly one and a half month from the date of inception of the policy by courier. The company has stated that the policy document was sent to the Insured after 15 days of taking the policy through his agent. The company has not been able to provide the information as to when the policy was dispatched to the Insured. However, this information is not material in view of the fact that the Home Safe Policy was issued primarily to provide insurance coverage to the applicant(s) of the home loan. It is a package policy and the Jewellery coverage is for maximum 1 lac or 25% of the Sum Insured whichever is lower, as a part of the package. The complainant has not approached the Insurer for the burglary coverage and his household items/valuables. Therefore, covering these items at the other premises than the insured property does not arise. As regards signing a blank proposal for insurance and rest of the columns latter filled by the Agent/Insurer does not give any advantage to him, as for the contents, the person who has signed is responsible. As regards survey being conducted twice for assessing the loss, it was to assess the loss but perhaps on scrutiny when it was revealed that it was not the Insured property, the claim was denied.

The company should advise the Surveyors to first check the Insurance policy to ascertain that they are surveying the Insured property to avoid such situations. In the facts and circumstances, the decision of the company to repudiate the Burglary claim on the ground the premises insured was different than that where the burglary took place is tenable and there is no case for interference by this Forum.