

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE**  
 (STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)  
 UNDER SECTION 16(1)/17 OF THE INSURANCE OMBUDSMAN RULES-2017  
**OMBUDSMAN–VINAY SAH**  
**Case of Mrs. Aasha Padole VS SBI Life Insurance Company Ltd.**  
**COMPLAINT NO: PUNE-L-041-2122-0769**  
**Award No: IO/PUN/A/LI/ /2022-23**

1	Name /Address of Complainant	Mrs.Aasha Padole, Ahmednagar
2	M.Policy No.   Memb Form No.   DOC   Prem   BSA	70XXXXX8310   70xxx9548   25.01.2018   Rs.50676/-   Rs.22,94,250
3	Name of proposer / LA	Late Mr.Chandrakant Padole
4	Date of Death Duration of policy	31.08.2020 2Y 7M
5	Name of Insurer	SBI Life Insurance Co. Ltd.
6	Nature of Complaint	Death claim partial Settlement
7	Relief sought	Full Claim settlement and compensation Rs 1 lakh
8	Date of receipt of Complaint to OIO	29.12.2021

An online hearing was held through video conference on 21.04.2022, wherein Mrs. Aasha Padole (hereinafter referred to as the complainant) along with her son Mr.Nilesh Padole and Ms. Sampada Shetty, representative of SBI Life Ins. Co. Ltd. (Hereinafter referred to as the RI-Respondent Insurer) reiterated their earlier submissions.

- The complainant is the wife of Late Mr.Chandrakant Padole (Deceased Life Assured – DLA) and the nominee under the subject policy.
  - The complainant has stated that the DLA expired on 31.08.2020 due to Covid-19.
  - The subject policy was taken to cover the DLA’s housing loan amount of Rs 54, 00,000/-.
  - The complainant claims that RI partially settled the claim vide letter dated 12.01.2021 citing the reason that “As the premium has received only for 2 years; hence the policy has moved to paid up stats and thus accordingly paid up death claim has settled for Rs.917700/- (2294250 \* 2/5)”.
  - The complainant has contended that as the ECS mandate had been submitted and sufficient balance maintained, it was RI’s duty to ensure that the due amount was debited from the bank account and RI’s decision of partial payment was not acceptable to her.
  - RI received a reconsideration mail from the complainant. RI reviewed the case and as a special case, RI decided to admit the claim and make the payment of base sum assured of Rs.2294250/-. The calculation for the same is mentioned below:
- |   |                      |
|---|----------------------|
| S.A. as on date of death as per the COI | Rs.2294250/-         |
| Less: Paid up value paid                | Rs. 917700/-         |
| Less: Unpaid Basic Premium              | Rs. 30216/-          |
| Less: Unpaid extra premium              | Rs. 12730/-          |
| Less: Service Tax on Unpaid premium     | Rs. 7837/-           |
| <b>Net Sum Assured payable</b>          | <b>Rs. 1325767/-</b> |

- Out of Rs.1325767/-, RI has paid Rs.1271767/- to the loan account no.37XXXXXX6111 held with State bank of India on 19.03.2022 and remaining Rs.54000/- has been transferred to the Suraksha Account 37XXXXXX6334 on 19.03.2022, however, the transaction got rejected with error "Invalid Bank Account".
- RI is coordinating with the Master policyholder for the payment of Rs.54000/-.
- RI has requested the Forum to direct the complainant to give the correct account details to the Master Policyholder so that they can proceed with payment of Rs.54000/-.

The complainant is made aware that awarding compensation **beyond** Premiums refundable/claims payable whether death or maturity/surrenders payable or any other payments to policy holders as are governed by policy terms and conditions is not within the purview of the Forum.

In view of the above the complainant is advised to submit the required bank details at the earliest so as to enable RI to make payment of the balance amount.

The Forum award as follows:

**AWARD**

**Taking in to account the facts and circumstances of the case and submissions made by both the parties, the Forum opines that Respondent Insurer has resolved the complaint treating it as a special case and hence intervention by the Forum is not required.**

**The complainant is directed to provide relevant details to RI to ensure payment of balance amount as mentioned above within 15 days of the receipt of this award**

**As such the complaint is disposed off.**

**Dated at Pune, on 29.04.2022**

**VINAY SAH  
INSURANCE OMBUDSMAN, PUNE**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE**  
**(STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)**  
(UNDER RULE NO: 16 ( 1 ) /17 of THE INSURANCE OMBUDSMAN RULES, 2017)

**OMBUDSMAN - VINAY SAH**

**Case of Smt. Ashwini Teli V/S Life Insurance Corp. of India**

Complaint No: PUN-L-029-2122-0739

**Award No: IO/PUN/A/LI/ /2022-2023**

1	Name /Address of Complainant	Smt. Ashwini Teli, Jalgaon
2	Policy No.  Doc   Dt of proposal& Risk	91XXX6125   24.01.2020   31.01.2020
3	Prem Mode  FUP   SA	Rs. 28197/-   Yly   01.2021   Rs. 500000/-
4	Name of Proposer / LA	Late Sri Sunderlal Sukhlal Dhakare
5	Name of Insurer	Life Insurance Corporation of India
6	Nature of Complaint	Death claim repudiation
7	Relief sought	Claim settlement
8	Date of death Duration of Policy Date of repudiation by RI Reason for Repudiation	21.02.2020 27 days 09.07.2021 Suppression of material facts
9	Date of receipt of Complaint to OIO	16.12.2021

An online hearing was held on 10.03.2022 through video conferencing where Sri Pravin Teli, husband of Mrs. Ashwini Teli(hereinafter referred to as the complainant)and Mr.Nitin Malvi, the representative from Life Insurance Corporation of India(hereinafter referred to as the RI-Respondent Insurer) reiterated their earlier submissions.

**1. Contentions of the Complainant:**

- The complainant Mrs. Ashwini Teli is daughter of, the Deceased Life Assured (hereinafter referred to as DLA) and the nominee under the policy91XXX6125.
- DLA had purchased subject policy, Jeevan Umang Plan, from RI with DOC as 24.01.2020 with Yly premium of Rs.28197/- .
- The LA died on 21.02.2020due to Cardiac Arrest.
- The complainant had submitted the claim forms but the claim was repudiated by RI under the grounds of suppression of hospitalization prior to opting for policy.
- The complainant raised the concern that no medical tests were carried out while opting the insurance but accepted the fact that the DLA was hospitalized in 2018 for diarrhea at Ashirvad Hospital, Jamner & also in 2009 for headache at J. J. Hospital.
- The complainant has also claimed that the investigators were provided with wrong information by her relatives.
- The complainant has also stated that DLA had one more policy with Max Life Ins. Co. Ltd., the claim for which was settled by them.
- As the claim was rejected by current RI, the complainant has approached the forum for relief.

**2. Contentions of the RI:**

- The RI has stated that the subject policy under Jeevan Umang Plan, was issued to DLA on 24.01.2020 for sum Assured of Rs. 500000/-.
- The LA died on 21.02.2020 within only 27 days due to Cardiac Arrest. Being very early claim, investigation was carried out by RI.

- During the investigation, it was revealed that the DLA was k/c/o Epilepsy on treatment in 2018 & history of brain tumor in 2012.
- It was revealed from the Medical Certificate issued by Ashirvad Hospital dated 05.01.2018, that the DLA was suffering from dysentery and was admitted in the hospital for the period from 01.01.2018 upto 04.01.2018. It is also mentioned in the said certificate that the DLA was known case of epilepsy and was under treatment.
- It is also observed from the statement by the complainant dt. 11.05.2021 that DLA was admitted in J.J. Hospital, Mumbai in 2009 and was treated for frequent headache.
- As per Investigation report submitted by CAG services, DLA was chronic alcoholic and suffering from Brain tumor since 2009 and used to take treatment at Aurangabad, Mumbai and Jalgaon. He was having poor health condition.
- The insurer has obtained Divisional Medical Referee opinion in which it is clearly stated that cause of death has nexus with undisclosed ailment i.e epilepsy and brain tumor. Had the DLA disclosed the said illness, additional medical reports like CNS questionnaire, deformity Questionnaire etc. would have been called for and the case would have been referred to ZUS.
- The DLA did not mention the above facts in the proposal form dated 31.01.2020. The medical history goes prior to date of proposal.
- The DLA had answered in Negative for the concerned Questions No 11, (a, b, d, e, e (i)) of proposal form and Q. no 11 (g) regarding usual state of health is answered as "Good".
- The abovementioned answers were found to be false from the evidences obtained as above.
- Accordingly, the claim was repudiated on 09.07.2021 on the grounds of fraudulent suppression of material facts by DLA and the same was communicated to the complainant/nominee on 12.07.2021.

### **3. Observations and conclusions:**

The Forum heard the submissions made by the complainant and the Respondent. From the documents submitted and submissions made, it is observed that:

1. The LA died on 21.02.2020, i.e. only within 27 days from DOC i.e. 24.01.2020. As the claim was very early, RI conducted an investigation.
2. After due investigation & evidences obtained by RI, the claim has been repudiated on the grounds of suppression of material facts.
3. The following supportive medical papers were obtained by the RI.
  - a. Medical Certificate issued by Ashirvad Hospital Jamner dated 05.01.2018, that the DLA was k/c/o epilepsy on treatment and suffering from dysentery and was admitted in the hospital for the period from 01.01.2018 up to 04.01.2018 which goes prior to date of proposal.
  - b. statement by the complainant dt. 11.05.2021 that DLA was admitted in J.J. Hospital, Mumbai in 2009 and was treated for frequent headache. However the complainant herself admitted that the related treatment papers of J J Hospital were lost by them while constructing the house in 2010-2011. The history of hospitalization goes prior to date of proposal and date of risk.
  - c. Medical certificate dated 20.01.2020 issued by Rural Hospital Soegaon, Dist Aurangabad stated that the DLA was suffering from loose motion and mild fever and hospitalized from 19.01.2020 to 20.01.2020. The said medical history is prior to date of proposal and date of risk.

d. Investigation report dated 30.04.2021 by CAG services also concludes that the DLA was chronic alcoholic since 1997 and as stated by the son of the DLA had been treated for Brain Tumor at Mumbai, Jalgaon and Aurangabad.

4. DMR in his opinion dated 14.05.2021 has confirmed that cause of death has nexus with undisclosed ailments i.e epilepsy, headache, brain tumor, chronic alcoholic. Had the said disease been disclosed in proposal form, special reports would have been called for and the case would have been referred to higher office.
5. Forum notes that the above mentioned medical history which goes prior to the date of risk under the policy, was not disclosed by DLA in the proposal form under question no. 11 (a, b, d, e, e(i)) , while opting for insurance under the subject policy. This suppression of medical material facts by DLA had a bearing on the assessment and acceptance of Risk by RI under the policy at the time of issuing it.
6. The Forum notes that the foremost principle of insurance contract is “Uberrima fides” i.e. utmost good faith and by suppression of medical material facts by DLA at the time of opting for insurance under policy no. 91XXX6125 the said principle is breached.
7. The forum agrees with the decision of RI towards death claim repudiation under the subject policy.

In view of the above observations, though the Forum is able to appreciate the concern of the complainant in this regard, it has also to be borne in mind that whenever any dispute arises, it is settled based on the terms and conditions of the policy under which a claim has arisen since this forms the very basis of the contract between the parties. In the present circumstance the decision of Respondent Insurer to repudiate the claim under the policy is in order and intervention by the Forum is not required.

The Forum awards as follows:

**AWARD**

**Taking into account the facts and circumstances of the case and submissions made by both the parties during the course of hearing, the forum does not find substance in the complaint.**

**As such the complaint is dismissed.**

**Dated at Pune, on 29.04.2022**

**VINAY SAH  
INSURANCE OMBUDSMAN, PUNE**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE**  
 (STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)  
 UNDER SECTION 16(1)/17 OF THE INSURANCE OMBUDSMAN RULES-2017  
**OMBUDSMAN–VINAY SAH**  
**Case of M/s.Irrigation Management Staff Co-op Society Ltd V/S LIC of India.**  
**COMPLAINT NO: PUN-L-029-2122-0733**  
**Award No IO/PUN/A/LI/ /2022-23**

1	Name & AddressOf Complainant	M/s Irrigation Mgmt. Staff Co-op Society Ltd, Aurangabad
2	Policy No.   DOC   Type of Policy	GINP 70XXX1020   27.11.2019   Group Insurance
3.	Name of Insurer	Life Insurance Corporation of India
4.	Name of LA Emp.no.	Late Mr.Sachin Bhanudas Ragade 153
5.	Nature of Complainant Reason for Rejection	Partial payment of death benefit Suicide clause
6	Relief sought	Full Payment of death benefit
7.	Date of Death Duration of the policy from DOR	26.01.2020 2 M
8	Dt of receipt of complaint to OIO	16.12.2021

During the online hearing held through video conference on 10.03.2022, Mr.Anil Kankal (Advisor), who was authorized by M/s irrigation Management Staff Co-operative Society Ltd. (hereafter referred to as the complainant) and Mr.Swapnil Naik, representative from LIC of India (hereafter referred to as the RI- Respondent Insurer), reiterated their earlier submissions.

**1.Contentions of the Complainants:**

- The complainant is the Master Policy Holder under the group insurance policy bearing no.70XXX1020 under which Late Mr.Sachin Bhanudas Ragade (hereafter referred to as the DLA-Decesaed Life Assured) was covered.
- The DLA under the subject policy died on 26.01.2020 as a result of suicide.
- The complainant preferred the claim dated 23.04.2020 to the RI but it was rejected on the grounds that the death of Shri Sachin Ragade happened due to suicide on 23.01.2020, and as per term and condition of Master Policy (Clause no.15 Suicide clause, in Schedule Part II) in case of death of a member due to suicide within 12 months from the date of inception or the date of entry of a member into the scheme whichever is later, claim payable shall be 80% of the premium paid in respect of that member.
- The said claim has not been rejected but it is restricted to the 80% of the premium paid in respect of that member. The complainant has shown dissatisfaction and submitted request letter for reconsideration on 31.05.2021, 23.09.2021 and 30.09.2021. In all three letter they have tried to explain that clause No.15 is not applicable for Employer-Employee groups where the participation is compulsory.
- As per clause No.21 at page no.7 under subject policy:
  1. LIC has given Group Insurance Policy to the members of Irrigation Magt.Staff co-op society ltd. under the Employer Employee group scheme where the participation is compulsory.

2. In form no.6203 provided by the LIC, signature has been taken of the complainant has signed in the capacity of Employer.

3. Definition of Employer has given in the Schedule Part I clause no. (i) & (ii) as per agreement of master policy –

Cl no. (i) states that the Company shall mean “Irrigation Magt. Staff Co-op society Ltd”

CL.no.(ii) states that the Employer shall mean the “Company”.

It means that Employer are the Irrigation Magt. Staff Co-op Society Ltd.

4. Definition of Employee has given in Schedule Part I clause No.(v) & (vi) as per agreement of master policy

Clause no (v) state that “Member’ shall mean a person who as an eligible employee of an employer-employee group becomes entitled to the benefits of this policy and on whole life an assurance has been effected according to the provisions of the schedule hereof and include any such person so long but only so long as he continues to be entitled to the benefits hereunder.

- After going through the terms and conditions of the policy, the complainant understands that LIC has issued this policy under employer-employee group scheme where the participant is compulsory.
- The complainant is of the opinion that as the terms and conditions mentioned in the subject policy were accepted by both the parties, the reason shown as per clause no.15 mentioned by RI is not applicable in this case. Hence claim of Shri Sachin B.Ragade has to be settled with 100% sum insured.
- As the complainant did not receive a favorable response from RI, he has approached the Forum for redressal.

## **2. Contentions of the RI:**

- The subject policy bearing no.70XXX1020 is a Group Insurance policy taken by M/s. Irrigation Management Staff Co-op Society Ltd. as an Insurance coverage of outstanding loan amount of its individual members with commencement date 27.11.2019, one of its members insured 151, with a yearly ( subject to renewal) premium of Rs.269123.40.
- The complainant is a Co-operative Credit Society Ltd formed for lending loans, investments of its subscribers / enrolled members. The said society is formed for the staff of Irrigation Department / soil & Water Conservation Department of Government of Maharashtra, Aurangabad. The coverage for its members for Sum Insured of Rs.5 lakhs each. Accordingly a quotation was provided based on age criteria 18 to 45 & 46 to 50 total amounting to Rs.486326/-.
- The complainant has submitted its Board Resolution no.07 dated 17.11.2019 whereby it states that as per demand of their members, it resolves to take Group Insurance of Rs.5 lakh each for members in 2 age brackets, namely up to 45 (151 members) and 46 to 50 (45 members). It further states that GI for members age between 51 to 60, can be added later on with their individual consent as the premium for this age group is very high. It further states that the premium so charged by LIC will be debited to individual loan account of these participation members.
- Accordingly the complainant has paid Rs.269123.40 towards GI premium of 151 members (age up to 45 years\_ - policy so completed bears number 70XXX1020 and Rs.217203/- towards GI premium of 45 members (age 46 to 50) – policy so completed bears number 70XXX1019 bot having DOC a 27.11.2019.

- As stated earlier the complainant is a Co-operative Credit Society and the members are employees of Irrigation Department, who have chosen to become members of this society for their financial needs. There is no Employer-Employee relationship between the complainant and its members. As stated by the complainant all the employees of the irrigation department are not their members.
- Master policy no. GINP – 70XXX1020 was issued to the complainant wherein as per the SCHEDULE under Part II Benefits and premiums as per clause no.15- Suicide Clause, it states that *“In case of death of a member due to suicide, within 12 months from the date of inception of the policy or date of entry of the member into the scheme whichever is later, claim payable shall be 80% of the premium paid in respect of that member, provided the policy is in force. However, in case of employer- employee groups where the participation is compulsory, this clause shall not be applicable.”* It states that only in the case of groups wherein there is relationship of Employer-employee and there is 100% participation of all the employees, the suicide clause is not applicable. For other groups without Employer-employee relationship the suicide clause is applicable. This is clearly mentioned in the policy bond and was also orally clarified to the representatives of the complainant dealing with the case at that time.
- Under the subject policy on 08.06.2020, the complainant submitted death claim of on of its member who died on 05.04.2020. Complainant had mentioned the reason of death as “Accidental” in the claim form. After conducting necessary “Claim Investigation” it was found that the death of the member had occurred due to health issues. On receipt of all necessary documents death claim of Rs.5 lakh was paid to the complainant on 18.11.2020. In another policy (70XXX1019), also RI has paid a death claim of Rs.5 Lakh – accidental death of another member.
- Under subject policy, on 23.04.2020, the complainant submitted death claim of Late Shri. Sachin Ragade, an employee of Soil and Water Conservation Department, Govt.of Maharashtra, Aurangabad, and member of the complainant’s society, age 39 years, died on 26.01.2020. The reason of death again was mentioned as “Accidental”. RI conducted claim investigation wherein it was found that the deceased had “committed suicide at his home”. The post mortem report dated 27.01.2020 and Police investigation report dated 26.01.2020 clearly mentioned that the reason of death is “Asphyxia due to hanging” or “suicide by hanging”.
- The death is due to Suicide within 12 months from the DOC and the Group does not form Employer-Employee relationship. This is confirmed on the basis that it is a co-operative credit society and the members are not its employees but are employees of other government organizations. Had the group insurance been taken by the employer wherein all the employees were covered then in such scenario, death claim even due to suicide will be payable. The complainant had also confirmed that the group insurance has been taken for the members of their society and all employees of Irrigation Department are not members of their society.
- It was informed to the complainant vide letter dated 23.12.2020 that the death of deceased was due to suicide and since the date of death is 26.01.2020 (within 12 months of DOC), as per clause 15 – suicide clause of the policy claim payable under such circumstances will be 80% of premium paid in respect of that member. This was rejected by the complainant and they had sent a letter dated 17.05.21, wherein they had pleaded that all the members are government employees hence the claim should be payable. Also since the policy is itself for a period of 12months then all claims within the policy period



for whatsoever reason should be honored. The complainant further vide their letter dated 23.09.2021 have confirmed have confirmed that this policy was taken by the society for their General members and nominal members (employees of society) for protection of loan given to the members.

- Based on complainant's request for re-consideration of claim, the case was put up to RI's Aurangabad Divisional Office, Dispute Redressal Committee wherein it was decided that "this is not an Employer-Employee group and hence exception of suicidal clause (15) will not be applicable. Full amount of claim is not payable. The refund of premium as per rule is payable".
- Based on above process the complainant was informed on 28.10.2021 that the competent authority has rejected the death claim. Relatives of the deceased and society members had personally visited the office and on their enquiry it was explained to them in detail the reason behind the rejection.
- RI is ready to pay / refund 80% of the premium in respect of the deceased Shri. Sachin B Ragade, amounting to Rs.1276/- (80% of premium of Rs.1595/- charged in case of deceased).
- It is further submitted that settlement of 2 earlier death claims under complainant's policies shows that RI has dealt the case on its merit and without any prejudice.

### **3. Observations and conclusions:**

The Forum heard the submissions made by the complainant and the Respondent. From the documents submitted, it is observed that:

1. The complainant is a credit co-operative society which gives loan to the employees of Irrigation department and insures the members to secure the loan disbursed to them.
2. The complainant states that the policy document mentions them as the Employer and the members as their Employees. Further, the complainant has signed a form, namely "Employer's Certificate" in the capacity of "Employer". The complainant has put forth definitions as per policy conditions 1(i), 1(ii), 1(v) 1(vi) and General conditions to contend that this is an Employer Employee policy and hence full amount may be paid.
3. RI on the other had vide their SCN dated 07.01.2022 has contended that Complainant is a Co-operative Credit society and the members are employees of Irrigation Department who have chosen to become members of this Society for their financial needs. The members are not the Society's employees and all employees of the Irrigation Management Department are not compulsorily covered under the subject scheme unless they choose to do so.
4. Looking to the applicability of clause 15, Forum is of the view that this clause is not applicable in cases of Employer-Employee groups where participation is compulsory.
5. In the instant case, as the conditions of participation of 100% is not fulfilled, RI has dealt with the claim in a rightful manner.

In view of the above observations, though the Forum is able to appreciate the concern of the complainant in this regard, it has also to be borne in mind that whenever any dispute arises, it is settled based on the terms and conditions of the policy under which a claim has arisen since these form the very basis of the contract between the parties.

**AWARD**

Taking into account the facts and circumstances of the case and submissions made by both the parties during the course of hearing, the forum opines that the Respondent Insurer has acted rightly in terms of dealing with the claim as per the terms and conditions of the policy and does not require any intervention of the forum.

As such the complaint is dismissed.

Dated at Pune, on 29.04.2022.

**VINAY SAH  
INSURANCE OMBUDSMAN, PUNE**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE  
(STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)  
UNDER SECTION 16(1)/17 OF THE INSURANCE OMBUDSMAN RULES-2017  
OMBUDSMAN-VINAY SAH  
CASE OF Mrs. Manasi M.Masurkar V/S Life Insurance Corporation of India.  
COMPLAINT NO: PUN-L-029-2122-0740  
Award No IO/PUN/A/LI/ /2022-23**

1	Name & Address Of Complainant	Mrs.Manasi M.Masurkar, Pune
2	Policy No.   DOC   Prem   SA Date of proposal   Date of Risk	91XXX0635   28.06.2019   Rs.9827/-   Rs.25Lacs 14.06.2019   31.07.2019
3	Name of Insurer	Life Insurance Corporation of India
4	Name of LA	Late Mr.Mahendra Masurkar
5	Nature of Complainant Reason for Rejection	Repudiation of death benefit Suppression of material facts
6	Relief sought	Payment of death benefit
7	Date of Death Duration of Policy	11.07.2020 11M 10D
8	Date of Repudiation	08.02.2021
9	Dt of receipt of complaint to OIO	15.12.2021

During the online hearing held through video conference on 10.03.2022, Mrs. Manasi Masurkar (hereafter referred to as the complainant) along with her nephew, Mr. Vinod Matkar, and Mrs. Jayashree Deosthali, representative from LIC of India (hereafter referred to as the RI- Respondent Insurer), reiterated their earlier submissions.

**1. Contentions of the Complainant:**

- The complainant, Mrs. Manasi Masurkar, is the wife and nominee of Late Mr. Mahendra Masurkar (hereafter referred to as the- DLA) under the subject policy bearing no. 91XXX0635 with date of risk being 31.07.2019.
- The complainant has stated that DLA had purchased the subject policy as collateral security for the housing loan availed by him in September 2019.
- The life assured under the subject policy died on 11.07.2020 due to heart attack.

- The complainant submitted the claim to the RI, but it was repudiated citing suppression of material facts about policyholder's health.
- The complainant has stated that she is from a middle class, dignified family and would never think of deceiving anybody and that too an organization like LIC.
- The complainant has further stated that her husband was admitted to Sahyadri hospital, Bopodi with a complaint of chest pain on 05.06.2014. On 09.06.2014 he was shifted to Shayadri hospital, Karve Road, Pune. Coronary angiography was done, which was normal with the impression: NORMAL CORONARY ARTERIES AND RENALS. On same dated i.e. 09.06.2014, he was discharged after being diagnosed of hypertension and unstable angina and was advised medication.
- The complainant has stated that after this incidence, till his death on 11.07.2020, he was never on any medication for heart related issue and was leading a normal life.
- On 28.06.2019, the insurance risk commenced under the subject policy. Health declaration given while taking this policy wherein questions related to ailment during last five years were replied stating 'NO', as there was no major ailment during this period, i.e. 09.06.2014 to 28.06.2019. The only mistake which might have occurred inadvertently while answering health declaration form was the answer 'NO' to the query no.(e). This must be unintentional and inadvertent mistake done while answering that query as there was no sufferings of such kind of ailments mentioned in the declaration form during the last five years, which must have been construed this way.
- The complainant claims that while taking the subject policy and filling the proposal form he mentioned 'NO' in related columns because he had completed five years since he was hospitalized for the complaint of chest pain and his angiography and other reports were normal. Hence, she opines that here was no suppression of any material facts.
- The complainant has submitted that the subject policy was issued by charging an extra premium as health extra.
- As the RI has rejected the death claim, the complainant has approached the Forum for redressal.

## **2. Contentions of the RI:**

- The DLA has taken policy under Amulya Jeevan (Term Insurance) policy on 31.07.2019 with date of commencement 28.06.2019 with HLY mode.
- Date of death being 11.07.2020 and cause of death – sudden Cardiac Arrest. Duration of the policy is 11 months and 10 days from FPR (31.07.2019).
- Hence, it is early claim as it is within 3 years as per sec 45 of the Insurance Act 1938.
- While processing the claim, RI found following nondisclosures about medical history of Deceased:  
As per Claim form B and B1 – received from Aundh Hospital DLA was having Hypertension since 6 years.  
In the Investigation report, RI's investigation officer has also mentioned history of hypertension since June 2014.  
Late Mr. Mahendra Masurkar was admitted in Sahyadri Hospital from 05.06.2014 to 09.06.2014 for complaint of chest pain, where he underwent for angiography and 2D Echo Colour Doppler screening. At that time he was diagnosed with unstable angina and hypertension and discharge was given with medication related to hypertension.  
Certificate from his family physician stating DLA was on medication (Tab Telma and Ecosprin) for last five years for HTN.

- As per proposal form question is “are you suffering from or have you ever suffered or undergone investigation in past or have you been advised to undergo investigation or treatment”.
- As per Medical Report also DLA did not reveal about medication or admission to the hospital and of angiography- Whether at any time in past (a) he was hospitalized? (b) Has undergone any biochemical, radiological, cardiological or other test?
- The RI has sought DMR opinion and he opines that it is a non-disclosure – if Hypertension and unstable angina would have been disclosed it would have attracted extra premium for health.
- The extra which was already imposed on policy is Build extra. Life who is overweight with co- morbidity is of high risk for Life insurance.
- RI vide their letter dated 08.02.2021, have informed the complainant regarding repudiation of the claim citing “suppression of material facts which had bearing on the granting of risk was clearly done with an intent to deceive the Corporation. Hence it is decided to repudiate all the liabilities under the aforestated policy and refund of premium paid under the policy is approved. ”.
- RI vide their letter dated 26.07.2021, informed the complainant that regarding her representation against repudiation, the higher office had decided to uphold the decision.

### **3. Observations and conclusions:**

The Forum heard the submissions made by the complainant and the Respondent. From the documents submitted and submissions made, it is observed that:

1. The complainant’s husband, Late Mr.Mahendra Masurkar, LA under the subject policy, expired on 11.07.2020 due to heart attack, within three years of issuance of subject policy. As such being an early claim, RI investigated the claim.
2. RI has repudiated the claim on the grounds of suppression of material facts as prior health history had not been revealed in the proposal form.
3. The complainant / claimant has applied for reconsideration on the following grounds that her husband was healthy and had no health issues after angiography conducted on 09.06.2014.
4. Forum has taken into consideration the following facts:
  - i) The claim is an early claim
  - ii) The discharge summary of Sahyadri Hospital, Bopodi, Pune dated 05.06.2014 to 09.06.2014, clearly mentions “2D ECHO – HYPERTENSION, LVEF – 60% DIASTOLIC DYSFUNCTION”. Patient being discharged and shifted to Deccan Sahyadri for CAG. **Final Diagnosis:** HYPERTENSION WITH HYPERTENSIVE HEART WITH UNSTABLE ANGINA.
  - iii) The discharge summary of Sahyadri Hospital, Karve Road, Pune dated 09.06.2014 mentions **Final Diagnosis** as Unstable Angina, Hypertension.
  - iv) In the claim form B, the Aundh District hospital, Dr.Karad has stated that DLA was suffering from hypertension for last 6 years which is prior to commencement of Risk under the policy.
  - v) The claim form B1, signed by Dr.Suhas Hardas of Shayadri Super Speciality Hospital. Pune mentions c/o Left sided chest pain since 09.06.2014 and the history was reported by the patient himself.
  - vi) Certificate of Dr.Umesh Nagar dated 19.09.2020, certifying that the DLA was taking medicines, i.e Tab Telma and Ecosprin for the last five years for HTN.

vii) In the claim form B, the primary cause of death is mentioned as sudden cardiac arrest.

The above mentioned medical history which goes prior to date of risk was not disclosed by the DLA in the proposal form while opting for insurance under the subject policy.

5. The complainant's contention is that her husband did not have any health issues after his hospitalization in the year 2014 till date of death in year 2020.
6. Non declaration of previous health history has repercussions on underwriting. RI would have called for special reports and the proposal for subject policy might have been deferred/ postponed/ declined or accepted with further extra premium.
7. This suppression of material fact had a bearing on the assessment and acceptance of the risk under the policy.
8. The contract of Insurance is based on the principal of "Uberrimae Fidei", the principle of utmost good faith and by suppression of material facts by the DLA said principle is breached.

In view of the above observations, the Forum observes that RI has rightly repudiated the claim as per the terms and conditions of the subject policy. Though the Forum is able to appreciate the concern of the complainant in this regard, it has also to be borne in mind that whenever any dispute arises, it is settled based on the terms and conditions of the policy under which a claim has arisen since these form the very basis of the contract between the parties.

The Forum awards as follows:

**AWARD**

**Taking into account the facts and circumstances of the case and submissions made by both the parties during the course of hearing , the forum opines that the Respondent Insurer in repudiating the claim under the policy has acted rightly as per the terms and conditions of the policy.**

**As such the complaint is dismissed.**

**Dated at Pune, 22.04.2022**

**VINAY SAH  
INSURANCE OMBUDSMAN, PUNE**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE**  
**(STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)**  
(UNDER RULE NO: 16(1)/17 of THE INSURANCE OMBUDSMAN RULES, 2017)  
**OMBUDSMAN - VINAY SAH**

**Case of Mrs Maya Raut v/s HDFC Life Insurance Co. Ltd.**

Complaint No: PUN-L-019-2122-0699

**Award No: IO/PUN/A/LI/ /2022-2023**

1.	Name & Address of the Complainant:	Mrs.Maya Raut, Amravati
2.	Policy No   DOC   Premium	23XX0136   30.01.2021   Rs.50000/-
3.	Mode   Sum Assd.	Yearly   Rs.1200000/-
4.	Name of the Prop   LA Date of Death / Tenure of policy	Late Mr.Premraj Raut 20.02.2021   21D
5.	Name of the Insurer:	HDFC Standard Life Insurance Co. Ltd.
6.	Nature of complaint:	Death Claim Repudiation
7.	Relief sought:	Payment of Death benefits
8.	Date of complaint	21.10.2021
9.	Date of Refusal by RI	29.04.2021/26.11.2021
10.	Date of receipt of the Complaint at OIO:	07.12.2021

An Online hearing was held through video conferencing on 17.02.2022 where Mrs.Maya Raut (hereafter referred to as the complainant) along with her daughter Ms.Mayuri Raut and Ms.Amrita Bhagchandani, representative of HDFC Standard Life (hereafter referred to as the RI – Respondent Insurer) submitted their contentions.

**1.Contentions of the Complainant:**

- The complainant's husband, Late Mr.Premraj Raut (hereafter referred to as DLA – Deceased Life Assured) had purchased the subject policy bearing no.23XX0136 on 30.01.2021 for a Sum Assured of Rs.1200000/- to secure his home loan sourced through HDFC Home Loan. Unfortunately he expired on 20.02.2021 due to Covid-19.
- The complainant, being nominee under the subject policy, submitted her claim to the RI on 30.04.2021.
- The complainant received a decision letter on death claim stating that "Life assured was having alcoholic liver disease prior to policy issuance. This was not disclosed in the application dated 20.01.2021". Thus the claim was declined.
- The complainant denies the above allegation and claims that at the time of policy issuance RI's employees did not ask about any medical issue and fitness certificate. She opines that it is RI's employee's duty to ask details about customer health and follow proper protocol to issue policy.
- Thereafter, the complainant has approached the Forum for redressal.

**2.Contentions of the RI:**

- That the aforesaid policy no. 23XX0136 was issued in the name of Mr. Premraj Mahadeo Raut on the basis of duly filled and signed proposal form and addendum to electronic proposal form submitted by the Life Assured, wherein the annual premium amount was mentioned as Rs50000/- towards sum assured of Rs.1200000/-.

- In the said proposal form and addendum to electronic proposal from, the Life assured had declared that “all the information given by him or on his behalf in the application is true they have not withheld any material fact within his knowledge.  
...If any statement / information made/ given by him / them to you or any other person are inaccurate or false, or are found to be inaccurate or false, or if there has been any non-disclosure, withholding or suppression of any fact pertaining to my financial position or health condition, physical or mental , as at the time of proposal the Company shall have the right to vary the benefits under the insurance policy or to treat the policy as void forfeiting the benefits...”
- The Company had received a duly filled and signed Death Claim intimation form dated 30.04.2021 from the complainant, seeking therein the death benefit on account of death the Life Assured Mr. PREMRAJ MAHADEO RAUT. Further on receipt of the claim intimation form and other relevant documents submitted by the Complainant, the Company had investigated the said form, and during the course of investigation it was revealed that Life Assured was having alcoholic liver disease prior to the policy issuance and the same was not disclosed by the Life Assured in the proposal form dated 20.01.2021, despite of the specific questions asked in the proposal form which reads as under:

Personal Medical Details:

13	Have you ever suffered from : Liver disorder, kidney disorder, disorder of the digestive system, abnormality of thyroid, Blood Disorder?	No
14	Are you currently suffering from any illness, impairment or taking any medication or pills or drugs?	No
15	During last 5 years have you undergone or been recommended to undergo hospitalization?	No
16	During last 5 years have you undergone or been recommended to undergo operation?	No

- Had this information been correctly disclosed in the proposal form at the time of applying for the said policy, the said policy would not have been issued to the Life Assured under the same terms & conditions.
- from the perusal of hospital paper dated 08.11.2020 issued by Bhansali Multispeciality Hospital it can be well observed that LA was taking treatment for alcoholic liver disease prior to the policy issuance. Furthermore from the lab reports of August and November 2020 it is evident that LA was suffering from alcoholic liver disease prior to the policy issuance. In addition to aforesaid, Medical certificate of Dr. Ashish Bhansali has been obtained wherein the doctor has certified that LA was admitted in the hospital for alcoholic liver disease and Acute Febrile illness on 2.11.2020 to 23.11.2020. Further Employer’s certificate has been obtained wherein it is evident that the LA had taken sick leave from 3.05.2019 to 13.08.2019 and thereafter from 2.11.2020 to 24.11.2020.
- Hence the claim of the Complainant was repudiated vide letter dated 29.04.2021 wherein it was also mentioned that the Fund Value amounting to Rs. 47805.53 /- via NEFT in the bank account ending with xxxx0168 maintained with HDFC Bank.
- The insurance contract, which culminated into a policy forming subject matter of the complaint, is **invalid, void-ab-initio, inoperative and unenforceable**. The Life Assured/ Complainant concealed the material fact from the Company, regarding his health at the

time of taking the insurance policy thereby rendered the contract of insurance **void-ab-initio and inoperative**. Therefore, the present complaint is devoid of any substance and is liable to be dismissed.

- The policy is a legal contract between the policy holder and the insurer company, based on the principle of good faith i.e. **doctrine of Uberrimafides** and is subject to the terms and conditions of the policy. **The Proposer is under legal and solemn obligation to disclose all material facts correctly, honestly and truthfully to the insurer company at the time of obtaining the policy, failing which the contract is rendered void.**
- The Life Assured was having alcoholic liver disease prior to the policy issuance and the same was not disclosed by the Life Assured in the proposal form dated 20.01.2021
- The Life insured despite knowing about the disease suffered/ treatment taken, had choose not to disclose the same in the proposal form despite specific questions asked therein, thereby rendering the contract of insurance **void-ab-initio and inoperative**.
- That the life assured fraudulently, dishonestly and by misrepresentation obtained the policy on the basis of which the complainant is seeking claim. Since, the policy is an outcome of fraud and misrepresentation therefore the claim of the complainant is liable to be dismissed.

### **3. Observations and conclusions:**

The Forum heard the submissions made by the complainant and the Respondent. From the documents submitted and the submissions made, it is observed that:

1. The complainant's husband and Life assured expired on 20.02.2021 due to Covid-19.
2. The complainant, who is wife of DLA and nominee under the subject policy of Late Mr.Premraj Raut, submitted the claim to the RI, who rejected the same.
3. The DLA expired within 21 days of policy issuance and the claim was a very early one.
4. RI has repudiated the claim on the grounds of suppression of material facts as prior health history had not been revealed in the proposal form.
5. Forum has taken into consideration the following facts:
  - viii) The claim is a very early claim
  - ix) The blood report dated 12.08.2020 from Thyrocare, suggest abnormality in SGPT and cholesterol levels.
  - x) The certificate by Dr. Ashish Bhansali of Bhansali Multispeciality Hospital, dated 2.11.2020, mentions that the DLA was admitted in his hospital on 02.11.2020 with acute Febrile illness.
  - xi) The certificate of Bhansali Multispeciality Hospital dated 08.11.2020 mentions regarding Alcoholic Liver disease which is prior to the date of Risk under the Policy i.e. 30.01.2021  
The medical history mentioned above which goes prior to the date of Risk under the policy was not disclosed by the DLA in the proposal Form while opting for Insurance under the subject policy.
6. The complainant's contention is that her husband did not have any health issues after his hospitalisation in the year 2014 till date of death in year 2020.
7. Non declaration of previous health history has repercussions on underwriting. RI would have called for special reports and the proposal for subject policy might have been deferred/ postponed/ declined or accepted with extra premium.
8. This suppression of material facts had a bearing on the assessment and acceptance of the risk under the policy.



9. The contract of Insurance is based on the principle of “Uberrimae Fidei”, the principle of utmost good faith and by suppression of material facts by DLA the said principle is breached.

In view of the above observations, the Forum observes that RI has rightly repudiated the death benefit claim as per the terms and conditions of the subject policy. Though the Forum is able to appreciate the concern of the complainant in this regard, it has also to be borne in mind that whenever any dispute arises, it is settled based on the terms and conditions of the policy under which a claim has arisen since these form the very basis of the contract between the parties. The Forum awards as follows:

**AWARD**

**Taking into account the facts and circumstances of the case and submissions made by both the parties during the course of hearing , the forum opines that the Respondent Insurer has acted rightly as per the terms and conditions of the policy and does not merit any intervention by the Forum.**

**As such the complaint is dismissed.**

**Dated at Pune, on 29.04.2022**

**VINAY SAH  
INSURANCE OMBUDSMAN, PUNE**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE  
(STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)  
(UNDER RULE NO: 16( 1 ) /17 of THE INSURANCE OMBUDSMAN RULES, 2017)  
OMBUDSMAN - VINAY SAH**

**Case of Mrs Pooja Saran v/s HDFC Life Insurance Co. Ltd.**

Complaint No: PUN-L-019-2122-0529

**Award No: IO/PUN/A/LI/ /2022-2023**

1.	Name & Address of the Complainant:	Mrs.Pooja Saran, Thane
2.	Policy No   DOC   Premium   Mode Master Policy holder	PPXX0288   30.11.2018   Rs.33839/-  Single PPXX0290   31.10.2018   Rs.53459/-  Single HDFC Ltd
3.	Sum Assd.	Rs.509930/-   Rs.863082/-
4.	Name of the Prop   LA Date of Death / Tenure of policy	Late Mr.Bhakta Saran 30.12.2019   1Y 1M & 1Y 2M
5.	Name of the Insurer:	HDFC Life Insurance Co.Ltd.
6.	Nature of complaint:	Death Claim Repudiation
7.	Relief sought:	Payment of Death benefits
8.	Date of complaint	04.09.2020
9.	Date of Refusal by RI	10.8.2020 & 17.08.2020
10.	Date of receipt of the Complaint at OIO:	04.10.2021

An Online hearing was held through video conferencing on 10.02.2022 where Mrs.Pooja Saran (hereafter referred to as the complainant) along with her son Mr.Aditya Saran and Ms. Amrita Bhagchandani, representative of HDFC Life Insurance Co. Ltd (hereafter referred to as the RI – Respondent Insurer) submitted their contentions.

### **1.Contentions of the Complainant:**

- The complainant's husband, Late Mr. Bhakta Saran (hereafter referred to as DLA – Deceased Life Assured) had purchased the subject policies to secure his home loan sourced through HDFC Home Loan. Unfortunately he expired on 30.12.2019 due to Septic shock with organ failure.
- The complainant, being nominee under the subject policy, submitted her claim to the RI in the first week of January 2020.
- The complainant received a mail stating that the claim process was delayed as signature of the DLA was missing on the MIF (Membership Information Form).The claim under the two policies were repudiated by RI citing non-disclosure of previous disease .
- The complainant claims that the RI's agent had unnecessarily forced them to take the subject policies. Her husband had signed on the blank forms and all the information was supposedly filled by the RI's agent / official who was present in the bank.
- The complainant has raised doubts regarding the issue of policy without the Life Assured's signature.
- The complainant further claims that RI's agent had explicitly informed them that as it was a group policy no medical tests were required and they had not been asked any questions regarding the DLA's health. She has claimed that the answers to Yes/No option for any disease might have been ticked by the RI's agents and her husband was not aware of the same.
- The complainant has stated that her husband was 59 years old at the at the time of policy issuance and considering the fact why no medical examination was done.
- The complainant further states that her husband was admitted in 2012 for ASMI which was just a low amount plaque in the blood vessel and the same was removed by doing PTCA. She claims that the previous health issue had no nexus with the cause of death. Also it was beyond the period of five years.
- According to the complainant fails to understand as to why she has to provide explanations and documents when HDFC Bank is the main beneficiary being the master policyholder and has much to gain from the payouts.
- As the complainant did not get satisfactory response from the RI, she has approached the Forum for redressal.

### **2. Contentions of the RI:**

- The RI had entered into Contract of Insurance with the Member, under the group policy bearing nos. PPXX0288 and PPXX0290. In group insurance policies, as per the said policy contract, a group of members as specified by the master policy holder (in the member data submitted by the master Policyholder) associated with any loan availed from the master policyholder for specific purposes as specified in the schedule of the policy contract and as instructed by the master policyholder maybe covered by the insurance company under the group insurance policy for such period and amount as specified in Certificate of Insurance (COI) issued to every such specified member subject to the terms and conditions of the policy. The RI also receives a premium amount from the master

policyholder on behalf of the members seeking subscription to the said cover for the specified period for the specific no, of members.

- In the present case under the above arrangement, RI had received the member data from the master policyholder thereby requesting the RI to cover the member Mr.Bhakta Saran (DLA).
- After receipt of duly filled and signed Member Information Form (MIF) along with the requisite documents by the master policyholder, the member data was provided to the RI; RI had issued a COI according to the member data provided by the master policyholder to the aforesaid member in order to secure the said loan.
- Late Mr.Bhakta Saran had availed loan through HDFC Ltd and in order to cover the said loan amount the DLA / Member had also purchased HDFC Life Group Credit Protect Plus policy bearing nos. PPXX0288 and PPXX0290 on his life and the HDFC Ltd.; the financier is a Master Policy older. That risk on the life of DLA commenced from 30.11.2018 and **under the said policies**. That thereafter the said DLA expired on 30.12.2019, and the case of death was Septic shock with multiple organ failure, pneumonia with chronic obstructive, pulmonary disease, ischemic heart disease **since 7 years**, Hypertension **since 7 years** and the said very fact was intimated to the Insurance Company vide claim intimation form dated 12.02.2020.
- After the receipt of the said claim intimation form, the Insurance Company had assessed his claim and during the course of claim investigation it was revealed that prior to the issuance of the said policy, the Member/Life Assured Mr. Bhakta Saran was suffering from Anteroseptal Myocardial Infraction, Angioplasty, Percutaneous Transluminal Coronary Angioplasty, Left Ventricular Dysfunction and Hypertension prior to issuance of the said policy.
- The said material facts were not disclosed in Member Enrolment Form submitted by the member despite specific question being asked in 'HEALTH DETAILS OF LIFE TO BE ASSURED' which reads as under:

Personal medical details:

<p>Have you ever suffered or are currently suffering from:</p> <p>a) Chest pain or heart attack or any other heart disease</p> <p>b) Cancer, tumor, growth or cyst of any kind</p> <p>c) Stroke, paralysis, Epilepsy, any psychiatric/mental disorder of brain/nervous system or any kind of physical disabilities</p> <p>d) Asthma, Tuberculosis or other Lung disorder</p> <p>e) Diseases or disorder of muscles, bones or joints, arthritis or blood disorder (anemia) or any endocrine disorder</p> <p>f) Diseases of the kidney, digestive system (stomach, pancreas, gall bladder, intestine) liver, hepatitis B or C or HIV/AIDS infection</p> <p>g) Diabetes, high blood pressure</p>	<p>No</p>
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- Further he had himself affirmed by signing the below mentioned declaration made in the Member Enrolment Form, which reads as under:

"I understand, agree and confirm that these statements and this declaration are basis of the contract between the insurer and the policyholder. If any untrue statement are contained herein or there has been any non disclosure of any material fact, the policy

to be issued by the insurer in the name of the policyholder may be treated as void as far as I am concerned.

I confirm that I have read and understood, the rules and any additional rules of the plan, the standard Policy provisions and any additional provisions that govern the policy to be issued by insurer in the name of the policyholder and on my life, and I agree and confirm that the same shall be binding on me....”

- From the mere perusal of the medical certification of cause of death with mentions ischemic heart disease **since 7 years**, Hypertension **since 7 years**. **Further**, medical record of Jaslok Hospital dt 3/8/19 wherein it is clearly mentioned that LA was suffering from ASMI (Antero Septal Myocardial Infarction) since 2012 and PTCA done. Doctor certificate of Dr. Pravin Rathod certifying that the DLA was suffering from IHD with HTN and was under his care since 2012.
- Thus it can be well observed the ailments suffered by the DLA/Member were severe enough and despite knowing the same the DLA/Member had failed to disclose the same Member Enrolment Form resulting in to fraudulent non-disclosure in order to purchase the said policy. Hence the claim under the said policy was rightly repudiated by the Insurance Company vide letter dated 10.08.2020 and 17.08.2020.
- Thus is it noteworthy to mention the Life Insured/ Member/nominee is under legal and solemn obligation to disclose all material facts correctly, honestly and truthfully to the insurer company at the time of obtaining the policy, failing which the contract of insurance shall be declared void ab-initio, illegal, invalid and unenforceable.
- The policy is a legal contract between the policy holder and the insurer company, based on the principle of good faith i.e. **doctrine of Uberrima fides** and is subject to the terms and conditions of the policy. The Proposer is under legal and solemn obligation to disclose all material facts correctly, honestly and truthfully to the insurer company at the time of obtaining the policy, failing which the contract is rendered void.
- Furthermore as per Sec. 45 of the Insurance Act, 1938 if the policyholder has not disclosed any material facts in the proposal form, or other relevant documents, on the basis of which the policy has been issued, the company will treat the claim as null and void.

### **3. Observations and conclusions:**

The Forum heard the submissions made by the complainant and the Respondent. From the documents submitted and the submissions made, it is observed that:

10. The complainant's husband and Life assured expired on 30.12.2019 due to septic shock with multiple organ failure.
11. The complainant, who is wife of DLA and nominee under the subject policies of Late Mr. Bhakta Saran, submitted the claim to the RI, who rejected the same.
12. The DLA expired within three years of policy issuance and the claim was an early one.
13. RI has repudiated the claim on the grounds of suppression of material facts as prior health history had not been revealed in the proposal form.
14. Forum has taken into consideration the following facts:
  - xii) The claim is an early claim
  - xiii) The medical record of Jaslok Hospital dated 03.08.2019 wherein it is mentioned that LA was suffering from ASMI since 2012 - PTCA done; the same has not been denied by the complainant.
  - xiv) Medical Certification of cause of death dated 30.12.2019 mentions Ischemic Heart Disease and Hypertension for 7 years.

The Forum notes that above mentioned medical history which goes prior to date of risk was not disclosed by DLA in the available Member enrollment form(proposal form )which has been submitted by RI .

15. The complainant's contention is that her husband did not have any health issues after his hospitalization in the year 2012 till date of death in year 2019.
16. The complainant has raised her concern regarding non-conduction of medical examination of her husband prior to the issuance of the subject policies. Forum will like to state that norms for underwriting are set by the Insurers and it is their prerogative to accept/defer/decline a proposal for insurance or call for further requirements.
17. Non declaration of previous health history has repercussions on underwriting.Had the said history been disclosed, RI would have called for special reports and the proposal for subject policy might have been deferred/ postponed/ declined or accepted with extra premium.
18. The contract of Insurance is based on the principle of "Uberrimae Fidei", the principle of utmost good faith.
19. RI has submitted only one Member Enrollment Form dated 01.11.2018 pertaining to loan account no.637047290 – 586493 where type of loan is described as "Top" in the form.
20. On enquiry RI informed that they had used the same Member Enrollment Form for issuance of both policies. Policy no. PPXX0290 is issued on 31.10.2018 with a sum assured of RS.863082/-, there is no Member Enrollment Form corresponding to this policy. Policy no.PPXX0288 is issued on 30.11.2018 with sum assured of Rs.509930/- is based on Member Enrollment form( proposal form )dated 01.11.2018 wherein S.A of Rs.509930/- Premium of Rs.33839/- and loan type – Top is clearly mentioned. Therefore, RI's contention that both the policies were issued based on the single Member Enrollment Form dated 01.11.2018 is not sustainable. Also, Policy no PPXX0290 dated 31.10.2018 is the main/base policy for which Member enrollment form(proposal form) is not available with RI.
21. Complainant has submitted copies of mails dated 20.04.2020 received from group claim department of RI where in the status of claim "Missing MIF and MAF member sign is mentioned. This means that no signed Member enrollment form was available with RI for the Base Policy.

In view of the above observations, the Forum opines that the claim under policy bearing no.PPXX0288 has been rightly repudiated due to suppression/non-disclosure of material facts in the MEF/MIF. The same cannot be said about the claim under policy bearing no.PPXX0290 for which no MIF/MEF is available to confirm or deny nondisclosure. RI has not submitted sufficient evidence to prove that the health issues were not mentioned in the MIF /MEF for policy no.PPXX0290. One MEF/MIF cannot be used to issue policy having different Loan type and premiums. Therefore, the argument of RI that one Membership Enrolment Form used for both policies cannot be accepted and is not justifiable.

Though the Forum is able to appreciate the concern of the complainant in this regard, it has also to be borne in mind that whenever any dispute arises, it is settled based on the terms and conditions of the policy under which a claim has arisen since these form the very basis of the contract between the parties. However, giving benefit of doubt to the complainant, the Forum awards as follows:

### AWARD

Taking into account the facts and circumstances of the case and submissions made by both the parties during the course of hearing ,

1) Forum opines that the Respondent Insurer in repudiating the claim under policy bearing no.PPXX0288 has acted rightly as per the terms and conditions of the policy and does not require any intervention of the Forum with respect to the said policy.

2) Forum directs RI to settle the death benefit claim under policy bearing no. PPXX0290 in favour of the complainant (nominee) Mrs.Pooja Saran as per terms and conditions of the policy.

RI has to comply with the award mentioned in sr no.2 above within 30 days of receiving this award, failing which it will attract an interest @ *of 2% above bank rate from the date of rejection to the date of actual payment*. For Bank rate, refer IRDAI (Protection of Policyholders' Interests) Regulations, 2017, clause no.4 (3). *"Bank rate means 'Bank Rate fixed by the Reserve Bank of India (RBI) at the beginning of the financial year in which the claim has fallen due.'"*

As such the complaint is partially allowed.

#### Compliance of the Award:-

The attention of the Complainant and the Insurer is here by invited to the following provisions of Insurance Ombudsman Rules 2017:

A) According to Rule -17(6) of Insurance Ombudsman Rules 2017, the Insurer shall comply with the Award within **thirty** days of the receipt of the Award and intimate the compliance of the same to Ombudsman.

B) According to Rule 17(8) of Insurance Ombudsman Rules 2017, the Award of Insurance Ombudsman shall be binding on the Insurers

**Dated at Pune, on 29.04.2022**

**VINAY SAH  
INSURANCE OMBUDSMAN, PUNE**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE**  
 (STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)  
 UNDER SECTION 16(1)/17 OF THE INSURANCE OMBUDSMAN RULES-2017  
**OMBUDSMAN-VINAY SAH**  
**CASE OF Smt. Shobha Dhulse V/S Life Insurance Corporation of India.**  
**COMPLAINT NO: PUN-L-029-2122-0526**  
**Award No: IO/PUN/A/LI/ /2022-23**

1	Name & Address of Complainant	Smt. Shobha Dhulse, Bhandara
2	Policy No.   DOC   DORisk   Premium   S.A.   Mode   FUP	983909636   28.06.2017   28.06.2017 Rs. 7220/-   Rs. 1520000/-   SSS   04.2020
3	Date of Death   Duration of policy	04.05.2020   2 Y 10M 4 D
4	Name of Proposer/ LA Age	Late Sri Mukund Sampatrao Dhulse
5	Name of Insurer	LIC of India
6	Nature of Complainant	Death claim rejected
7	Relief sought	Admit the death claim.
8	Date of Rejection by RI Date of complaint to OIO	29.01.2021 24.09.2021

An online hearing was held through video conference on 07.03.2022. Smt Shobha Dhulse (hereafter referred to as the complainant) attended the hearing while Ms. Savita Dhoot represented LIC of India (hereafter referred to as the RI- Respondent Insurer). Both the parties reiterated their earlier submissions.

**1. Contentions of the Complainants:**

- The complainant is the wife of and nominee of Late Mr. Mukund Dhulse (hereinafter referred to as Deceased Life Assured-DLA) under the subject policy.
- The complainant's husband was insured with the Respondent insurer for a total sum assured of Rs.1520000/- under the subject policy. The policy was issued under monthly mode of premium payment (Salary Saving Scheme).
- The Deceased Life Assured died on 04.05.2020. The complainant had submitted the claim but was informed that the claim was not payable under the policy bearing because of 4 gaps in premiums for the month of 08.2017 to 09.2017, 11.2017 & 04.2020.
- The complainant has stated that the premiums gaps due 08.2017, 09.2017 & 11.2017 were not paid but later on after 11.2017 the insurer has collected all the due premiums up to 03.2020.
- The complainant has opined that as all premiums after 11.2017 till 03.2020 have been received by the RI, the policy cannot be treated as lapsed.
- The claim was totally rejected under the policy due to four gaps in due 08.2017, 09.2017, 11.2017 & 04.2020.
- The complainant was dissatisfied with the RI's decision and thereafter approached the Forum for redressal.

**2. Contentions of the RI:**

- The said policy was issued on life of Shri Mukund Sampatrao Dhulse for Sum Assured of Rs.15.20 lacs with Date of Commencement as 28.06.2017 under Salary Saving Scheme. Paying Authority (PA) was Zila Parishad CPS, Hadsani.

- The LA died on 04.05.2020 due to Ca Tongue. Duration from date of commencement to Date of Death is 2 years, 10 months and 4 days.
- The subject policy was lapsed as on date of death due to 2 initial gaps 08.2017 & 09.2017, 1 intermittent gap 11.2017 & 1 terminal gap 04.2020.
- Within a period of 3 years from date of commencement of policy, if premium is not paid within days of grace, policy will lapse and nothing is payable in case death occurs.
- Any claim concession, SSS ex-gratia rules are not applicable under the subject policy as per policy terms and conditions.
- As per policy conditions “ If less than 3 years premium have been paid in respect of this policy and subsequent premium not duly paid, all the benefits under the policy shall cease after expiry of grace period from the date of first unpaid premium and nothing is payable.
- The RI has obtained a letter from the employer wherein it is clearly mentioned that the premiums for the dues 08.2017, 09.2017 & 11.2017 were not deducted as the LA was on leave with no remuneration in the respective months. Also the demand for premium due 04.2020 was received by the employer after the death of LA and hence the same was remained unpaid. As such the policy went into lapsed mode as on date of death and the claim was rejected on 29.01.2021.
- Decision that nothing is payable is communicated by RI to claimant on 10.02.2021.
- RI has also submitted that they have sent regular gap intimations to the LA on his registered mobile number on 16.10.2019, 10.01.2020 & 10.04.2020 also.

### **3. Observations and conclusions:**

The Forum heard the submissions made by the complainant and the Respondent. From the documents submitted and the submissions made, it is observed that:

1. The complainant's husband and Life assured expired on 04.05.2020 within 2 years 10 months and 4 days from the date of commencement, viz. 28.06.2017.
2. The complainant, who is wife of DLA and nominee under the subject policy of Late Mr. Mukund Dhulse, submitted the claim to the RI, who rejected the same.
3. There are total 4 gaps in premium viz. two initial gaps, one intermittent gap and one terminal gap in premium (for the due month 08.2017, 09.2017, 11.2017 & 04.2020) in the subject policy, effective FUP is 01.2020 and hence the policy was in lapsed status as on date of death, i.e. 04.05.2020.
4. RI has stated that unfortunately, the policy does not fall under any kind of claim relaxation rules due to the short duration of the policy as three years premiums are not received. Also because of the 4 gaps in premium the policy was in lapsed condition as on the date of death and nothing is payable under the policy.
5. The complainant, in her letter to the RI and Forum, has not denied that the relevant 4 premiums have **not** been paid within grace period.
6. The death claim has been rejected by the Respondent vide letter dated 10.02.2021 on the ground of policy not in force as on date of death of the life assured.
7. As also remarked by RI, the onus of paying premiums regularly lies with the policyholder. The clause mentioned in the Authority Letter signed by the DLA is as given below:

***As per clause 22 applicable to salary saving scheme it is agreed by the life assured that this policy shall stand lapsed if the due premium is not received by the Corporation within 15 days of the due and the LA/Proposer, being primarily responsible to keep the policy in force, shall remit the defaulted premium dues together with the additional charges applicable for monthly payment and with interest, if any, at the prevailing rates***



*charged by the Corporation for the belated payment of premiums. In the event of the premium dues not remitted to the Corporation either by the employer or by the LA / proposer and the policy becoming lapsed, the liability of the Corporation under the within mentioned policy will be restricted to the extent of the premiums actually received by it and to the provisions of the conditions and privileges governing the policy and no further relief for any claim shall lie with the Corporation.*

8. The forum also notes that an authority to deduct specified premium from salary is given by LA Shri Mukund Dhulse at commencement only to his employer. In this Authority Letter signed by LA Shri Mukund Dhulse it is mentioned that if for any reason deduction is not done from salary, which includes non-deduction of premium due to without pay leave, it will be the whole and sole responsibility of him to keep the policy in force by paying premiums which were not deducted through salary.
9. The forum also observes that the applicability of Chairman's Relaxation Rules, 1987 and SSS ex-gratia for policies issued under new plans introduced on or after 01.10.2014, cannot be extended to policies issued under plans introduced after 01.01.2014, which are guided by "IRDA's Product Regulations of 2013", "File and use of the relevant plan" and "The Insurance Laws (Amendment) Act, 2015". These terms and conditions are incorporated in Policy Document.
10. The forum also observes that the DLA failed to pay the gap premiums or ensure the recovery of unpaid premiums from his salary and remittance thereof to RI, even after intimating the gap premiums.

In view of the above observations, the Forum observes that RI has rightly rejected the death benefit as per the terms and conditions of the subject policies. Though the Forum is able to appreciate the concern of the complainant in this regard, it has also to be borne in mind that whenever any dispute arises, it is settled based on the terms and conditions of the policy under which a claim has arisen since these form the very basis of the contract between the parties.

The Forum awards as follows:

**AWARD**

**Taking into account the facts and circumstances of the case and submissions made by both the parties during the course of hearing , the forum opines that the Respondent Insurer has acted rightly as per the terms and conditions of the policy and does not merit any intervention by the Forum.**

**As such the complaint is dismissed.**

**Dated at Pune, on 22.04.2022**

**VINAY SAH  
INSURANCE OMBUDSMAN, PUNE**

**PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES 2017  
OMBUDSMAN – SH. C.S.PRASAD  
CASE OF SMT. RUPALI AGRAWAL V/S LIC OF INDIA-BAREILLY  
COMPLAINT REF: NOI-L-029-2122-1096**

**AWARD NO:**

1.	Name & Address of the Complainant	Smt. Rupali Agrawal Stellar Road, Bisalpur Pilibhit, UP-262201
2.	Policy No: Type of Policy Date of policy issuance Duration of policy/Policy period	209##6886 Life 14.08.2019 15/15 YEARS
3.	Name of the insured Name of the policyholder	Lt. Smt. Rajni Devi Lt. Smt. Rajni Devi
4.	Name of the insurer	LIC of India-Bareilly
5.	Date of Repudiation/Rejection	19.01.2022
6.	Reason for rejection	Non disclosure of material facts
7.	Date of receipt of the Complaint	22.02.2022
8.	Nature of complaint	Rejection of death claim
9.	Amount of Claim	Rs. 1 Lac
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	Rs. 1 Lac
12.	Complaint registered under IOB rules	YES
13.	Date of hearing/place	Online hearing on 13.04.2022
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the insurer	Sh. Anil Saxena, AAO
15.	Complaint how disposed	Award
16.	Date of Award/Order	18.04.2022

**17) Brief Facts of case:** - This is a complaint filed by Smt. Rupali Agrawal against the decision of LIC of India-Bareilly, relating to Rejection of death claim by the company under mentioned Life Insurance policy.

**18) Cause of Complaint**

a) **Complainant's argument:** - The complainant alleged that the policy was purchased on the life of her mother. The agent mentioned the wrong date of birth of her mother in the proposal form. Policy bond was issued on the basis of identity proof and Aadhaar card. Death claim has been rejected by the company, so the action must be taken against the agent and the employees. The complainant has approached the Insurance Ombudsman for necessary action against and payment of death claim.

**b) Insurers' argument:** - Insurer vide SCN dtd. 21.03.2022 denied the allegations and contended that the above policy was issued on the life of Lt. St. Rajni Devi on 14.08.2019 for sum assured of Rs. 1 Lac. LA died on 14.06.2020 after 10 months of issue of policy. Age of the DLA was registered 51 Years (DOB-30.06.1968) on the basis of PAN card, whereas date of birth of DLA on Aadhaar card is 01.01.1960. In the policy proposal form the DLA has disclosed age of her 03 children, 48 years, 44 years and 43 years respectively. Last date of delivery (of child) of the DLA is mentioned as 15.01.1977 and as per her DOB, she was only 9 years old at the time of giving birth to her last child, which is next to impossible. According to the school certificate, DOB of DLA's daughter is 15.10.1975 and DOB of son is 15.01.1977.

All these facts clearly indicate that the DLA was knowingly and willingly not disclosing her actual age to get the benefit of the insurance policy. In the instant policy plan, the maximum age of entry is 55 years, whereas her actual age was more than 60 years. As such she had concealed a material facts and violated the principle of uberrima fides, thus all the liabilities in the policy was cancelled on 23.11.2020 and the deposited premium of Rs.5950/- was refunded to the nominee of the policy on 11.12.2020 through NEFT.

**19) Reason for Registration of Complaint:** Scope of the Insurance Ombudsman Rules 2017.

**20) The following documents were placed for perusal:-**

- a) Complaint Letter.
- b) Rejection Letter from the Insurer.
- c) Policy Document/Policy proposal papers.
- d) SCN.

**21) Observations and Conclusion:** - Online hearing in the case was held on 13.04.2022. Both the complainant and insurer's representative attended the hearing and reiterated their submissions. The complainant submitted that at the time of taking the policy, copies of both PAN card and Aadhaar card of her mother were given to the insurance agent and the agent had filled the proposal form.

The insurer's representative reiterated that the age of the DLA was registered 51 Years (DOB-30.06.1968) on the basis of PAN card, whereas date of birth of DLA on Aadhaar card is 01.01.1960. According to the school certificate, DOB of DLA's daughter is 15.10.1975 and DOB of son is 15.01.1977. From all these facts, it is clear that actual age of the DLA was more than 60 years, and she did not disclose her actual age to get the benefit of the insurance policy. As such she had concealed a material fact, thus all the liabilities in the policy was cancelled and the deposited premium was refunded to the nominee of the policy.

It is observed that the instant policy was purchased on the life of Lt. Rajni Devi (DLA), mother of the complainant on 14.08.2019 for SA of Rs. 1 Lacs. The DLA died 14.06.2020 after 10 months of issuance of policy. Date of birth of DLA was registered in the policy on the basis of PAN card as 30.06.1968 with the age of 51 years, whereas DOB of DLA in Aadhaar card is mentioned as 01.01.1960. Holding two government documents with an age difference of 08 years raises question marks on the intention of DLA. In the proposal form also, age of 03 children are mentioned as 48, 44 and 43 years. As per that there is only 03 years difference in the age of DLA and her elder child. 2nd child of the DLA, Sh. Neeraj Kumar's DOB as per his High school certificate is 15.01.1977. Age difference between the DLA's age in her PAN card and her 2nd child comes out to 9 years only, which is not possible. In the proposal form of policy no.206636049 purchased on 01.04.2018 on the life of DLA's son, Sh. Neeraj Agrawal, age of DLA is mentioned as 62 years. So there is ample evidence that the age of the DLA at the time of purchasing the subject policy was more than 60 years, whereas the maximum age of entry in the instant policy plan is 55 years.

Insurer has rejected the claim on the ground of under disclosure of age by invoking provision of Section 45 of Insurance Act and refunded the initial premium to the complainant. However the complainant denied having received any such amount. The insurer was directed to submit the payment details. The insurer informed that the premium Rs.5950.00 was refunded in the A/c no.03850001##195330 in Punjab National Bank, Pilibhit, IFSC Code PUNB0038500 of Smt. Rupali Agrawal on 11.12.2020 and the amount was credited to this a/c on 14.12.2020.

It is proved that the insured had not disclosed her correct age which was material fact for the insurer for risk assessment at the time of giving the policy. In a contract, the customers are required to declare all facts honestly, and it is for the insurer, based on the material facts, to take a call on issuing a policy. The insured has suppressed the vital information from the insurance company, which is inexcusable. I find no merit to interfere with the decision of the Insurance Company. The action of the insurance company is justified. The complaint is dismissed.

**22. If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.**

Place: Noida.  
Dated: 18.04.2022

**C.S. PRASAD  
INSURANCE OMBUDSMAN  
(WESTERN U.P. & UTTARAKHAND)**

**PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES 2017  
OMBUDSMAN – SHRI C. S. PRASAD  
CASE OF SUMAN V/S BAJAJ ALLIANZ LIFE INSURANCE CO. LTD.  
COMPLAINT REF NO: NOI-L-006-2122-1019**

**AWARD NO:**

1.	Name & Address of the Complainant	Mrs. Suman Bhagwantpur Jaspur , Udhamsing Nagar Uttrakhand- 244712
2.	Policy No: Type of Policy Duration of policy/Policy period	0407812261 LIFE 4 Days
3.	Name of the insured Name of the policyholder	Mr. Mahendar Singh Mr. Mahendar Singh
4.	Name of the insurer	Bajaj Allianz Life Insurance CO.
5.	Date of Rejection	25-06-2021
6.	Reason for rejection	Repudiation on the basis of PED
7.	Date of receipt of the Complaint	10-01-2022
8.	Nature of complaint	Death Claim not paid
9.	Amount of Claim	
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	
12.	Complaint registered under IOB rules	Yes
13.	Date of hearing/place	12-04-2022/ NOIDA
14.	Representation at the hearing	
	a) For the Complainant	Mrs. Suman
	b) For the insurer	Mrs. Swati Seth
15	Complaint how disposed	Dismissed
16	Date of Award/Order	20.04.2022

**17. Brief Facts of the case:** The complainant's husband had purchased the above policy. He died at his residence. When the complainant submitted the claim forms, the insurance company repudiated the death claim. She applied to the insurer on 15-12-2021 for settlement of death claim.

**18. Cause of the complaint:**

**Complainant argument:** The complainant stated that her husband Mr. Mahendar Singh purchased this policy on 27-07-2020. He died on 1-01-2021 due to sudden heart attack. The complainant submitted claim paper to the insurance company but they repudiated the claim stating that the assured was suffering from TB. The complainant submitted their request to Claim review committee but they did not reply. She has requested to our office that claim should be paid to her.

**Insurer's argument:** The insurer sent us SCN with copy of proposal form and investigation report. The complainant's husband Mr. Mahendar Singh died within 4 days of purchasing the policy. As per investigation report the assured was suffering from tuberculosis before purchasing the policy. This fact was deliberately and fraudulently suppressed in the proposal form dated 25-07-2020 , with an intention to deceive the insurer and induce the insurer to issue the policy , resulting into fraud . The insurer has submitted papers in support of repudiation of claim. In treatment papers dated 3-07-2019 it was observed the assured was suffering from cough and fever since two months wherein the doctor had prescribed medicines and advised sputum tests. The investigation office submitted a RNTCP TB identity card of DOTS wherein it was shown that treatment of TB was started from 29-05-2020, which is before purchasing of the policy. Since non disclosure is a breach of contract so they had repudiated the claim.

**19. Reason for Registration of Complaint:** Scope of Insurance Ombudsman Rule 2017.

**20. Following documents were placed for perusal:**

- a) Complaint Letter
- b) Proposal papers
- c) Death Certificate
- d) SCN / IR

**21. Observation and conclusion** Both the parties appeared for online hearing and reiterated their submissions. The complainant urged that her husband, while coming back from his office had severe chest pain. He died at their residence due to sudden heart attack. The enquiry officer visited their home and enquired details about the life assured. Later, they were informed that the death claim was rejected by the insurance company. The complainant stated that her husband was not sick and was attending his office on regular basis. He did not have any disease.

The insurer stated that being an early claim they got the case investigated by their investigating team. As per the investigation report the life assured was suffering from TB before purchasing the policy. The insurer stated that the assured had completed the proposal form on 25-07-2020 , but he was already under treatment of Tuberculosis. They have submitted the treatment papers dated 3-07-2019, wherein assured was advised for TB tests because he was having cough and fever from more than two months. The insurer also submitted TB identity card wherein it was mentioned that treatment was started on 29-05-2020. All treatment papers of the life assured were of pre-proposal date. The fact was deliberately and fraudulently suppressed in the proposal form with the intention to deceive the insurer. Hence the insurance company repudiated the death claim.

I have examined the documents exhibited as evidence and oral submissions made by both the parties. The insurer has got the case investigated and as per investigation report and treatment papers, it is evident that the assured was suffering from TB before purchasing the policy. The treatment papers of the hospital revealed that assured was under treatment before purchasing the policy, and did not disclose the fact , which is a breach of contract. Hence the insurer's decision to repudiation of the claim is justified and the complaint is dismissed.

**22.If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.**

**Place: Noida.  
Dated: 20.04.2022**

**C.S. PRASAD  
INSURANCE OMBUDSMAN  
(WESTERN U.P. & UTTARAKHAND)**

**PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES 2017  
OMBUDSMAN – SHRI C. S. PRASAD  
CASE OF ABHISHEKV/S AEGON LIFE INSURANCE CO. LTD.  
COMPLAINT REF NO: NOI-L-001-2122-986**

**AWARD NO:**

1.	<b>Name &amp; Address of the Complainant</b>	Mr. Abhishek Balmiki Basti Debband Saharanpur UP 247554
2.	<b>Policy No: Type of Policy Duration of policy/Policy period</b>	CHQG00000000001 4 Days 30DAYS
3.	<b>Name of the insured Name of the policyholder</b>	<b>Mr. Surendra Mr. Surendra</b>
4.	<b>Name of the insurer</b>	<b>Aegon Life Insurance CO.</b>
5.	<b>Date of Rejection</b>	<b>24-12-2021</b>
6.	<b>Reason for rejection</b>	<b>Repudiation on the basis of PED</b>
7.	<b>Date of receipt of the Complaint</b>	<b>30-12-2022</b>
8.	<b>Nature of complaint</b>	<b>Death Claim not paid</b>
9.	<b>Amount of Claim</b>	
10.	<b>Date of Partial Settlement</b>	<b>Nil</b>
11.	<b>Amount of relief sought</b>	
12.	<b>Complaint registered under IOB rules</b>	<b>Yes</b>
13.	<b>Date of hearing/place</b>	<b>12-04-2022/ NOIDA</b>
14.	<b>Representation at the hearing</b>	
	<b>a) For the Complainant</b>	<b>Mr. Abhishek</b>
	<b>b) For the insurer</b>	<b>Mr. Ajinkya Deshmukh</b>
15.	<b>Complaint how disposed</b>	<b>Award</b>
16.	<b>Date of Award/Order</b>	<b>28.04.2022</b>

**17. Brief Facts of the case:** The complainant's father had purchased the above policy. He died at his residence. When the complainant submitted the claim forms, the insurance company repudiated the death claim. He applied to the insurer on 22-12-2021 for settlement of death claim.

**18. Cause of the complaint:**

**A. Complainant argument:** The complainant stated that his father Mr. Surendra purchased this policy on 2-06-2021. He died on 2-07-2021 due to sudden heart attack. The complainant stated that his father was working as sweeper with Municipal Corporation at Dev Band Saharanpur from last 15 years. He was not having any health problem. The complainant submitted claim paper to the insurance company but they repudiated the claim stating that the assured was suffering from cancer. The complainant submitted their request to Claim review committee but they did not reply. He has requested to our office that claim should be paid to him.

**B. Insurer's argument:** The insurer sent us SCN with copy of proposal form and investigation report. The complainant's father Mr. Surendra died within 1 month of purchasing the policy. The Investigation Office visited the complainant's residence and met neighbors where they said that insured was suffering from mouth cancer from past 1.5 years and he was taking treatment from Ram Manohar Lohiya Hospital Delhi. The insured initially took treatment from local quacks and no treatment record is available. The officer has submitted the details of insured at Ram Manohar Lohiya Hospital and trying to procure the treatment record to substantiate the findings of the case. Despite multiple follow up with MRD incharge in relation to the treatment of insured the MRD incharge searched record with the help of personal details as the records are kept manually but could not be found record matching with the assured. Therefore pre policy treatment record could not be obtained from this hospital.

**19. Reason for Registration of Complaint:** Scope of Insurance Ombudsman Rule 2017.

**20. Following documents were placed for perusal:**

- a) Complaint Letter
- b) Proposal papers
- c) Death Certificate
- d) SCN / IR

**21. Observation and conclusion** Both the parties appeared for online hearing and reiterated their submissions. This was an early claim, so investigation was done and insurer declared that assured was suffering from mouth cancer before 1 ½ year of purchasing the policy and repudiated the claim. The insurance company submitted the investigation report wherein the investigation officer collected information from neighbors, who informed about the assured taking treatment from Ram Manohar Lohia Hospital Delhi. The officer went to the concerned hospital and made all efforts by meeting the MRD incharge of the department but during checking no matching details with assured could not be traced. The complainant contended that his father was a Government employee, working with Municipal Department. The insurer asked time for collection and submission of the evidence, and the insurer was advised to produce the papers at the earliest but within 10 days of the hearing. But even after 10 days the insurer could not produce any proof of cancer/ treatment of the disease.

I have examined the documents exhibited as evidence and oral submissions made by both the parties. The insurer has submitted investigation report and the repudiation of the claim was on the basis of neighbors' statements which is hardly any evidence. The insurer was given time for submitting the evidence, but the insurer failed to submit any document to prove non disclosure of PED by assured. Hence, the insurer is directed to settle the death claim in favor of the complainant under intimation to this forum.

**AWARD**

**Taking into account the facts and circumstances of the case and the submission made by both the parties during the course of hearing, the insurance company is directed to settle the claim in favor of the complainant.**

**The complaint is disposed off accordingly.**

**22.If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.**



**23. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:**

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.  
Dated: 28.04.2022

**C.S. PRASAD  
INSURANCE OMBUDSMAN  
(WESTERN U.P. & UTTARAKHAND)**

**PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES 2017  
OMBUDSMAN – SHRI C. S. PRASAD  
CASE OF PRIYA V/S BHARTI AXA LIFE INSURANCE CO. LTD.  
COMPLAINT REF NO: NOI-L-008-2122-0982**

**AWARD NO:**

1.	Name & Address of the Complainant	Mrs. Priya Gali no-2 Purana Khamba Bagpat UP- 250609
2.	Policy No: Type of Policy Duration of policy/Policy period	502-1867527 LIFE 5 months
3.	Name of the insured Name of the policyholder	Mr. Rakesh Mr. Rakesh
4.	Name of the insurer	Bhart Axa Life Insurance CO.
5.	Date of Rejection	No reply
6.	Reason for rejection	Repudiation on the basis of PED
7.	Date of receipt of the Complaint	30-12-2021
8.	Nature of complaint	Death Claim not paid
9.	Amount of Claim	
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	
12.	Complaint registered under IOB rules	Yes
13.	Date of hearing/place	25-04-2022/ NOIDA
14.	Representation at the hearing	
	a) For the Complainant	Absent
	b) For the insurer	Mr. Harpal singh
15.	Complaint how disposed	Dismissed
16.	Date of Award/Order	28.04.2022

**17. Brief Facts of the case:** The complainant's husband had purchased the above policy. He died at his residence. When the complainant submitted the claim forms, the insurance company repudiated the death claim. She applied to the insurer on 29-12-2021 for settlement of death claim.

**18. Cause of the complaint:**

**Complainant argument:** The complainant stated that her husband Mr. Rakesh purchased this policy on 28-12-2020. He died on 20-05-2021 due to sudden heart attack. The complainant submitted claim paper to the insurance company but they repudiated the claim stating that the assured was suffering from tongue cancer. The complainant submitted their request to claim review committee but they did not reply. She has requested to our office that claim should be paid to her.

**Insurer's argument:** The insurer sent us SCN with copy of proposal form and investigation report. The complainant's husband Mr. Rakesh died within 5 months of purchasing the policy. As per investigation report when the officer tried to reach the residence of assured/ complainant he could not find the location mentioned in the aadhar card Nobody of that location could recognise the life assured. The assured declared himself as self employed and had annual income of Rs 4 lacs but no such information could be collected. The complainant was asked to submit the current residential address proof but that was not submitted to the insurance company by the complainant. Even the assured other policy with PNB Metlife was also declared null and void. The identity of the assured could not be identified so the insurer repudiated the claim.

**19. Reason for Registration of Complaint:** Scope of Insurance Ombudsman Rule 2017.

**20. Following documents were placed for perusal:**

- a) Complaint Letter
- b) Proposal papers
- c) Death Certificate
- d) SCN / IR

**21. Observation and conclusion:-** The complainant was not available on the registered contact numbers and was absent on the hearing date. The insurer attended the hearing and argued that being a very early claim the investigation was done at their end. As per investigation report ,the investigation officer tried to reach at given address for enquiry but was not able to find exact address and complainant could not be connected on the registered mobile number also. The officer reached at other address given in Aadhar card but no one could recognize the photo of Mr. Rakesh, husband of the complainant. The DLA was a self employed person doing cloth washing job, not under any employer so there was no chance to trace from his working place also. As per insurer the identity of the life assured could not be established.

I have examined the documents exhibited as evidence and oral submissions made by both the parties. The circumstances of the case and documents submitted do create a reasonable suspicion about the identity of the life assured. The insurer has confirmed that they have filed an FIR with the police authority of that area. To ascertain the exact identity of the deceased, the case needs to be thoroughly investigated, which is beyond the jurisdiction of this office. The complaint is dismissed.

**22. If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.**

Place: Noida.  
Dated: 28.04.2022

C.S. PRASAD  
INSURANCE OMBUDSMAN  
(WESTERN U.P. & UTTARAKHAND)

**ROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES 2017  
OMBUDSMAN – SHRI C. S. PRASAD  
CASE OF OMWATI VERMA V/S BAJAJ ALLIANZ LIFE INSURANCE CO. LTD.  
COMPLAINT REF NO: NOI-L-006-2122-1030**

**AWARD NO:**

1.	Name & Address of the Complainant	Mrs. Omwati Verma Pushp Vihar Colony , Mathura Road Aligarh U. P. - 202001
2.	Policy No: Type of Policy Duration of policy/Policy period	0412387012 LIFE 4 Months
3.	Name of the insured Name of the policyholder	Mr. Rajesh Kumar Verma Mr. Rajesh Kumar Verma
4.	Name of the insurer	Bjaj Allianz Life Insurance CO.
5.	Date of Rejection	25-06-2021
6.	Reason for rejection	Pre existing disease
7.	Date of receipt of the Complaint	23-12-2021
8.	Nature of complaint	Death claim not paid
9.	Amount of Claim	
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	
12.	Complaint registered under IOB rules	Yes
13.	Date of hearing/place	12-04-2022/ NOIDA
14.	Representation at the hearing	
	a) For the Complainant	Mrs. Omwati
	b) For the insurer	Mrs. Swati Seth
15.	Complaint how disposed	Dismissed
16.	Date of Award/Order	28.04.2022

**17. Brief Facts of the case:** The complainant's husband had purchased the above policy. He died at his residence. When the complainant submitted the claim forms, the insurance company repudiated the death claim. She applied to the insurer on 24-10-2021 for settlement of death claim.

**18. Cause of the complaint:**

**Complainant argument:** The complainant stated that her husband Mr. Rajesh Kumar Verma purchased this policy on 25-08-2020. He died on 1-01-2021 due to sudden heart attack. When the complainant submitted claim paper to the insurance company they repudiated the claim stating the death certificate was fake, but the complainant stated that this is not correct , she has submitted proper death certificate and wants that the verification of death certificate is to be done and claim to be paid to her.

**Insurer's argument:** The insurer sent us SCN with copy of proposal form, death certificate investigation report. As per repudiation letter the claim was repudiated with allegation of fake death

certificate , but in SCN the insurer did not pick the issue about death certificate ,but have submitted the investigation report wherein the insurer wanted to clear that assured had cancer before purchasing the policy. The insurer has attached treatment papers of SNMC Agra and it was mentioned there that in the test on 13/08/2020 it was detected that assured had poorly differentiated squamous cell Ca, the assured was in habit of chewing 10 packets of tobacco since last 25 years. The assured was under treatment of cancer from AMU for past one year. The fact about suffering from cancer was deliberately and fraudulently suppressed in the proposal papers.

**19. Reason for Registration of Complaint:** Scope of Insurance Ombudsman Rule 2017.

**20. Following documents were placed for perusal:**

- a) Complaint Letter
- b) Proposal papers
- c) Death Certificate
- d) SCN / IR

**21. Observation and conclusion:-** Both the parties appeared for online hearing and reiterated their submissions. The complainant stated that the insurance company has not paid the death claim of her husband with allegation of fake death certificate. The insurer stated their investigation officer during enquiry came to know that the date of death in death certificate and village record were different so they had repudiated the claim and were trying to get the certificate corrected, but during further investigation they found that the assured was suffering from tongue cancer before purchasing the policy . The insurer submitted all supporting papers with treatment papers of Medanta Hospital where assured was last treated in December 2020. In the treatment papers, it was mentioned that assured was treated for ca tongue on 13-08-2020 at SNMC Agra and squamous cell of cancer were detected. It was also mentioned there that the assured was in habit of chewing 10 tobacco packets daily from last 25 years. There was a specific question in the proposal form, he was asked whether he had consumed tobacco in any form in last 5 years, in reply the assured wrote "NO" and this fact of giving correct information which affects the assured's health is important factor for underwriting of the policy , and hence they say that repudiation of the case is correct action at their end.

I have examined the documents exhibited as evidence and oral submissions made by both the parties. As per investigation report and treatment papers, it is evident that the assured was suffering from tongue cancer before purchasing the policy. Since the treatment papers of the hospital suggest that assured was under treatment before purchasing the policy and did not disclose the fact while purchasing the policy, which is a breach of contract. Hence the insurer's decision to repudiation of the claim is justified and the complainant's is dismissed.

**22.If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.**

**Place: Noida.**  
**Dated: 28.04.2022**

**C.S. PRASAD**  
**INSURANCE OMBUDSMAN**  
**(WESTERN U.P. & UTTARAKHAND)**

**PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES 2017  
OMBUDSMAN – SHRI C. S. PRASAD  
CASE OF SAVITRI SINGH V/S BIRLA SUN LIFE INSURANCE CO. LTD.  
COMPLAINT REF NO: NOI-L-009-2122-1032**

**AWARD NO:**

1.	Name & Address of the Complainant	Mrs. Savitri Singh 570 Civil Lines-1 Near Cane society Bijnor U.P.- 246701
2.	Policy No: Type of Policy Duration of policy/Policy period	008079454 LIFE 1 year
3.	Name of the insured Name of the policyholder	Mr. Hari Singh dadriwal Mr. Hari Singh dadriwal
4.	Name of the insurer	Birla Sun Life Insurance CO.
5.	Date of Rejection	27-12-2021
6.	Reason for rejection	Repudiation on the basis of PED
7.	Date of receipt of the Complaint	16-02-2021
8.	Nature of complaint	Death Claim not paid
9.	Amount of Claim	
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	
12.	Complaint registered under IOB rules	Yes
13.	Date of hearing/place	25-04-2022/ NOIDA
14.	Representation at the hearing	
	a) For the Complainant	Mrs. Savitri Singh
	b) For the insurer	Mrs. Aakriti Minocha
15.	Complaint how disposed	Dismissed
16.	Date of Award/Order	28.04.2022

**17. Brief Facts of the case:** The complainant's husband had purchased the above policy. He died after running the policy for one year. When the complainant submitted the claim forms, the insurance company repudiated the death claim. She applied to the insurer on 25-12-2021 for settlement of death claim.

**18. Cause of the complaint:**

**Complainant argument:** The complainant stated that her husband Mr. Hari Singh Dadriwal purchased this policy on 23-1-2020. An insurance agent visited their house for business promotion of the company Birla Sun Life. He showed his I card to them. Her husband was 67 years old and he was suffering from BP, diabetes and chronic Kidney disease . Her husband explained about all his health

issues to the agent, who convinced him that an insurance policy was there which was for senior citizens and was suitable to her husband. Her husband deposited three half yearly premiums of Rs 50000/- each. Her husband expired on 1-02-2021. She had submitted the claim papers with the insurance company but they repudiated the claim for non disclosure of PED. The complainant stated that they had told all health issues to the insurance company employee and he had filled the proposal form for them . They were not aware that the health issues told were not mentioned in the proposal form. Hence the complainant wants that claim amount should be paid to her. She has requested to our office that claim should be paid to her.

**Insurer's argument:** The insurer sent us SCN with copy of proposal form and treatment papers Mr. Hari Singh died after one year of purchasing the policy. As per treatment papers the assured was known case of HTN , DM CAD ( post CABG) CKD on HD as per medical documents. The complainant was having health issues before purchasing the policy. This fact was suppressed in the proposal form . Since non disclosure is a breach of contract so they had repudiated the claim.

**19. Reason for Registration of Complaint:** Scope of Insurance Ombudsman Rule 2017.

**20. Following documents were placed for perusal:**

- a) Complaint Letter
- b) Proposal papers
- c) Death Certificate
- d) SCN / IR

**21. Observation and conclusion:-** Both the parties appeared for hearing at Ombudsman office and reiterated their submissions. The complainant argued that her husband was 67 years old at the time of purchasing the policy, and agent told him that this was a special plan for senior citizen. Her husband told his all health issues to the agent ,and the agent had filled in the form for her husband. Her husband fell sick, was admitted to hospital and expired on 1-02-2021. The insurance company repudiated the death claim with allegation that pre existing diseases were not disclosed in proposal form. The insurance company has submitted the treatment papers of the life assured wherein he was a known case of HTN , DM CAD ( post CABG) CKD , and was under treatment for the same form a long time. The complainant has admitted that assured was having different health issues and they did not hide anything from the person who visited them for selling the policy. The insurer stated that their company had sent the copy of proposal form along with the policy document to the policy holder. The Life assured was an educated person, and this was his responsibility to read the papers received, and during period of 1 ½ years period, he could have visited the insurance office for correction in the papers with correct details. The insurer stated that if the health issues were mentioned in the proposal form they could have rejected the proposal.

I have examined the documents exhibited as evidence and oral submissions made by both the parties. As per investigation report and treatment papers, it is evident that the assured was suffering from multiple health issues before purchasing the policy. The treatment papers of the hospital suggest that assured was under treatment before purchasing the policy and did not disclose the facts , which is a breach of contract. Hence, the insurer's decision to repudiation of the claim is justified and the complainant's is dismissed.

**22. If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.**

Place: Noida.  
Dated: 27.04.2022

C.S. PRASAD  
INSURANCE OMBUDSMAN  
(WESTERN U.P. & UTTARAKHAND)

**PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. & UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES, 2017  
OMBUDSMAN – SHRI C.S. PRASAD  
CASE OF MS. SUKHWINDER KAUR V/S KOTAK MAHINDRA LIFE INS. CO. LTD.  
COMPLAINT REF: NOI-L-026-2122-1028**

**AWARD NO:**

1.	<b>Name &amp; Address of Complainant</b>	Ms. Sukhwinder Kaur, W/O Shri Pooran Singh, Banna Khera, Udhamsingh Nagar – 262401 U.K.
2.	<b>Policy No.:</b> <b>Type of Policy :</b> <b>Date of policy issuance -</b> <b>Duration of policy/Policy period</b>	GH000254 GROUP 24.03.2021 12 Years
3.	<b>Name of the Insured</b> <b>Name of the Policyholder</b>	Shri Pooran Singh Pay Point India Network Pvt. Ltd.
4.	<b>Name of the Insurer</b>	Kotak Mahindra Life Ins. Co. Ltd.
5.	<b>Date of Repudiation/Rejection</b>	15.12.2021
6.	<b>Reason for Rejection</b>	Member was suffering from Cancer prior to signing the DOGH.
7.	<b>Date of Receipt of the Complaint</b>	16.02.2022
8.	<b>Nature of Complaint</b>	Group Insurance death claim repudiation
9.	<b>Amount of Claim</b>	Rs. 2,00,000/-
10.	<b>Date of Partial Settlement</b>	Nil
11.	<b>Amount of Relief Sought</b>	Rs. 2,00,000/-
12.	<b>Complaint Registered under IOB Rules</b>	YES
13.	<b>Date of Hearing/Place</b>	19.04.2022/Online
14.	<b>Representation at the Hearing</b>	
	a) For the Complainant	Absent (emiled & SMS sent on 18.4.2022)
	b) For the insurer	Sh. Manish Mittal
15.	<b>Complaint How Disposed</b>	Award
16.	<b>Date of Award/Order</b>	25.04.2022

**17) Brief Facts of case:** This is a complaint filed by Smt. Sukhwinder Kaur, nominee for Group Insurance Death claim repudiation. The Policy was issued in the name of Pay Point India Network Pvt. Ltd. on 24.03.2021 for Group Insurance on the life of Shri Pooran Singh. The complainant submitted the death claim papers dated 27.7.2021 but the claim was repudiated by the company vide letter dated 15.12.2021 on the grounds that member was suffering from Cancer prior to signing the DOGH.

**18) Cause of Complaint**

**Complainant's argument:** This is a complaint filed by Smt. Sukhwinder Kaur, nominee for Group Insurance Death claim repudiation. The Policy was issued in the name of Pay Point India Network Pvt. Ltd. on 24.03.2021 for Group Insurance on the life of Shri Pooran Singh. The complainant submitted the death claim papers dated 27.7.2021 but the claim was repudiated by the company vide letter dated 15.12.2021 on the grounds that member was suffering from Cancer prior to signing the DOGH. The complainant has stated that the person who investigated demanded Rs. Ten thousand which she was not in position to give hence he said that the claim will be rejected.

**Insurers' argument:** Insurer vide SCN dated 04.03.2022 has submitted that the company has an arrangement with Pay Point India Network Pvt. Ltd. whereby any person who is medically fit taking any services from Pay Point India Network Pvt. Ltd. can avail Life cover under the group insurance policy and the life to be assured becomes the member. It is also submitted that the member has to provide a digital declaration of good health on 24.03.2021. The company received death claim initiation on 21.9.2021 that the member had expired on 27.3.2021 i.e. within 3 days from the date of issuance of insurance cover. From the investigation, it was found that the member at the time of signing the Digital DOGH, did not disclose the correct information about his health and he deliberately failed to disclose that he was suffering from Cancer. The claim was repudiated by the company vide letter dated 15.12.2021.

**19) Reason for Registration of Complaint:** Scope of the Insurance Ombudsman Rules 2017.

**20) The following documents are placed for perusal :**

- a) Complaint letter along with supporting papers.
- b) Rejection Letter from the Insurer.
- c) Copy of Policy Bond
- d) SCN.

**21) Observations and Conclusion :** The complainant was absent in the online hearing whereas the representative of company attended the online hearing on 19.04.2022 and reiterated his submissions. The representative stated that from the investigation, it was found that at the time of signing the Digital DOGH, the LA did not disclose the correct information about his health and he deliberately failed to disclose that he was suffering from Cancer. Thus the death claim was repudiated. However, no evidence was found in investigation.

However, in order to resolve the grievance equitably, the insurer was asked to review the case and intimate their position to this forum.

The Insurer has communicated that they are ready to settle the matter by paying sum assured subject to the nominee furnishing an affidavit that the life insured was not suffering from any disease. However, if the company finds any contrary evidence subsequently, then they will have the right to recover the amount. It was also requested to allow 30 days for settlement after receipt of the affidavit.

In view of non attendance of the complainant, the offer given by the insurer seems just and fair.

Insurer is advised to act as proposed by contacting the complainant.



**AWARD**

Taking into account the facts and circumstances of the case and the submissions made by insurer during the course of hearing, The complainant is advised to submit the desired affidavit and insurer is directed to settle the death claim within 30 days from the date of receipt of the affidavit from complainant.

The complaint is treated as closed accordingly.

22. If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.

23. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.  
Dated: 25.04.2022

**C.S. PRASAD  
INSURANCE OMBUDSMAN  
(WESTERN U.P. & UTTARAKHAND)**

**PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. & UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES, 2017  
OMBUDSMAN – SHRI C.S. PRASAD  
CASE OF MS. NEETU V/S HDFC LIFE INS. CO. LTD.  
COMPLAINT REF: NOI-L-019-2122-0958**

**AWARD NO:**

1.	Name & Address of Complainant	Ms. Neetu, W/O Shri Anjesh, VPO Tipra, Distt. Saharanpur – 247451 U.P.
2.	Policy No.: Type of Policy : Date of policy issuance - Duration of policy/Policy period	IF000130 GTI 07.09.2019 GTI
3.	Name of the Insured	Shri Mangeram

	<b>Name of the Policyholder</b>	<b>Paisabazaar Marketing &amp; Consulting Pvt. Ltd.</b>
<b>4.</b>	<b>Name of the Insurer</b>	<b>HDFC Life Ins. Co. Ltd.</b>
<b>5.</b>	<b>Date of Repudiation/Rejection</b>	<b>22.10.2021</b>
<b>6.</b>	<b>Reason for Rejection</b>	<b>L.A. died prior to policy issuance. Death certificate itself has been forged.</b>
<b>7.</b>	<b>Date of Receipt of the Complaint</b>	<b>01.02.2022</b>
<b>8.</b>	<b>Nature of Complaint</b>	<b>Death claim repudiated</b>
<b>9.</b>	<b>Amount of Claim</b>	<b>Rs. 25,00,000/-</b>
<b>10.</b>	<b>Date of Partial Settlement</b>	<b>Nil</b>
<b>11.</b>	<b>Amount of Relief Sought</b>	<b>Rs. 25,00,000/-</b>
<b>12.</b>	<b>Complaint Registered under IOB Rules</b>	<b>YES</b>
<b>13.</b>	<b>Date of Hearing/Place</b>	<b>19.04.2022/Online</b>
<b>14.</b>	<b>Representation at the Hearing</b>	
	<b>a) For the Complainant</b>	<b>Ms. Neetu</b>
	<b>b) For the insurer</b>	<b>Shri Aakash Sharma/Sudhir Sharma</b>
<b>15.</b>	<b>Complaint How Disposed</b>	<b>Dismissed</b>
<b>16.</b>	<b>Date of Award/Order</b>	<b>28.04.2022</b>

**17) Brief Facts of case:** This is a complaint filed by Ms. Neetu against the insurer for Death claim repudiation. The Policy was issued on 07.09.2019 under GTI-EGT for Rs. 25,00,000/- Sum Assured on the life of Shri Mangeram. The death occurred on 29.09.2019 and claim was filed vide documents dated 20.04.2021. The death claim was repudiated vide company letter dated 22.10.2021. The policyholder requested for review of claim vide letter dated 10.11.2021.

**18) Cause of Complaint**

**Complainant's argument:** This is a complaint filed by Ms. Neetu against the insurer for Death claim repudiation. The Policy was issued on 07.09.2019 under GTI-EGT for Rs. 25,00,000/- Sum Assured on the life of Shri Mangeram (Brother). The complainant told that the death claim was filed vide documents dated 20.4.2021 but the company repudiated the claim and informed vide company letter dated 22.10.2021 that investigations have established that Life Assured died prior to policy issuance. The complainant had stated that her brother died due to high fever on 29.9.2019 also requested the company for review of claim vide letter dated 10.11.2021.

**Insurers' argument:** Insurer vide SCN dtd. 29.03.2022 has submitted that the said policy was purchased online through Paisabazar by the member named late Shri Mangeram. The company received duly signed claim form on 14.05.2021 through nominee. The company conducted the Investigation wherein it was revealed that the death of the policyholder took place before policy issuance i.e. 07.09.2019 and the policy was issued on the basis of false information with an intention to defraud the insurer with malicious intention. The nominee has herself in a video recording and written statement made it clear that LA has been expired prior Raksha Bandhan of 2019 i.e. 15.8.2019 whereas the policy has been purchased on 7.9.2019. This point makes it clear that this a case of pre-policy in which setters are involved who had taken this policy by presenting fake documentation and false information. On the basis of findings, company repudiated the claim considering it to be non discloser. The investigations have established that the LA died prior to issuance of policy. The agreement between HDFC Life and Paisabazar wherein it clearly mentioned that claim arising out of incorrect data regardless of intentional or unintentional errors will not be payable by the insurer.

**19) Reason for Registration of Complaint:** Scope of the Insurance Ombudsman Rules 2017.

**20) The following documents are placed for perusal :**

- a) Complaint letter along with supporting papers.
- b) Rejection Letter from the Insurer.
- c) Copy of Policy Bond
- d) SCN

**21) Observations and Conclusion :** Both the parties attended the online hearing on 19.04.2022 and reiterated their submissions. The complainant said that the death claim was filed vide documents dated 20.4.2021 but the company repudiated the claim and informed vide their letter dated 22.10.2021. The complainant has stated that her brother died due to high fever on 29.9.2019 and requested the company for review of claim vide letter dated 10.11.2021. The company representative stated that the said policy was purchased online through Paisabazar by the member named late Shri Mangeram. The company received duly signed claim form on 14.05.2021 through nominee. The company conducted the Investigation wherein it was revealed that the death of the policyholder took place before policy issuance i.e. 07.09.2019, and the policy was issued on the basis of false information with an intention to defraud the insurer. The nominee has herself in a video recording and written statement made it clear that LA had expired prior to Raksha Bandhan of 2019 i.e. 15.8.2019 whereas the policy had been purchased on 7.9.2019. This point makes it clear that this a case of pre-policy death in which setters are involved who had taken this policy by presenting fake documentation and false information. On the basis of findings, company repudiated the claim considering it to be non disclosure. The company has now informed vide their email dated 28.4.2022 that they have filed an FIR before Police Incharge, Rampur Distt. Saharanpur (UP).

Under the circumstances of the case the complaint is dismissed.

**22) If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.**

**Place: Noida.  
Dated: 28.04.2022**

**C.S. PRASAD  
INSURANCE OMBUDSMAN  
(WESTERN U.P. & UTTARAKHAND)**

**PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. & UTTARAKHAND  
UNDER INSURANCE OMBUDSMAN RULES, 2017  
OMBUDSMAN – SH. C.S.PRASAD  
CASE OF MS. SHIVANI SAINI V/S HDFC LIFE INS. CO. LTD.  
COMPLAINT REF: NOI-L-019-2122-1072**

**AWARD NO:**

1.	Name & Address of Complainant	Ms. Shivani Saini, M-85, Sector 12, Pratap Vihar, Ghaziabad – 201009 UP
2.	Policy No.: Type of Policy : Date of policy issuance - Duration of policy/Policy period	PP000288 LIFE 27.11.2020 06 Years
3.	Name of the Insured Name of the Policyholder	Shri Sushil Kumar Saini HDFC Ltd.
4.	Name of the Insurer	HDFC Life Ins. Co. Ltd.
5.	Date of Repudiation/Rejection	28.01.2022
6.	Reason for Rejection	Life Assured was suffering from Hypertension prior to issuance of policy.
7.	Date of Receipt of the Complaint	22.02.2022
8.	Nature of Complaint	Death Claim Repudiation
9.	Amount of Claim	Rs. 27,00,644/-
10.	Date of Partial Settlement	Nil
11.	Amount of Relief Sought	Rs. 27,00,644/-
12.	Complaint Registered under IOB Rules	YES
13.	Date of Hearing/Place	19.04.2022/Online
14.	Representation at the Hearing	
	a) For the Complainant	Ms. Shivani Saini
	b) For the insurer	Shri Aakash Sharma/Sudhir Singh
15.	Complaint How Disposed	Dismissed
16.	Date of Award/Order	28.04.2022

**17) Brief Facts of case:** This is a complaint filed by Ms. Shivani Saini against the insurer for death claim repudiation of her husband Late Shri Sushil Kumar Saini. The Policy was issued on 27.11.2020 under HDFC Life Group Credit Protect Plus. The company repudiated the claim on the grounds of non disclosure of marital fact. The death claim was filed in Aug. 2021 and rejected in Nov. 2021.

**18) Cause of Complaint**

- A. **Complainant's argument:** This is a complaint filed by Ms. Shivani Saini against the insurer for death claim repudiation. The complainant has stated that she had a joint loan account with her husband and took Rs. 27,00,644/- loan from HDFC. The Bank offered insurance to cover loan. Last year, her husband contacted with COVID 19 and could not survive. The insurance claim was filed in Aug. 2021 but response came in Nov. 2021 and the claim was rejected on 28.1.2022.

B. **Insurers' argument:** Insurer vide SCN dated 08.04.2022 has submitted that the policies were issued on the basis of an application for insurance from the complainant. The policy was issued on the basis of an online process and submission of MIF/MID & KYC Documents submitted by the policy holder. The company received claim form along with relevant documents and. The company conducted the investigation and in the course of investigation and perusal of medical documents/reports and death summary, the Life assured was suffering from Hypertension for 10 years. It is further pertinent to mention that the LA has pre existing issuance policy from ICICI Lombard which was not disclosed at the time of policy inception. The company repudiated the claim conserving it to be non discloser. The investigations have established that the LA was suffering from disease which is prior to issuance of the policy. Non discloser of material fact entitles the Insurance company to repudiate the claim.

**19) Reason for Registration of Complaint:** Scope of the Insurance Ombudsman Rules 2017

**20) The following documents are placed for perusal :**

- a) Complaint letter along with supporting papers
- b) Rejection Letter from the Insurer
- c) Copy of Policy Bond
- d) SCN.

**21) Observations and Conclusion :** Both the parties attended the online hearing on 19.04.2022 and reiterated their submissions. The complainant has stated that she had a joint loan account with her husband and took Rs. 27,00,644/- loan from HDFC. The Bank offered insurance to cover loan. Last year, her husband succumbed to COVID. The insurance claim was filed in Aug. 2021 but the claim was rejected on 28.1.2022. The company representative stated that the policy was issued on the basis of an application for insurance from the complainant. The policy was issued on the basis of an online process and submission of MIF/MID & KYC Documents submitted by the policy holder. The company received claim form along with relevant documents. The company conducted the investigation and in the course of investigation, perusal of medical documents/reports and death summary, the Life assured was suffering from Hypertension for 10 years. It is further pertinent to mention mere that the LA has pre existing issuance policy from ICICI Lombard which was not disclosed at the time of policy inception. The company repudiated the claim considering it to be non disclosure. The investigations have established that the LA was suffering from disease which is prior to issuance of the policy. Non disclosure of material fact entitles the Insurance company to repudiate the claim.

It is observed that the insurer, during investigation could obtain indisputable proof of pre existing illness of the deceased insured (certificate from Dr. Deepak Sharma, MBBS, MD certifying that Shri Susheel Kumar Saini had been suffering from Hypertension. He was taking treatment for last 10 years. He was prescribed medicines) The disclosure of which would have impacted the grant of insurance to the deceased. Insurer's action is justified as per Section 45 of Insurance Act.

I find no merit in the complaint. Hence the complaint is dismissed.

**22. If the decision of the Forum is not acceptable to the Complainant, he/she is at liberty to approach any other Forum/Court as per laws of the land against the respondent Insurer.**

Place: Noida.

Dated: 28.04.2022

**C.S. PRASAD  
INSURANCE OMBUDSMAN  
(WESTERN U.P. & UTTARAKHAND)**

PROCEEDINGS OF THE INSURANCE OMBUDSMAN, CHANDIGARH  
(Under Rule 13r/w 17of the Insurance Ombudsman Rules, 2017)

Ombudsman: Shri Atul Jerath

Case of Chanchala Devi V/S LIC of India  
Complaint Ref. No.: CHD-L-029-2122-1691

1.	Name & Address of the Complainant	Smt. Chanchala Devi, W/o Late Sh. Kaushal Singh, Village- Bihala, PO- Paplah, Tehsil- Palampur, Distt. Kangra, Himachal Pradesh-176073
2.	Policy No: Type of Policy Duration of policy/Policy period	155667924/28.02.2017 LIC's 836-16-10, SA- Rs. 300000/- Rs. 30298/- Yearly
3.	Name of the insured Name of the policyholder	Kaushal Singh, (H/o the Complainant) Kaushal Singh
4.	Name of the insurer	LIC of India
5.	Date of Repudiation	17.12.2018
6.	Reason for repudiation	Suppression of material facts
7.	Date of receipt of the Complaint	17.01.2022
8.	Nature of complaint	Death Claim wrongly repudiated
9.	Amount of Claim	Rs. 300000/-
10.	Date of Partial Settlement	NIL
11.	Amount of relief sought	Death Claim payable under the policy
12.	Complaint registered under Rule no. of IO Rules 2017	13(1)(b)- any partial or total repudiation of claims by the life insurers
13.	Date & Place of Hearing	22.04.2022/ online hearing
14.	Representation at the hearing	
	For the Complainant	Smt. Chanchala Devi, the Complainant
	For the Insurer	Smt. Neelam Rane, Manager(CRM) DO Shimla
15.	Complaint how disposed	Award under rule 17
16.	Date of disposal	25.04.2022

**17. Brief Facts of the case:** Smt. Chanchala Devi (hereinafter, the Complainant) has filed this complaint against LIC of India (hereinafter, the Insurers) alleging denial of the death claim on the life of her husband Shri Kaushal Singh who was insured under policy bearing no. 155667924.

**18. Cause of Complaint:**

**a) Complainant's argument:** The Complainant's husband was insured under policy bearing no's 155667924 taken by him after his medical examination from by LIC authorized medical examiner. He felt chest pain and breathing problem few days before death. He consulted the ECHS clinic, Palampur where doctors finds nothing serious and discharged him same day with medicine and precaution advice. He reported heavy pain in the morning of 19.02.2018 and the

ECHS clinic referred him to Shree Bala Ji, Hospital, Kangra where doctors declared him dead in the evening following a heart attack during treatment in the ICU. The complainant has stated that her husband retired from Indian Army after successfully completion of 18 years service without any health complaint. After retirement from army he was doing farming in his fields. The complainant has state that the Insurers wrongly repudiate the claim by saying that her husband was suffering serious illness and was hospitalized for a long time for a major operation prior to having the said insurance policy. Feeling aggrieved with the Insurers, she has approached this forum to seek relief.

**b) Insurers' argument:** The Insurers have, vide SCN dated 16.03.2022, stated that Deceased Life Assured Shri Kaushal Singh purchased the subject Life Insurance policy on 28.02.2017 with sum assured Rs.300000/- T.T 836/16/10. As per policy records, nominee under the policy is Smt. Chanchala Devi wife of the deceased life Assured. The life assured died on 19.02.2018 and the death claim was filed with them by the nominee on 28.08.2018.

While examining the claim it was found that as per Form No. 3816 completed by Shree Balaji Hospital, Kangra, Life Assured was a known case of coronary artery disease post PCI (Percutaneous coronary intervention). As per report from ECHS polyclinic Palampur he was taking medicine since 29.11.2016 and was a known case of coronary artery disease since 2013. The Form No. 3784 completed by medical attendant of Shree Balaji Hospital, Kangra also shows the past history of illness. Hence life assured suppressed the material facts about his health in the proposal form at the time of taking this policy.

On the basis of the above facts the claim was repudiated on 17.12.2018. The complainant was given an opportunity to represent her case to our Zonal Manager and the address of the same was also given in our letter dated 17.12.2028. The claim was also represented to the Zonal Manager and the decision of the repudiating authority at Divisional office was uphold by the Zonal committee too.

**19. Reason for Registration of Complaint:** Death Claim wrongly repudiated

**20. The following documents were placed for perusal:**

- |                             |                                   |
|-----------------------------|-----------------------------------|
| a) Complaint to the Company | b) Copy of Policy Document        |
| c) Annexure VI-A            | d) Reply of the Insurance Company |

**21. Result of Personal hearing with both parties (Observations & Conclusion):**

Case called. Parties are present and recall their arguments as noted in Para 18 above.

During online hearing the complainant reiterated the contents of her complaint and contended that her husband reported heavy pain in the morning of 19.02.2018 and the doctors declared him dead in the evening following a heart attack during treatment in the ICU. Her husband was enjoying the good health before this illness. She alleged that the death claim under the subject policy has been rejected by the Insurance Company wrongly.

The representative of the Insurers reiterated the contents of their SCN and submitted that the subject policy has run less than one year and comes into early claim category. As per form no. 3816 & 3784 completed by the Shree Balaji Hospital, Kangra and Dr. of the hospital who attendant the DLA respectively L A was taking medicine since 29.11.2016 and was a known case of coronary artery disease since 2013 but he did not disclose about his illness in the proposal

forms, hence the death claim is repudiated on the basis of supersession of material facts and all the money received by the corporation under the above said policy stands forfeited in terms of policy terms and conditions.

On perusal of the various documents available in the file including the copy of the complaint, SCN of the insurer and submissions made by both the complainant and the respondent Insurers, it has been observed that the death claim under the subject policy has been repudiated by the Insurers due to the fact that Life Assured was taking medicine since 29.11.2016 and was a known case of coronary artery disease since 2013 and he did not disclose these facts in proposal forms. On going through the treatment record of the Medical OPD of MH Hospital, Palampur dated 19.02.2018 it is clearly mentioned that life assured under the subject policy was a k/c/o CAD-P/PTCA (2013), poor compliance \* 2 years, whereas in the Proposal Forms for the subject policy signed by him on 28.02.2017, he had declared 'No' for all questions about his past ailments.

As such, this amounts to non-disclosure of material information and hence the Insurers were justified in repudiating the claim under the subject policy. Therefore the claim denial decision of the insurer under the circumstances is as per policy terms and conditions and does not warrant any interference. Accordingly the complainant is rejected being devoid of merits.

**Award**

Taking into account the facts & circumstances of the case and the submissions made by the Company during the course of hearing, there is no need for any interference and the complaint is dismissed.

Hence, the complaint is treated as closed.

(Atul Jerath)  
Insurance Ombudsman  
25<sup>th</sup> April, 2022

Copy to: 1) The Complainant.

2) The Insurance Company.



PROCEEDINGS OF THE INSURANCE OMBUDSMAN, CHANDIGARH  
(Under Rule 13 r/w 16 of The Insurance Ombudsman Rules, 2017)

Insurance Ombudsman: Shri Atul Jerath

Case of Saurabh Singla Vs HDFC Standard Life Insurance Company Ltd.

Complaint Ref. No.: CHD-L-019-2122-1808

1. Sh. Saurabh Singla filed a complaint in this office against HDFC Standard Life Insurance Company for nonpayment of death claim under policy bearing number PP000288.
2. This office pursued the case with the respondent insurance company vide letter dated 22.02.2022 and called the Self Contained note detailing the facts of the case and para wise comments of the complaint and the case was fixed for hearing on 29.04.2022.
3. Now, the respondent Insurance Company has informed this forum vide e-mail dated 25.04.2022 that the company has settled the death claim and paid the amount of Rs 1379612/- to the master policy holder vide UTR No. 202231383387 on 23.02.2022.
4. The complainant policy holder confirmed on calling at his registered mobile no. xxxxxx387 and also vide mail dated 22.04.2022 that he has received the amount and now nothing is outstanding.
5. In view of the above, no further action is required to be taken by this office and the complaint is closed.

(Atul Jerath)

Insurance Ombudsman

April 29, 2022

Copy to: 1) The Complainant.  
2) The Insurance Company.

<b>PROCEEDINGS BEFORE</b> <b>THE INSURANCE OMBUDSMAN, STATES OF A.P., TELANGANA &amp; YANAM</b> <b>(Under Rule 16(1)/17 of The Insurance Ombudsman Rules, 2017)</b>		
<b>OMBUDSMAN - SHRI N.SANKARAN</b>		
<b>Case between: Mrs.Reddaboina Kalyani.....Complainant</b> <b>Vs</b> <b>M/s Shriram Life Insurance Company Ltd.....Respondent</b> <b>Complaint Ref. No. HYD-L-043-2223-0020</b> <b>Award No. IO/HYD/A/LI/ 0004/2022-23</b>		
1.	Name & address of the Complainant	Mrs.Reddaboina Kalyani H.No.5-1-33, Golla Bazar, Dornakal, Mahabubabad Dist., Warangal – 506381. TELANGANA.
2.	Policy No./Collection No. DOC/DOD Type of Policy Policy term/Premium paying period	NNxxxxxxxx4363 17-12-2020/05-06-2021 Shriram Life Genius Assured Benefit Plan V02 14 Years/ 10 Years
3.	Name of the Policy holder	Late Mr.Reddaboina Upendar
4.	Name of the insurer	Shriram Life Insurance Company Ltd
5.	Date of Rejection by Insurer	15-11-2021
6.	Reason for Rejection	Suppression of material facts regarding pre-existing illness
7.	Date of Registration of the Complaint	08-04-2022
8.	Nature of complaint	Repudiation of death claim
9.	Amount of Claim	Rs.5,28,766/-

10.	Date of Partial Settlement	NIL
11.	Amount of Relief sought	Rs.
12.	Complaint registered under	Rule No 13 (1)(b) of Insurance Ombudsman Rules
13.	Date of hearing/place	28-04-2022/Hyderabad
14.	Representation at the hearing	
	a) For the complainant	Self
	b) For the insurer	Mrs.D.Swati, Dy.Manager, Legal
15.	Complaint how disposed	Disposed
16.	Date of Order/Award	28-04-2022

**17) Brief Facts of the Case:**

Mrs. Reddaboina Kalyani filed a complaint stating that death claim on her spouse's policy was rejected by Shriram Life Insurance Company. The complaint falls within the scope of the Insurance Ombudsman Rules, 2021 and so it was registered.

**18) Cause of Complaint:** Repudiation of death claim.

**(a) Complainant's argument:**

The complainant Mrs Reddaboina Kalyani submits that her spouse Late Reddaboina Upender has taken Shriram Life Genius Assured Benefit Plan V02 policy from Shriram Life Insurance Company. Unfortunately he passed away at home on 05-06-2021 due to heart attack. Complainant applied for claim, the insurance company rejected the same mentioning that the Life Assured had not disclosed ALD and he was on irregular treatment prior to the date of proposal i.e., 17-12-2020. Complainant approached Internal Claims Review Committee of the Insurance Company stating that her husband was not having any health issues, but the repudiation decision was upheld. Complainant states that her husband was hale and healthy at the time of taking the policy and requests for settlement of the claim.

**b) Insurer's argument:**

Insurer submitted self contained note vide e-mail dt.25/4/2022 denying all the allegations made by the complainant. The deceased life assured (DLA) Mr.Reddaboina Upender was issued policy on 17.12.2020 for a S.A. of Rs.2,11,000/- and death benefit being Rs. 5,29,188/- . Subsequently nominee intimated that the LA died on 5.6.2021. As claim arose within 5 months 19 days, claim investigation was done. Insurer submits that as per Out-patient record dt. 21.11.2020 of Sri Sai Maruti Laser, Laproscopic and Emergency Hospital, Khammam, DLA was suffering from pre-existing ailments of Alcoholic Liver Disease and had taken treatment for the same and Pedal Edema Bilaterally. DLA had not revealed the same at the time of proposal. Insurer repudiated the claim in view of the suppression of the material facts by DLA regarding the pre-existing illness in the proposal form.

**19) Reason for Registration of Complaint:-**Repudiation of death claim.

**20) The following documents were placed for perusal.**

- a) Request letter by complainant to Insurance Company.
- b) Policy schedule.
- c) Complaint letter

d) Self contained note by the Insurer.

**21) Result of hearing with both parties (Observations & Conclusion) :**

Pursuant to the notices issued by this office both parties attended the online hearing.

Late Mr.Reddaboina Upender had taken an insurance policy from Shriram Life Insurance Company Limited on 17-12-2020. Unfortunately he expired on 05-06-2021. His wife Mrs. R.Kalyani who was the nominee in the policy gave death intimation and requested the insurer to settle the death claim. However the insurer repudiated the claim stating that the DLA had suppressed material facts regarding his pre-existing illness of Acute Liver Disease and the treatment taken for the same, while proposing for life insurance.

In support of repudiation decision, Insurer submitted out-patient record of Sri Sai Maruti Laser, Laproscopic and Emergency Hospital, Khammam, dt. 21.11.2020 which reveals that the DLA had been suffering from pre-existing ailments of Alcoholic Liver Disease and had taken treatment for the same and Pedal Edema Bilaterally. The same was not disclosed in the proposal form.

A contract of Insurance is governed by the principle of 'Uberima fides'. In other words, it is a contract of utmost good faith wherein the life assured is duty bound to disclose all facts material to the contract while taking the policy. The insurer had repudiated the claim as it was found that DLA was suffering from Alcoholic Liver Disease and was under the treatment for the same, but did not furnish these facts in the proposal form, thus, suppressing material facts relating to his past medical history. The material suppression of health condition had come to the knowledge of the insurer at the time of investigation of the death claim. The records showed that the DLA had been suffering from pre-existing ailments of ALD and had taken treatment. In view of the above position, the forum concurs with the decision of the respondent insurer in repudiating the claim on the grounds of false as well as incorrect answers and non-disclosure of material facts in the proposal form for insurance.

As the repudiation of the claim is due to non-disclosure of material facts, considering the totality of the facts of the case, the insurer is directed to refund the premiums paid immediately.

**AWARD**

Taking into account the facts and circumstances of the case, the forum concurs with the decision of the insurer in repudiation of claim for the reason of non-disclosure of material facts of PED ie., ALD.

The insurance company shall refund immediately the premium paid.

**Dated at Hyderabad on the 28<sup>th</sup> day of April, 2022.**

**(N SANKARAN )  
INSURANCE OMBUDSMAN  
FOR THE STATES OF A.P.  
TELANGANA AND YANAM**

<b>PROCEEDINGS BEFORE</b>	
<b>THE INSURANCE OMBUDSMAN, STATES OF A.P., TELANGANA &amp; YANAM</b> <b>(Under Rule 16(1)/17 of The Insurance Ombudsman Rules, 2017)</b>	
<b>OMBUDSMAN - SHRI N.SANKARAN</b>	
<b>Case between: Mrs.Peruri Lakshmi.....Complainant</b> <b>Vs</b> <b>M/s Shriram Life Insurance Company Ltd.....Respondent</b>	
<b>Complaint Ref. No. HYD-L-043-2223-0019</b> <b>Award No. IO/HYD/A/LI/ 0005/2022-23</b>	
1.	Name & address of the Complainant          Mrs.Peruri Lakshmi H.No.4-2-137,2, Lankapeta, Sivaraopeta Bhimavaram,

		West Godavari – 534202. ANDHRA PRADESH.
2.	Policy No./Collection No. DOC/DOD Type of Policy Policy term/Premium paying period	NNxxxxxxxx1619 30-03-2020/ 29-07-2020 Shriram Life Assured Income Plan V02 10 Years/ 10 Years
3.	Name of the Policy holder	Late Mr.Naga Raju Peruri
4.	Name of the insurer	Shriram Life Insurance Company Ltd
5.	Date of Rejection by Insurer	09-06-2021
6.	Reason for Rejection	Suppression of material facts regarding pre-existing illness
7.	Date of Registration of the Complaint	08-04-2022
8.	Nature of complaint	Repudiation of death claim
9.	Amount of Claim	Rs.9,09,150/-
10.	Date of Partial Settlement	NIL
11.	Amount of Relief sought	Rs.
12.	Complaint registered under	Rule No 13 (1)(b) of Insurance Ombudsman Rules
13.	Date of hearing/place	28-04-2022/Hyderabad
14.	Representation at the hearing	
	a) For the complainant	Self
	b) For the insurer	Mrs.D.Swati, Dy.Manager, Legal
15.	Complaint how disposed	Disposed
16.	Date of Order/Award	28-04-2022

**17) Brief Facts of the Case:**

Mrs. Peruri Lakshmi filed a complaint stating that death claim on her spouse's policy was rejected by Shriram Life Insurance Company. The complaint falls within the scope of the Insurance Ombudsman Rules, 2021 and so it was registered.

**18) Cause of Complaint:** Repudiation of death claim.

**(a) Complainant's argument:**

The complainant Mrs. PERuri Lakshmi submits that her spouse Late Peruri Nagaraju had taken Shriram Life Assured Income Plan V02 Policy from Shriram Life Insurance Company. Unfortunately he passed away at home on 29-07-2020 due to fever, breathlessness, Acute Respiratory failure with cardiac arrest. Complainant applied for claim, the insurance company rejected the same for the reason that the Life Assured was suffering from Acute CKD and had taken treatment at the hospital, prior to the date of proposal ie., 21-03-2020. Complainant approached Internal Claims Review Committee of the Insurance Company, but did not receive any reply. Complainant states that her husband was not suffering from Acute CKD, not taken

any treatment at any hospital and not given any false or misleading information to the Insurance Company. She requests for settlement of the claim.

**b) Insurer's argument:**

Insurer submitted self contained note vide e-mail dt.25/4/2022 denying all the allegations made by the complainant. The deceased life assured (DLA) Mr. Peruri Nagaraju was issued policy on 30.03.2020 for a S.A. of Rs.5,70,000/-. On receipt of death intimation from the Nominee, insurer had entrusted for investigation as the claim has arose within 4 months of issuance of policy. Insurer submits that it was revealed that the DLA was suffering from pre-existing ailments of Acute Chronic Kidney Disease (CKD) and as per in-patient record, DLA was admitted on 11.7.2014 at Alluri Sita Rama Raju Academy of Medical Sciences Hospital, Eluru and diagnosed as CKD and Genito Urinary TB and was on dialysis for CDK from 2014, which was prior to taking the policy. As such Insurance Company repudiated the claim vide letter dt 9.6.2021 for suppression of material facts regarding pre-existing illness prior to proposal.

**19) Reason for Registration of Complaint:-**Repudiation of death claim.

**20) The following documents were placed for perusal.**

- a) Request letter by complainant to Insurance Company.
- b) Policy schedule.
- c) Complaint letter by the complainant to Ombudsman
- d) Self contained note by the Insurer.

**21) Result of hearing with both parties (Observations & Conclusion) :**

Pursuant to the notices issued by this office both parties attended the online hearing.

Late Mr.Peruri Nagaraju had taken an insurance policy from Shriram Life Insurance Company Limited on 17-12-2020. Unfortunately he expired on 29-07-2020. His wife Mrs. Peruri Lakshmi who was the nominee in the policy gave death intimation and requested the insurer to settle the death claim. However the insurer repudiated the claim stating that the DLA was suffering from Acute CKD and had taken treatment at the hospital, which was prior to the proposal signed dt. 21-3-2020, suppressed material facts regarding his medical history.

In support of the repudiation decision, the insurer submitted medical records of Alluri Sita Rama Raju Academy of Medical Sciences Hospital, Eluru where the DLA was treated for CKD and Genito Urinary TB and was on dialysis for CKD in July, 2014 which reveals that the DLA was suffering from Chronic Kidney Disease & Genito Urinary TB and had taken treatment prior to taking the policy. The same was not disclosed in the proposal form.

A contract of Insurance is governed by the principle of 'Uberima fides'. In other words, it is a contract of utmost good faith wherein the life assured is duty bound to disclose all facts material to the contract while taking the policy. The insurer had repudiated the claim as it was found that DLA was suffering from CKD and Genito Urinary TB and was under treatment for the same and did not furnish these facts in the proposal form, thus suppressing material

facts relating to his past medical history. The material suppression of health condition had come to the knowledge of the insurer at the time of investigation of the death claim. The records showed that the DLA had been suffering from pre-existing ailments of CKD and Genito Urinary TB and had taken treatment. In view of the above position, the forum concurs with the decision of the respondent insurer in repudiating the claim on the grounds of false as well as incorrect answers and non-disclosure of material facts in the proposal form for insurance.

As the repudiation of the claim is due to non-disclosure of material facts, considering the totality of the facts of the case, the insurer is directed to refund the premiums paid immediately.

**AWARD**

Taking into account the facts and circumstances of the case, the forum concurs with the decision of the insurer in repudiation of claim for the reason of non-disclosure of material facts of PED ie., CKD and Genito Urinary TB.

The insurance company shall immediately refund the premium paid.

**Dated at Hyderabad on the 28<sup>th</sup> day of April, 2022.**

**(N SANKARAN )  
INSURANCE OMBUDSMAN  
FOR THE STATES OF A.P.  
TELANGANA AND YANAM**

**PROCEEDINGS BEFORE**

**THE INSURANCE OMBUDSMAN, STATES OF A.P., TELANGANA & YANAM**

**(Under Rule 16(1)/17 of The Insurance Ombudsman Rules, 2017)**

**OMBUDSMAN - SHRI N.SANKARAN**

**Case between: Mrs. VinodaBitkuri.....Complainant**

**Vs**

**M/s Bharati Axa Life Insurance Company Ltd.....Respondent**



<b>Complaint Ref. No. HYD-L-008-2223-0007&amp; 0008</b>		
<b>Award No. IO/HYD/A/LI/0002&amp;0003/2022-23</b>		
1.	Name & address of the complainant	Mrs.VinodaBitkuri H.No. 17-1-383/15/P3 Megha Apartments, Vinay Nagar, Saidabad., Hyderabad – 500059.TELANGANA.
2.	Policy No./Collection No. DOC Type of Policy Policy term/Premium paying period	i. HOU*****7079 21.02.2018 Bharati Axa Life Loan Secure Single Premium Policy  ii. NHL*****1924 22.03.2018 Bharati Axa Life Loan Secure Single Premium Policy
3.	Name of the Policy holder	Mr. ButtukuriVed Bhushan
4.	Name of the insurer	Bharati Axa Life Insurance Company Ltd
5.	Date of Rejection by Insurer	31/03/2021
6.	Reason for Rejection	Non-disclosure of material information of health history prior to proposal
7.	Date of receipt of the Complaint	04/03/2022
8.	Nature of complaint	Repudiation of death claim
9.	Amount of Claim	Rs. 24,16,770/-
10.	Date of Partial Settlement	NIL
11.	Amount of Relief sought	Rs. 24,16,770/-
12.	Complaint registered under	Rule No 13 (1)(b) of Ins. Ombudsman Rules
13.	Date of hearing/place	19-04-2022/Hyderabad
14.	Representation at the hearing	
	a) For the complainant	Self
	b) For the insurer	Mrs.Sawant Snehal, In-charge, Legal Dept.
15.	Complaint how disposed	Dismissed
16.	Date of Order/Award	26.04.2022

**17) Brief Facts of the Case:**

Mrs. VinodaBitkurifiled a complaint stating that the death claim of her husband was rejected by Bharti Axa Life Insurance Company. The complaint falls within the scope of the Insurance Ombudsman Rules, 2021 and so it was registered.

**18) Cause of Complaint:** Repudiation of death claim.

**(a) Complainant's argument:**

The complainant Mrs. Vinoda Bitkuris submits that her husband Late Mr. Buttukuri Ved Bhushan has taken Policies bearing NO.i. HOU\*\*\*\*\*7079 and II. NHL\*\*\*\*\*1924 from Bharti Axa Life Insurance Company. She claims that her husband was healthy and was not diabetic nor had any other health issues. Her husband passed away on 16.01.2021 due to sudden cardiac arrest. She applied for death claim, the insurance company rejected the death claim. Complainant requests for settlement of the claim.

**b) Insurer's argument:**

In its self-contained note Insurer submits the mentioned life Insurance policies bearing number.i. HOU\*\*\*\*\*7079 and II. NHL\*\*\*\*\*1924 were issued on 22.02.2018 and 22.03.2018 respectively. The insurer received death intimation on 03-03-2021 informing that the life assured expired on 16.01.2021. As it was an early claim, as per Sec. 45 of the Insurance Act, the insurer conducted an investigation. On investigation, it was revealed that the Deceased Life Assured (DLA) was a known case of Diabetes for 15 years and was diagnosed with Myocardial Infarction and had undergone angioplasty in July, 2012 which is evident from the Discharge Summary dated 16.07.2012 of the Apollo DRDO, Hospital, Hyderabad. DLA had not disclosed the pre-proposal medical history in the proposal form. In view of the non-disclosure/suppression of material facts regarding pre-proposal medical history of the DLA, the Insurance Company had repudiated the claim.

In view of the above, insurer seeks for dismissal of the complaint.

**19) Reason for Registration of Complaint:-**Repudiation of death claim.

**20) The following documents were placed for perusal.**

- a) Request letter by complainant to Insurance Company.
- b) Policy schedule.
- c) Complaint letter by the complainant to Ombudsman
- d) Self contained note by the Insurer.

**21) Result of hearing with both parties (Observations & Conclusion) :**

Pursuant to the notices issued by this office both the parties attended the online hearing.

In the instant case the death claim was repudiated by the insurer stating that DLA had suppressed material facts regarding his medical history while taking the policy. The insurer submitted that, prior to issuance of the policy the Deceased Life Assured (DLA) had been suffering from Diabetes for 15 years, was diagnosed with Myocardial Infarction and had undergone angioplasty in July, 2012 which is evident from the Discharge Summary dated 16.07.2012 of the Apollo DRDO, Hospital, Hyderabad. The insurer also stated that, in Section 7 (4) (a) (b) of the proposal form, the DLA was asked if he had ever received medical advice or treatment for disorders of any heart disease or raised blood sugars. Though the DLA had suffered from diabetes and Diastolic dysfunction, he had answered the questions in the negative.

A contract of Insurance is governed by the principle of 'Uberimafides'. In other words, it is a contract of utmost good faith wherein the life assured is duty bound to disclose all facts which

are material to the contract, while taking the policy. The hospital records furnished by the insurance company establishes that the deceased life assured (DLA) was suffering from the illness of Diabetes for 15 years, was diagnosed with Myocardial Infarction and had undergone angioplasty in July,2012 ie before the inception of the policy.The proposer is aware of his own health conditions and therefore while signing the proposal it is his responsibility to ensure that all material information is disclosed in a true and correct manner. Therefore, the repudiation of the claim by the Insurer for suppression of material fact is justified and the forum concurs with the same.

The Insurer is directed to refund the premiums paid in respect of both the policies i) HOU\*\*\*\*\*7079 and ii) NHL\*\*\*\*\*1924 immediately.

**AWARD**

Taking into account the facts and circumstances of the case, the repudiation of claim by the insurer on grounds of suppression of material facts regarding his past medical history is in consonance with policy terms and conditions and the Forum concurs with the same. The Insurer is directed to refund the premium paid, to the Complainant.

**Dated at Hyderabad on the 26<sup>th</sup> day of April, 2022**

**( N SANKARAN )**

**INSURANCE OMBUDSMAN  
FOR THE STATES OF A.P.**

**TELANGANA AND YANAM**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, Kolkata**  
(States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands)  
(UNDERRULENO.16/17OF THEINSURANCEOMBUDSMANRULES,2017)

Ombudsman Name: SHRI P.K.RATH

CASEOF COMPLAINANT– MR. SONATAN CHAKRABORTY

VS

RESPONDENT: BAJAJ ALLIANZ LIFE INS. CO. LTD.

COMPLAINT REF: NO: KOL-L-006-2122-1463

AWARD NO:IO/KOL/A/LI/0032/2022-2023

1.	<b>Name &amp;Address of The Complainant</b>	MR. SONATAN CHAKRABORTY Shanti Colony, Balurghat, PO + PS – Balurghat, South Dinajpur – 733101. W.B.						
2.	<b>Type Of Policy:</b> Life / Health / General :LIFE							
	<b>Policy Details:</b>							
	<b>Policy Number</b>	<b>Sum Assured</b>	<b>From Date</b>	<b>To Date</b>	<b>DOC</b>	<b>Premium</b>	<b>Policy Term</b>	<b>Paying Term</b>
	0363xx9026	250000			27.08.2021	3512	02	02
3.	<b>Name of insured</b>	MR. MILAN CHAKRABORTY						
4.	<b>Name of the insurer</b>	BAJAJ ALLIANZ LIFE INS. CO. LTD.						
5.	<b>Date of receipt of the Complaint</b>	22-02-2022						
6.	<b>Nature of Complaint</b>	Repudiation of Death Claim.						
7.	<b>Amount of Claim</b>	0.00						
8.	<b>Date of Partial Settlement</b>							
9.	<b>Amount of relief sought</b>							
10.	<b>Complaint registered under Insurance Ombudsman Rules 2017</b>	13-1(b)						
11.	<b>Date of hearing</b>	26.04.2022						
	<b>Place of hearing</b>	Kolkata						
12.	<b>Representation at the hearing</b>							
	<b>a)For the Complainant</b>	MR. SONATAN CHAKRABORTY						
	<b>b)For the Insurer</b>	MR. SASWATA BANERJEE						
13.	<b>Complaint how disposed</b>	By conducting online hearing						
14.	<b>Date of Award</b>	27-APR-2022						

**Brief Facts of the Case** :

1. One Group Policy (Traditional Term Insurance Plan) was issued against Co-lateral Security of Loan granted for Rs. 60,000/- in favour of Insured, Mr. Milan Chakraborty, on 27.08.2021 under Membership No. GTLN-363739239.

2. The Insured Mr. Milan Chakraborty expired on 03.09.2021 at Balurghat District Hospital, cause of death being Cirrhosis of Liver, as per death certificate issued by the said hospital.

3. Nominee submitted the claim form for getting death benefit under the policy but repudiated by the insurer on the ground of suppression of material fact during taking the policy.

4. The complainant is the son of the deceased life assured and alleged that cause of death of his father was due to liver problem but not due to consumption of alcohol. It is also submitted that terms and conditions of the policy did not disclose to them and raised a question when his father was uninsurable then why one insurance policy given to him thereby cheated them.

5. As per SCN received from the insurer, they have clarified that since it is evident from the Medical Report that the DLA was suffering from Liver Disease and an alcoholic before taking the policy but did not disclose the thing in the relevant portion of the proposal paper. Hence, Death Claim was repudiated on the ground of suppression of material fact, as per Section 45 of Ins. Act. Cause of death was also due to Cirrhosis of Liver and in support they have submitted the Copy of Prescription dated 23.08.202, 13.08.2021 and 07.10.2019 along with copy of the proposal form as ready reference and requested to dismiss the case.

#### Contention of the complainant :

The complainant is the son of the deceased life assured and alleged that his father took a loan for Rs. 60,000/- from Bajaj Finance Co. and one group policy was issued as collateral security of the said loan from Bajaj Allianz Life Ins. Co. Ltd. on 27.08.2021 in favour of Mr. Milan Chakraborty. His father expired on 03.09.2021, cause of death being Cirrhosis of Liver. Submitted claim form for getting death benefit under the said policy but repudiated by the insurer on the ground of suppression of material fact at the time of taking the policy. It is also submitted that during taking the policy terms and conditions of the policy did not disclose to them and also raised question if the insured person was an uninsurable why one insurance policy was issued to him and premium received by the insurance company. Being aggrieved appealed before this office for justice and redressal of the case.

#### Contention of the Respondent :

As per SCN received from the insurer, they have clarified that since it is evident from the Medical Report that the DLA was suffering from Liver Disease and an alcoholic before taking the policy but did not disclose the thing in the relevant portion of the proposal paper. Hence, Death Claim was repudiated on the ground of suppression of material fact, as per Section 45 of Ins. Act. Cause of death was also due to Cirrhosis of Liver and in support they have submitted the Copy of Prescription dated 23.08.202, 13.08.2021 and 07.10.2019 along with copy of the proposal form as ready reference and requested to dismiss the case.

Observation and conclusions :

It is observed that one group policy was issued under Master Policy No.0363xx9026 and Membership No.GTLN-363739239 in favour of Mr. Milan Chakraborty as collateral security for grant of Personal Loan on 27.08.2021. Mr. Milan Chakraborty expired on 03.09.2021 and the claim was repudiated by the insurer as per Sec. 45 of Ins. Act. It is also observed and evident from the Medical Treatment Papers that the DLA was suffering from Liver Disease and an alcoholic prior to take the policy but did not disclose the thing in the proposal papers at the time of taking the policy. Cause of death was also due to Cirrhosis of Liver. The insurer has established the fact of nondisclosure of material fact during taking the policy and repudiated the claim as per Sec.45 of Ins. Act. So, nothing is payable as per terms and conditions of the policy.

**AWARD**

Taking into account the facts and circumstances of the case, submissions made by both the parties present during the course of hearing and after going through all the relevant documents on record, it is observed that one Group Policy was issued under Master Policy No. 0363xx9026 and Membership No.GTLN\_363739239 in favour of Mr. Milan Chakraborty on 27.08.2021 as collateral securities for grant of loan. It is also observed that the Death Benefit under the policy repudiated by the insurer due to suppression of material fact at the time of taking the policy. It is evident from the Medical Treatment Papers that the Deceased Life Assured was suffering from Liver Disease and an alcoholic before taking the policy in question but did not disclose the thing in the relevant portion of the proposal papers. Cause of death of the Life Assured was Cirrhosis of Liver. Non disclosure of material things at the time of taking the policy has been established by the insurer and correctly repudiated the claim as per Sec.45 of Ins. Act. So nothing is payable as per terms and conditions of the policy. Hence, the complaint is dismissed without any relief to the complainant.

If the decision is not acceptable to the complainant, She/He is at liberty to approach any other Forum/Court as per Law of the Land against the Respondent Insurer.

Dated at Kolkata on 27<sup>th</sup> Day of Apr., 2022

**P K RATH**  
**INSURANCE OMBUDSMAN**

**Copy to: 1) Complainant: MR. SONATAN CHAKRABAORTY**

**2) Company: BAJAJ ALLIANZ LIFE INS. CO. LTD.**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, Kolkata**  
**(States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands)**  
**(UNDERRULENO.16/17OFTHEINSURANCEOMBUDSMANRULES,2017)**  
**Ombudsman Name: SHRI P.K.RATH**

**CASEOFCOMPLAINANT– MRS. SWATEE PRASAD**

**VS**

**RESPONDENT: SBI LIFE INS. CO. LTD.**

**COMPLAINT REF: NO: KOL-L-041-2122-1450**

**AWARD NO:IO/KOL/A/LI/0019/2022-2023**

<b>1.</b>	<b>Name &amp;Address of The Complainant</b>	MRS. SWATEE PRASAD Flat No. 306, Vinayak Complex, Block – 2, Rupnarayanpur, Burdwan (W) – 713364. W.B.							
<b>2.</b>	<b>Type Of Policy:</b> Life / Health / General :LIFE <b>Policy Details:</b>								
		<b>Policy Number</b>	<b>Sum Assured</b>	<b>From Date</b>	<b>To Date</b>	<b>DOC</b>	<b>Premium</b>	<b>Policy Term</b>	<b>Paying Term</b>
		7000***8311	2656382			06.09.2019	146345	20 Yrs	Single
<b>3.</b>	<b>Name of insured</b>	MR. RAKESH PRASAD							
<b>4.</b>	<b>Name of the insurer</b>	SBI LIFE INS. CO. LTD.							
<b>5.</b>	<b>Date of receipt of the Complaint</b>	21-02-2022							
<b>6.</b>	<b>Nature of Complaint</b>	Repudiation of death claim under one Master Policy.							
<b>7.</b>	<b>Amount of Claim</b>	0.00							
<b>8.</b>	<b>Date of Partial Settlement</b>								
<b>9.</b>	<b>Amount of relief sought</b>								
<b>10.</b>	<b>Complaint registered under Insurance Ombudsman Rules 2017</b>	13-1(b)							
<b>11.</b>	<b>Date of hearing</b> <b>Place of hearing</b>	26.04.2022 Kolkata							
<b>12.</b>	<b>Representation at the hearing</b>								
	<b>a)For the Complainant</b>	MRS. SWATEE PRASAD							
	<b>b)For the Insurer</b>	MR. PARTHA PALIT							
<b>13.</b>	<b>Complaint how disposed</b>	By conducting online hearing							
<b>14.</b>	<b>Date of Award</b>	27-APR-2022							

**Brief Facts of the Case** :

1. Mr. Rakesh Prasad took House Building Loan for Rs. 26,56,382/- from SBI, Rupnarayanpur Branch and the subject policy was taken as collateral security of the said loan under Master Policy No. 7000\*\*\*8311 and Membership No. 7011377160 on 06.09.2019 for S.A. 26,56,382/-

2. Mr. Rakesh Prasad expired on 02.05.2021, cause of death being Respiratory failure due to COVID – 19 Positive Pneumonia.

3. The complainant being nominee of the said deceased submitted claim forms for getting death benefit under the policy but the said claim repudiated by the insurer on the ground of suppression of material fact during taking the policy.

4. Complainant alleged that the insurer repudiated the claim without any valid cause. It is also submitted that cause of death of the DLA was Respiratory Failure due to COVID-19 Pneumonia. Hence wants to get the death benefit under the said policy.

5. As per SCN received from the insurer they have clarified that it is evident from the medical treatment papers that the DLA was suffering from Coronary Artery Disease and CABG, acute NSTEMI and had underwent by pass surgery in the year 2014 and was under treatment prior to take the policy but did not disclose the thing in the relevant portion of the proposal form. Hence Repudiated the claim and refunded the premium paid under the policy towards full and final settlement of the claim, as per Section 45 of Ins. Act.

Contention of the complainant :

Complainant submitted that Mr. Rakesh Prasad expired due to Respiratory Failure for COVID – 19 Pneumonia but the insurer repudiated the claim without any valid reason. She wants to get the death benefit under the policy. Being aggrieved appealed before this office for justice and redressal of the case.

Contention of the Respondent :

As per SCN received from the insurer they have clarified that it is evident from the medical treatment papers that the DLA was suffering from Coronary Artery Disease and CABG, Acute NSTEMI and had underwent by pass surgery in the year 2014 but did not disclose the thing in the relevant portion of the proposal form. Hence Repudiated the claim and refunded the premium paid under the policy towards full and final settlement of the claim, as per Section 45 of Ins. Act. In support they have produced copy of the Medical Treatment Papers and Proposal Forms as ready reference and appealed for dismissal of the case.

Observation and conclusions :

It is observed that one group policy was issued under Master Policy No.7000\*\*\*8311 and Membership No.7011377160 in favour of Mr. Rakesh Prasad Gupta as collateral security for grant of House Building Loan on 06.09.2019. Mr. Rakesh Prasad Gupta expired on 02.05.2021 and the claim was repudiated by the insurer as per Sec. 45 of Ins. Act. It is also observed and evident from the Medical Treatment Papers that the DLA was suffering from Coronary Artery Disease and CABG, Acute NSTEMI and had underwent by pass surgery in the year 2014 but did not disclose the thing in the proposal papers at the time of taking the policy. The insurer has established the fact of nondisclosure of material fact during taking the policy and repudiated the claim as per Sec.45 of Ins. Act. They have refunded the premium paid under the policy towards full and final settlement of the claim. So, nothing more is payable as per terms and conditions of the policy.

**AWARD**



Taking into account the facts and circumstances of the case, submissions made by both the parties present during the course of hearing and after going through all the relevant documents on record, it is observed that one Group Policy was issued under Master Policy No. 7000\*\*\*8311 and Membership No. 7011377160 in favour of Mr. Rakesh Prasad Gupta on 06.09.2019 as collateral securities for grant of house building loan. It is also observed that the Death Benefit under the policy repudiated by the insurer due to suppression of material fact at the time of taking the policy. Since it is evident from the Medical Treatment Papers that the Deceased Life Assured was suffering from Coronary Artery Disease, Acute NSTEMI and underwent one by pass surgery before taking the policy in question but did not disclose the thing in the relevant portion of the proposal papers, non disclosure of material things at the time of taking the policy has been established by the insurer and correctly repudiated the claim as per Sec.45 of Ins. Act. The Insurer refunded the premium paid under the policy towards full and final settlement of the claim. So nothing more is payable as per terms and conditions of the policy. Hence, the complaint is dismissed without any further relief to the complainant.

If the decision is not acceptable to the complainant, She/He is at liberty to approach any other Forum/Court as per Law of the Land against the Respondent Insurer.

Dated at Kolkata on 27<sup>th</sup> Day of Apr., 2022

**P K RATH**  
**INSURANCE OMBUDSMAN**

**Copy to: 1) Complainant: MRS. SWATEE PRASAD**  
**2) Company: SBI LIFE INS. CO. LTD.**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, Kolkata**  
**(States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands)**  
**(UNDERRULENO.16/17OFTHEINSURANCEOMBUDSMANRULES,2017)**  
**Ombudsman Name: SHRI P.K.RATH**

**CASEOFCOMPLAINANT– MRS. MILU ACHARJEE**

**VS**

**RESPONDENT: SBI LIFE INS. CO. LTD.**

**COMPLAINT REF: NO: KOL-L-041-2122-1458**

**AWARD NO:IO/KOL/A/LI/0020/2022-2023**

<b>1.</b>	<b>Name &amp;Address of The Complainant</b>	MRS. MILU ACHARJEE W/o, Late Ashoke Kumar Acharjee, Flat No. B-4/D, Blue Bells, 4 <sup>th</sup> Floor, Sarda City, Opp. Sahara City, NH-33, MANGO, Jamshedpur, Jharkhand – 831012. W.B.							
<b>2.</b>	<b>Type Of Policy:</b> Life / Health / General :LIFE <b>Policy Details:</b>								
		<b>Policy Number</b>	<b>Sum Assured</b>	<b>From Date</b>	<b>To Date</b>	<b>DOC</b>	<b>Premium</b>	<b>Policy Term</b>	<b>Paying Term</b>
		7000001831 1	2188298			16.08.2019	93298	8Yrs.	8 yrs.
<b>3.</b>	<b>Name of insured</b>	MR. ASHOK KUMAR ACHARJEE							
<b>4.</b>	<b>Name of the insurer</b>	SBI LIFE INS. CO. LTD.							
<b>5.</b>	<b>Date of receipt of the Complaint</b>	22-02-2022							
<b>6.</b>	<b>Nature of Complaint</b>	Repudiation of death claim under one Master Policy.							
<b>7.</b>	<b>Amount of Claim</b>	0.00							
<b>8.</b>	<b>Date of Partial Settlement</b>								
<b>9.</b>	<b>Amount of relief sought</b>								

10.	Complaint registered under Insurance Ombudsman Rules 2017	13-1(b)
11.	Date of hearing Place of hearing	26.04.2022 Kolkata
12.	Representation at the hearing	
	a)For the Complainant	Mrs. Amrita Roy for MRS. MILU ACHARJEE
	b)For the Insurer	MR. PARTHA PALIT
13.	Complaint how disposed	By conducting online hearing
14.	Date of Award	27-APR-2022

### **Brief Facts of the Case** :

1. Mr. Ashok Kumar Acharjee took House Building Loan for Rs. 21,88,298/- from SBI, Asansol Branch and the subject policy was taken as collateral security of the said loan under Master Policy No. 70000018311 and Membership No. 701134577 on 16.08.2019 for S.A. 21,88,298/-

2. Mr. Ashok Kumar Acharjee expired on 16.04.2021, cause of death being Severe COVID – 19 in a case of Sepsis & Septic Shock.

3. The complainant being nominee of the said deceased submitted claim forms for getting death benefit under the policy but the said claim repudiated by the insurer on the ground of suppression of material fact during taking the policy. Complainant appealed before the higher authority for review of the claim but the Claim Review Committee upheld the decision of repudiation of claim.

4. Complainant alleged that the insurer repudiated the claim without any valid cause. It is also submitted that the DLA was fit and in sound health during taking the policy so suppression of material fact does not arise. Hence wants to get the death benefit under the said policy.

5. As per SCN received from the insurer they have clarified that it is evident from the medical treatment papers that the DLA was suffering from Chronic Liver Disease and Renal Parenchymal Disease and was under treatment prior to take the policy but did not disclose the thing in the relevant portion of the proposal form. Hence Repudiated the claim and refunded the premium paid under the policy towards full and final settlement of the claim, as per Section 45 of Ins. Act.

### **Contention of the complainant** :

Complainant submitted that Mr. Ashok Kumar Acharjee was fit and in sound health during taking the policy but the insurer repudiated the claim without any valid reason. Suppression of material fact does not arise. It is also submitted that the DLA had two more policies – one with ICICI Prudential and another with L.I.C. of India and both the claim amount had already been settled by the said insurers. She appealed before the Claim Review Committed for review of decision but the Claim Review Committee upheld the decision of repudiation of claim. Being aggrieved appealed before this office for justice and redressal of case.

### **Contention of the Respondent** :

As per SCN received from the insurer they have clarified that it is evident from the medical treatment papers that the DLA was suffering from Chronic Liver Disease and Renal Parenchymal Disease and was under

treatment prior to take the policy but did not disclose the thing in the relevant portion of the proposal form. Hence Repudiated the claim and refunded the premium paid under the policy towards full and final settlement of the claim, as per Section 45 of Ins. Act. In support they have produced copy of the Medical Treatment Papers and Proposal Forms along with Employer's Certificate of Leave as ready reference and appealed for dismissal of the case.

Observation and conclusions :

It is observed that one group policy was issued under Master Policy No.7000\*\*\*8311 and Membership No.701134577 in favour of Mr. Ashok Kumar Acharjee as collateral security for grant of House Building Loan on 16.08.2019. Mr. Ashok Kr. Acharjee expired on 16.04.2021 and the claim was repudiated by the insurer as per Sec. 45 of Ins. Act. It is also observed and evident from the Medical Treatment Papers that the DLA was suffering from Chronic Liver Disease and Renal Parenchymal Disease and was under treatment prior to take the policy but did not disclose the thing in the proposal papers at the time of taking the policy. The insurer has established the fact of nondisclosure of material fact during taking the policy and repudiated the claim as per Sec.45 of Ins. Act. They have refunded the premium paid under the policy towards full and final settlement of the claim. So, nothing more is payable as per terms and conditions of the policy.

**AWARD**

Taking into account the facts and circumstances of the case, submissions made by both the parties present during the course of hearing and after going through all the relevant documents on record, it is observed that one Group Policy was issued under Master Policy No. 7000\*\*\*8311 and Membership No. 701134577 in favour of Mr. Ashok Kumar Acharjee on 16.08.2019 as collateral securities for grant of house building loan. It is also observed that the Death Benefit under the policy repudiated by the insurer due to suppression of material fact at the time of taking the policy. Since it is evident from the Medical Treatment Papers that the Deceased Life Assured was suffering from Chronic Liver Disease and Renal Parenchymal Disease and was under treatment before taking the policy in question but did not disclose the thing in the relevant portion of the proposal papers, non disclosure of material things at the time of taking the policy has been established by the insurer and correctly repudiated the claim as per Sec.45 of Ins. Act. The Insurer refunded the premium paid under the policy towards full and final settlement of the claim. So nothing more is payable as per terms and conditions of the policy. Hence, the complaint is dismissed without any further relief to the complainant.

If the decision is not acceptable to the complainant, She/He is at liberty to approach any other Forum/Court as per Law of the Land against the Respondent Insurer.

Dated at Kolkata on 27<sup>th</sup> Day of Apr., 2022

**P K RATH**  
**INSURANCE OMBUDSMAN**

**Copy to: 1) Complainant: MRS. MILU ACHARJEE**

**2) Company: SBI LIFE INS. CO. LTD.**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, Kolkata**  
**(States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands)**  
**(UNDER RULE NO.16/17 OF THE INSURANCE OMBUDSMAN RULES, 2017)**

**Ombudsman Name: SHRI P.K. RATH**  
**CASE OF COMPLAINANT – PRIYANKA DAS**

**VS**

**RESPONDENT: EXIDE LIFE INSURANCE CO. LTD. (BANGALORE)**

**COMPLAINT REF: NO: KOL-L-025-2122-1518**

**AWARD NO: IO/KOL/A/LI/ 0035 /2022-2023**

<b>1.</b>	<b>Name &amp; Address Of The Complainant</b>	PRIYANKA DAS W/o. Late Banshi Das, PO – Baruipara, PS - Chanditala, Hooghly – 712 306, West Bengal. Mobile No. 7044595905
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2.	<b>Type Of Policy:</b> Life (Non-participating and non-linked life insurance policy)								
	<b>Policy Details:</b> Exide Life Guaranteed Income Insurance Plan								
	<b>Policy Number</b>	<b>Guaranteed Maturity Benefit</b>	<b>Guaranteed Death Benefit</b>	<b>DOC</b>	<b>To Date</b>	<b>Date of Death</b>	<b>Premium</b>	<b>Policy Term</b>	<b>Paying Term</b>
	03075346	4,51,463	10,00,080	16-Mar-2015	16-Mar-2030	19-May-2021	8,334.00	15/Mly	07
3.	<b>Name of insured</b>				Banshi Das (Deceased Life Assured)				
4.	<b>Name of the insurer</b>				Exide Life Insurance Co. Ltd. (Bangalore)				
5.	<b>Date of receipt of the Complaint</b>				07-Mar-2022				
6.	<b>Nature of Complaint</b>				Less payment of death claim				
7.	<b>Amount of Claim</b>				Guaranteed Death Benefit i.e. Rs.10,00,080/-				
8.	<b>Date of Partial Settlement</b>				Rs.9,23,214.31 on 23.09.2021				
9.	<b>Amount of relief sought</b>				Rs.76,866/- (10,00,080 – 9,23,214)				
10.	<b>Complaint registered under Insurance Ombudsman Rules 2017</b>				Rule 13(1)(b) — any partial or total repudiation of claims by an insurer				
11.	<b>Date of hearing</b>				22-Apr-2022				
	<b>Place of hearing</b>				Online hearing from Kolkata Office				
12.	<b>Representation at the hearing</b>								
	<b>a)For the Complainant</b>				Ms. Priyanka Das				
	<b>b)For the Insurer</b>				Ms. Shilpa Patil				
13.	<b>Complaint how disposed</b>				By conducting online hearing				
14.	<b>Date of Award</b>				27-Apr-2022				

### **Brief Facts of the Case:**

i) The deceased life assured (DLA), Banshi Das, purchased one life insurance policy bearing no. 03075346 on his own life from Exide Life Insurance Co. on 16.03.2015 for monthly premium of Rs. 8,334/-.

ii) The life assured expired on 19.05.2021 due to Type-I respiratory failure in a case Covid pneumonia as per the certificate issued by Dr. Saikat Banerjee of Belur Sramajibi Swasthya Prakalpa Samity.

iii) The Complainant/wife of the DLA, Ms. Priyanka Das, is the nominee of the policy and she submitted all the documents along with the policy document to the Insurance Company for settlement of death claim.

iv) The Insurance Company settled the death claim by paying out Rs.9,23,214.31 to the Complainant on 23.09.2021.

v) The Complainant is not satisfied with the settled amount as the Guaranteed Death Benefit (GDB) under the policy is Rs.10,00,080/- and an amount of Rs.76,866/- was paid less to her than the GDB of the policy.

vi) She approached the Insurance Company on 17.12.2021 for releasing the balance amount but the insurer did not pay heed to her request.

vii) The Complainant approached the office of the Insurance ombudsman on 07.03.2022 for redressal of her grievances by paying the balance part of the Guaranteed Death Benefit of the policy to her by the Insurer.

Contention of the complainant:

- i) That her deceased husband purchased the policy on his own life from Exide Life Insurance Company in 2015.**
- ii) That her husband died of Covid on 19.05.2021 and she furnished all the documents to the insurance Company for settlement of death claim.**
- iii) That the Insurance Company paid Rs. 9,23,214/- as death claim although the Sum assured of the policy is Rs.10,00,080/-.**
- iv) That the Insurance Company paid Rs.76,866/- less than the Sum assured of the policy.**
- v) That she raised her concern to the insurer on 17.12.2021 but the Company did not release the remaining Sum Assured to her till date.**

The Complainant, Ms. Priyanka Das, attended the online hearing on 22.04.2022. She insisted that the Guaranteed Death Benefit of the policy is Rs.10,00,080/- but the Insurance Company settled an amount of Rs.9,23,214.31/- only. Hence, she has received Rs.76,866/- less than the actual amount payable to her.

#### Contention of the Respondent:

The contention of the Insurance Company as per their Self-Contained Note (SCN) dated 12.04.2022 is as follows:

i) That the deceased Policyholder/Life Assured Mr. Banshi Das had submitted proposal form for insurance on 16.03.2015 for policy bearing no. 03075346, under “Exide Life Guaranteed Income Insurance Plan”, product offered by Exide Life and approved by the Insurance Regulatory and Development Authority of India (IRDAI). The said policy was issued based on the answers, statements, documents submitted, coverage opted, premium amount, premium paying term and declarations made in the proposal form executed by the Life Assured/Policyholder.

ii) That the Complainant being the nominee under the said policy submitted death claim intimation on 25.08.2021 in respect of the policy informing unfortunate demise of the Life Assured on 20.05.2021. On receipt of the claim intimation documents, Exide Life processed claim as per terms and conditions of the policy and initiated the payment of the claim amount to the claimant’s bank account.

iii) That the Claimant/Complainant in her complaint alleged that she had applied for the claim amount but has received only part of death claim benefit instead of the full sum assured on death. The respondent company vehemently denies the allegations which are vague, baseless and devoid of any merit. In this regard, the following submissions and evidences are placed which proves contradictory to the claims of the complainant:

- a. The Deceased Life Assured (DLA) purchased the policy with premium paying term of 7 years from the inception of the policy, i.e. up to 16.03.2022. The DLA during his life time paid premium till 16.06.2021.
- b. Thereafter the Claimant approached for payment of the claim which was made as per terms and conditions of the policy.
- c. The DLA at the proposal stage had opted the death benefit option to be received by the claimant as “Lumpsum”. Therefore, reference is drawn to clause 3.3.1.1. of the policy which states as follows:

#### 3.3.1.1.Option A: Lump Sum payment

*Under this option the GDB is payable as a lumpsum amount immediately on death of the life assured.*

*In case this policy shall have any outstanding loan or premiums due and payable or any GI installments already paid on /after date of death due to lack of intimation by the nominee, such amounts shall be recovered from the lumpsum GDB payable, as explained in 3.3.1 above.*

iv) That on the basis of above submission made, Exide Life rightfully paid the claim amount after recovering the premium due for the annual year 2021 (June 2021-March 2022).

Details of deductions:

Sum Assured on death	Rs.10,00,008.00/-
Less: Unpaid premium (June 2021-March 2022) @ 8,334 x 9	Rs.75,006.00/-
Less: Service Tax on premium	Rs.1,859.69/-
Net Amount Payable	Rs.9,23,214.31/-

The said decision of the Company for settlement of the claim was communicated to the complainant vide decision letter dated 20.09.2021 and the claim amount was credited to the Complainant's account. The pay out details of the subject policy are as follows:

Policy No	NEFT Date	Amount	UTR Details
03075346	23.09.2021	9,23,214.31/-	IN21240911607

v) That the Complainant further approached the Company vide her letter dated 17.12.2021 regarding discrepancy in claim amount and hence seeking clarification. She was replied with on 20.12.2021 stating that the payment has been made as per the terms and conditions of the policy after recovering the premium payment due. It is also informed that there is no discrepancy in the amount paid and there is no further amount payable towards the policy.

Ms. Shilpa Patil attended the online hearing in favour of the Exide Life Insurance Co. Ltd. she clarified that the amount paid by the insurer is correct as nine outstanding monthly instalments of premium including taxes were deducted from the Sum assured on death in this case.

#### Observation and conclusions:

- i) This policy bearing no. 03075346 was purchased on 16<sup>th</sup> March 2015 with monthly premium of Rs. 8,334/- by the deceased life assured and he expired on 19.05.2021 due to Covid infection.
- ii) The Deceased Life Assured paid premium up to 16.05.2021 before his death under the policy.
- ii) As per the copy of the policy schedule submitted by the Agent, the Guaranteed death Benefit of the Policy is Rs.10,00,080/- and this is a non-participating insurance policy.
- iv) The Insurance Company deducted nine unpaid monthly instalment premiums from June 2021 to Feb 2022 @ Rs.8,334/- for the policy year 16.03.2021 to 15.03.2022 including the service tax of Rs.1,859.69/- on premium thereof in accordance with clause 3.3.1.1. of the policy.
- ii) Thus, the amount of death claim of Rs.9,23,214.31 paid by the Insurance Company to the Complainant/nominee is just as per terms and conditions of the policy.



**AWARD**

Taking into account the facts & circumstances of the case, the submissions made by both the parties during the course of hearing and after going through the documents on record it is observed that the amount of death claim settled by Insurance Company under policy bearing no. 03075346 is in consonance with the terms and conditions of the policy.

As such this office does not find any cause to intervene in this matter and the Complaint is hereby treated as disposed of.

*If the decision is not acceptable to the Complainant, he is at liberty to approach any other Forum / Court as per Law of the Land against the Respondent Insurer.*

Dated at Kolkata on 27<sup>th</sup> Day of April 2022

**P K RATH**  
**INSURANCE OMBUDSMAN**

**Copy to: 1) Complainant: Ms. Priyanka Das**

**2) Company: Exide Life Insurance Co. Ltd. (Bangalore)**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, Kolkata**  
**(States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands)**  
**(UNDER RULE NO.16/17 OF THE INSURANCE OMBUDSMAN RULES, 2017)**

Ombudsman Name: SHRI

P.K. RATH

**CASE OF COMPLAINANT – SULEKHA GHOSH**

**VS**

**RESPONDENT: EXIDE LIFE INSURANCE CO. LTD.**

**(BANGALORE)**

**COMPLAINT REF: NO: KOL-L-025-  
2122-1534**

**AWARD NO: IO/KOL/A/LI/ 0039  
/2022-2023**

<b>1.</b>	<b>Name &amp; Address Of The Complainant</b>	SULEKHA GHOSH C/8, Gostotala, New Scheme, Garia, Kolkata – 700 081, West Bengal. Mobile No. 96794 31873					
<b>2.</b>	<b>Type Of Policy:</b> Life <b>Policy Details:</b> ING Golden Retirement Plan						
	<b>Policy Number</b>	<b>DOC</b>	<b>Vesting Date</b>	<b>Date of Death</b>	<b>Premium</b>	<b>Policy Term</b>	<b>Paying Term</b>
	02838336	17-Jan-2014	17-Jan-2024	30-Dec-2017	50,000.00	10/Yly	05
	Exide Life New Immediate Annuity ROP						
	<b>Policy</b>	<b>Purchase</b>	<b>DOC</b>	<b>Vesting</b>	<b>Annuity</b>	<b>Annuity</b>	<b>Policy Term</b>

	Number	Price		Date	Payout Mode	Payout	
	0393135 1	7,17,223.6 4	25-Jan- 2019	25-Jan- 2019	Annual	52,494.0 0	Whole of life of the Annuitant
<b>3.</b>	<b>Name of insured</b>			Chitta Ranjan Ghosh (Deceased Life Assured)			
<b>4.</b>	<b>Name of the insurer</b>			Exide Life Insurance Co. Ltd. (Bangalore)			
<b>5.</b>	<b>Date of receipt of the Complaint</b>			10-Mar-2022			
<b>6.</b>	<b>Nature of Complaint</b>			Non-settlement of death claim			
<b>7.</b>	<b>Amount of Claim</b>			Death claim amount as per terms and conditions			
<b>8.</b>	<b>Date of Partial Settlement</b>			Not Applicable			
<b>9.</b>	<b>Amount of relief sought</b>			Not specified in Annex-VIA			
<b>10.</b>	<b>Complaint registered under Insurance Ombudsman Rules 2017</b>			Rule 13(1)(a) — delay in settlement of claims			
<b>11.</b>	<b>Date of hearing</b>			22-Apr-2022			
	<b>Place of hearing</b>			Online hearing from Kolkata Office			
<b>12.</b>	<b>Representation at the hearing</b>						
	<b>a) For the Complainant</b>			Ms. Sulekha Ghosh			
	<b>b) For the Insurer</b>			Ms. Shilpa Patil			
<b>13.</b>	<b>Complaint how disposed</b>			By conducting online hearing			
<b>14.</b>	<b>Date of Award</b>			29-Apr-2022			

**Brief Facts of the Case:**

i) The deceased life assured (DLA), Chitta Ranjan Ghosh, purchased one ING Golden Year Retirement policy bearing no. 02838336 on his own life from ING Vysya Life Insurance Co. Ltd. (presently known as Exide Life Insurance Co. Ltd.) on 17.01.2014 for yearly premium of Rs. 50,000/- with premium paying term of 5 years and vesting term of 10 years. The date of vesting of the policy is 17.01.2024.

ii) The life assured paid premium up to 17.01.2017 under the policy before his death on 30.12.2017.

iii) Thus the policy had been in discontinuance fund till 17.01.2019 due to non-receipt of renewal premium and the Company was unaware of death of the Life Assured.

**iv) As no information was received from the life assured, the fund was auto vested to an immediate annuity plan bearing policy no. 03931351 on 25.01.2019 by the insurer as per terms and conditions of the policy.**

**v) The Company paid Rs.53,831.52/- and Rs. 53.866.91/- as annuity pay out due for 2020 and 2021 for policy bearing no. 03931351.**

**vi) Then the Company received the death claim intimation of the deceased life assured (DLA) from his wife & nominee of the policy, Ms. Sulekha Ghosh, the present complainant, on 28.01.2021 regarding Policy No. 03931351 which was issued on 25.01.2019 i.e. after the date of death of the life assured on 30.12.2017.**

**vii) She approached the Insurance Company on 16.03.2021 and 08.07.2021 for settling death claim amount but the insurer did not pay heed to her request.**

**vii) The Complainant approached the office of the Insurance ombudsman on 10.03.2022 for redressal of her grievances regarding payment of death claim to her as nominee of the policy.**

**Contention of the complainant:**

**i) That she has applied for death claim of her deceased husband's policy bearing no. 039313516.**

**ii) That she submitted death intimation along with required documents on 28.01.2021 but the Insurance Company did not settle the death claim till date without providing any information to her.**

**iii) That she is under medical treatment for which she requires Rs.9,000/- per month and her son is also a chronic patient of throat. The death claim amount is badly needed for their medical treatment.**

**Ms. Sulekha Ghosh, the Complainant, attended the online hearing from office of the Insurance Ombudsman, Kolkata on 22.04.2022. She said that she did not receive death claim as nominee of the policy under complaint.**

### Contention of the Respondent:

The contention of the Insurance Company as per their Self-Contained Note (SCN) dated 20.04.2022 is as follows:

i) That the deceased policy holder, Mr. Chitta Ranjan Ghosh, originally had policy bearing no. 02838336 with Exide Life namely 'ING Golden Years Retirement Plan' for which the policyholder has paid premium up to 17.01.2017. Thereafter due to non-receipt of renewal premium, the policy had been in discontinuance fund till 17.01.2019. Further, regular communications were sent to the policyholder's registered address for revival.

ii) That before the expiry of policy revival date last communication for policy bearing no.02838336 was sent on 12.12.2018 suggesting the policyholder to make payment of the overdue premium and in case if he does not wish to revive the policy, he may visit the nearest branch to submit the Annuity request and all the required documents before 17.01.2019.

iii) That it was further informed the policyholder that *"in case we do not receive your Annuity request before 17.01.2019, it would be deemed that you have exercised the option to invest the complete amount in an Immediate Annuity. The Immediate Annuity will be exercised in compliance with the IRDAI Regulations, 2015 pertaining to Minimum limits for annuities and other benefits (Minimum annuity payout of 1000 per month)"*.

iv) That no information was received from the customer and the fund was auto invested to an immediate annuity plan bearing Policy No. 03931351 (Exide Life New Immediate Annuity) on 25.01.2019. Further, regular communications pertaining to the policy were sent to the policyholder's registered address, e mail ID, phone number but the complainant had not reverted to any of the communications.

v) That before approaching the office of the Insurance Ombudsman with her grievance, the complainant/nominee has approached the respondent Company on 28.01.2021 and had submitted Death Claim Intimation in respect of the alleged policy no. 03931351, intimating about the sad demise of the Life Assured of the said policy on 30.12.2017. As the claim intimation was received against the policy issued on 17.01.2019 for the death that occurred on 30.12.2017, i.e. prior to policy issuance, the claim was cancelled.

vi) That as the Complainant had not intimated the death claim till 2021 even after regular communications were made from the company, the policy went in discontinuance fund and thereafter the auto vested policy was issued as per the communication made against the life of the policyholder and subsequent annuity payouts were made towards the registered number through UPI mode.

Annuity Amount	Date	Mode	UPI ID	UTR Transaction Details	Status
Annuity payout- Amount- 53,831.52	29.05.2021	Paid through UPI	9831178102@paytm	114918597873	Payment Processed
Annuity payout- Amount- 53,866.91	08.07.2021	Paid through UPI	9831178102@paytm	118918608809	Payment Processed

vii) That as a Customer Centric Organization, Customer benefit is the utmost priority of the Company. Therefore, Company proposes for an offer for settlement to the claimant that the death claim would be paid as per the fund value against policy no. 02838336 which was existing at the date of the death of the life assured on 30.12.2017 after deducting the aforesaid amount which were already paid as part of annuity pay out thus, relieving the Company from the liabilities with regards to the above-mentioned policy.

Thus, the Company is praying that no other relief should be granted to the Complainant and that she must not be allowed to enjoy the best of both the worlds.

Ms. Shilpa Patil attended the online hearing on behalf of Exide Life Insurance Co. Ltd. She reiterated the points already mentioned in their SCN. She mentioned that the Policy No. 02838336 was converted to an immediate annuity policy bearing no. 03931351 on 25.01.2019 due to non-payment of premium as per terms and conditions of the previous policy. Two annuity instalments were also released by the insurer in the new policy. But this new policy was issued after the death of the life assured as they were not duly informed about the event by the nominee before the issuance of the new policy. But this new policy is not valid as it was issued to someone who has expired on the date of issuance. Hence, on behalf of the Insurance Company, she offered to settle death claim of the previous policy no. 02838336 less the total annuity paid under the new policy no. 03931351 to the nominee/complainant subject to submission of death claim for the said policy.

#### Observation and conclusions:

i) The Deceased Life Assured (DLA) purchased policy bearing no. 02838336 from Exide Life under 'ING Golden Years Retirement Plan' on 17.01.2014 and paid 4 yearly installment premiums @ Rs.50,000/- before his death on 30.12.2017.

ii) The policy had been in discontinuance fund due to non-payment of renewal premium till 17.01.2019. As the policy was not revived by that date i.e., within 2 years from the date of first unpaid premium and the Insurance Company did not receive the death intimation of the life assured as well, the new policy bearing no. 03931351 was issued through auto investment of fund of the previous policy according to the policy terms and conditions.

iii) As it is established that the life assured had expired before the issuance of the new immediate annuity policy, the legitimacy of the new policy bearing no. 03931351 becomes void. The Company offers settlement of death claim of policy bearing no. 02838336 on the basis of the fund value of the policy as on date of death of DLA after deducting the two annuity installments paid to the registered number through UPI.

#### **AWARD**

**Taking into account the facts & circumstances of the case, the submissions made by both the parties during the course of hearing and after going through the documents on record it is observed that the Life Assured under the Policy bearing no. 02838336 expired on 30.12.2017 but the death intimation was not received by the Insurance Company in due**

time. As a result, a new immediate annuity policy bearing no. 03931351 was inadvertently issued on 25.01.2019 to the life assured after his death.

As such, the Insurance Company is hereby directed to cancel policy bearing no. 03931351 which is legally void and settle the death claim under policy bearing no. 02838336 to the nominee of the policy as per terms and conditions of the policy after deducting the total annuity amount received by the nominee, if any, in respect of the policy bearing no. 03931351.

Hence the Complaint is treated as disposed of.

*If the decision is not acceptable to the Complainant, she is at liberty to approach any other Forum / Court as per Law of the Land against the Respondent Insurer.*

The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rule 2017.

As per Rule 17(6) of the said rules the Insurer shall comply with the Award within 30 days of the receipt of the acceptance letter of the Complainant and shall intimate the compliance to the Ombudsman.

Dated at Kolkata on 29<sup>th</sup> Day of April 2022

P K

RATH

INSURANCE

OMBUDSMAN

Copy to: 1) Complainant: Ms. Sulekha Ghosh

2) Company: Exide Life Insurance Co. Ltd. (Bangalore)

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, Kolkata  
(States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands)  
(UNDER RULE NO.16/17 OF THE INSURANCE OMBUDSMAN RULES, 2017)

Ombudsman Name: SHRI P.K. RATH  
CASE OF COMPLAINANT – BINDU BARIK

VS

RESPONDENT: LIFE INSURANCE CORPORATION OF INDIA  
(KMDO-II)

COMPLAINT REF: NO: KOL-L-029-  
2122-1538

**AWARD NO:IO/KOL/A/LI/ 0040  
/2022-2023**

<b>1.</b>	<b>Name &amp; Address Of The Complainant</b>	BINDU BARIK 6, C Ram Joy Seal Lane, Kolkata – 700 006, West Bengal. Mobile No. 98309 73491							
<b>2.</b>	<b>Type Of Policy:</b> Life (Traditional with profit individual life policy) <b>Policy Details:</b> LIC's Jeevan Saral Plan								
		<b>Policy Number</b>	<b>Death Sum Assured</b>	<b>DOC</b>	<b>To Date</b>	<b>Date of Death</b>	<b>Premium</b>	<b>Policy Term</b>	<b>Paying Term</b>
		579275787	2,50,000	17-Jun-2010	17-Jun-2040	03-May-2021	12,010	30/Yly	30
		579275788	2,50,000	17-Jun-2010	17-Jun-2040	03-May-2021	12,010	30/Yly	30
		579275789	2,50,000	17-Jun-2010	17-Jun-2040	03-May-2021	12,010	30/Yly	30
<b>3.</b>	<b>Name of insured</b>	Kamal Barik (Deceased Life Assured)							
<b>4.</b>	<b>Name of the insurer</b>	Life Insurance Corporation of India (KMDO-II)							
<b>5.</b>	<b>Date of receipt of the Complaint</b>	10-Mar-2022							
<b>6.</b>	<b>Nature of Complaint</b>	Non-settlement of death claim for Policy No. 579275788 and payment of surrender value instead death claim for Policy Nos. 579275787 & 579275789							
<b>7.</b>	<b>Amount of Claim</b>	Not Applicable							
<b>8.</b>	<b>Date of Partial Settlement</b>	Not Applicable							
<b>9.</b>	<b>Amount of relief sought</b>	Rs. 4.5 lac approx..							
<b>10.</b>	<b>Complaint registered under Insurance Ombudsman Rules 2017</b>	Rule 13(1)(a) — delay in settlement of claims							
<b>11.</b>	<b>Date of hearing Place of hearing</b>	22-Apr-2022 Online hearing from Kolkata Office							
<b>12.</b>	<b>Representation at the hearing</b>								
	<b>a)For the Complainant</b>	Ms. Bindu Barik							
	<b>b)For the Insurer</b>	Mr. Swapan Kumar Panda							
<b>13.</b>	<b>Complaint how disposed</b>	By conducting online hearing							
<b>14.</b>	<b>Date of Award</b>	29-Apr-2022							

**Brief Facts of the Case:**

i) The deceased life assured (DLA), Kamal Barik, purchased three Jeevan Saral life insurance policies bearing nos. 579275787, 579275788 & 579275789 on his own life from Sarsuna Branch of Life Insurance Corporation of India on 17.06.2010 for yearly premium of Rs. 12,010/- for each of these three policies.

ii) The deceased life assured submitted application & discharge vouchers for surrendering all three policies on 22.04.2021 before his death on 03.05.2021 due to Covid infection.

iii) The Insurance Company paid the surrender value of Rs.1,62,852.06 each for policy no. 579275787 & 579275789 to the ICICI savings bank account no. xxxxxxxxxxx1319 of Kamal Barik, the deceased life assured, on 18.05.2021 after his death on 03.05.2021. However, the surrender value of Policy No. 579275788 was not paid by the insurer.



**iv) The Complainant/nominee of all three policies, Ms. Bindu Barik, the sister of deceased life assured, applied for settlement of death claim for Policy No. 579275788 on 14.07.2021 as no payment was released under the policy by the insurer till then. The Complainant is also demanding the death claim for the other two policies since the surrender value was paid after the death of the life assured.**

**v) She visited the Branch Office of the Insurance Company on several occasions and also sent repeated emails to different authorities of the Insurance Company 22.09.2021, 08.10.2021, 23.10.2021, 30.10.2021, 12.11.2021, 23.12.2021 for settlement of death claim for Policy No. 579275788 and releasing the balance amount of death claim for the two policies 579275787 & 579275789 for which surrender value was paid by the insurer after the death of life assured. But the Insurance Company did not pay heed to her request.**

**vii) The Complainant approached the office of the Insurance ombudsman on 10.03.2022 for redressal of her grievances regarding settlement of the death claims for these policies.**

**Contention of the complainant:**

**i) That her deceased brother purchased three policies on his own life from Life Insurance Corporation of India in June 2010.**

**ii) That her brother applied for payment of surrender value of these policies on 22.04.2021 but he died of Covid on 03.05.2021 before settlement of surrender value by the insurer.**

**iii) That the Insurance Company paid surrender value of two policies bearing no.579275787 & 579275789 to the bank account of deceased life assured on 18.05.2021 after his death. So, she is insisting for settlement of death claim instead of surrender value for these two policies.**

**iv) That the Insurance Company did not pay anything for the other policy bearing no. 579275788 and she applied for settlement of death claim on 14.07.2021.**

**Ms. Bindu Bark, the Complainant, attended the online hearing from the Office of the Insurance Ombudsman, Kolkata on 22.04.2022. She stated that his brother, the deceased life assured, applied for surrendering all three policies under complaint prior to his death. She received the surrender value of two policies after his brother's death. But she has nor received surrender value/death claim against one policy till date.**

### Contention of the Respondent:

The contention of the Insurance Company as per their Self Contained Note (SCN) received on 21.04.2022 is as follows:

i) That the Policyholder, Sri Kamal Barik, during his life time applied for surrender of three policies bearing nos. 579275787, 579275788 & 579275789 on 23.04.2021 and surrender value of two policies 579275787 & 579275789 was paid on 18.05.2021 and credited to his account on the same day.

ii) That in respect of policy no. 579275788, surrender action was initiated on 15.07.2021 but the amount of Rs.1,62,852.06 was returned by bank on 16.07.2021 for the reason "Account Closed".

iii) That in respect of policy nos. 579275787 & 579275789, surrender value was credited to the policyholder's account on 18.05.2021. The death intimation was received by the insurer on 14.07.2021 from the nominee, Bindu Barik, sister of Life Assured, Kamal Barik.

iv) That from the death intimation letter dated 14.07.2021, the respondent insurance company came to know that the Life Assured Kamal Barik died on 03.05.2021 due to Covid-19 disease.

v) That as the surrender value was returned due to closure of account, the insurer tried to pay death claim in respect of policy no. 579275788 but failed due to the status of the policy "surrendered". The Insurance Company is trying their best to sort out this technical issue and initiate the settlement of death claim at the earliest.

Mr. Swapan Kumar Panda, attended the online hearing on behalf of LIC of India. He reiterated that the deceased life assured applied for payment surrender value in these three policies on 23.04.2021. The Insurance Company settled surrender value for two policies on 18.05.2021. The payment of surrender value of the third policy was initiated on 15.07.2021 to the bank account of the life assured but it was returned as the bank account was closed due to the death of the life assured by then. He mentioned that the respondent company received the death intimation on 14.07.2021. He mentioned that as the policy status had been changed due to processing of surrender value payment, they are facing technical issues in restoring the previous status of the policy to process the death claim payment under the third policy. He assured that the death claim will be settled for this policy bearing no. 579275788 at the earliest.

### Observation and conclusions:

i) Three identical Jeevan Saral policies bearing no. 579275787, 579275788 & 579275789 were purchased on 17<sup>th</sup> June 2010 with yearly premium of Rs. 12,010/- each by the deceased life

assured and he applied for surrendering these three policies on 22.04.2021 before expiring on 03.05.2021 due to Covid infection.

ii) The deceased life assured applied for payment of surrender value for all three policies on 22.04.2021 in a single application along with duly executed discharge vouchers. The application was signed by the authority of the insurer marking as "allowed" on it.

iii) The Insurance Company settled the surrender value after his death and they paid the surrender value of Rs.1,62,852.06 each for Policy No. 579275787 & 579275789 to the savings bank account of deceased life assured on 18.05.2021 after his death.

iv) The surrender value of Rs.1,62,852.06 pertaining to Policy No. 579275788 was paid by the insurer on 15.07.2021 to the bank account of deceased life assured but the amount was returned by bank on 16.07.2021 as the account was closed by then due to the death of DLA.

v) The Complainant is claiming death claim amount as surrender value was paid by the insurer after the death of the life assured.

vi) The nominee/Complainant submitted death claim for Policy No. 579275788 on 14.07.2021 as surrender value was not paid by the insurer till then for this policy.

vii) The life assured expired on 03.05.2021 before the Insurance Company could process the surrender payment for two policies bearing no. 579275787 & 579275789 and the surrender value of these two policies was credited to the bank account of the deceased life assured (DLA) 15 days after his death on 18.05.2021 and for Policy No. 579275788 the insurer initiated payment of surrender value to the account of DLA even later on 15.07.2021 and the same was returned by bank as the account was closed by then due to the death of the life assured. However, it is noted that the Insurance Company was unaware of death of the Life Assured till it was brought to their notice by the nominee/complainant through her letter dated 14.07.2021.

### AWARD

**Taking into account the facts & circumstances of the case, the submissions made by both the parties during the course of hearing and after going through the documents on record it is observed that the surrender value of two policy bearing no. 579275787 & 579275789 was paid by the insurer on 18.05.2021 after the death of the life assured on 03.05.2021 to the bank account of the Deceased Life Assured which was received by the nominee. The surrender value paid to the deceased life assured for the policy bearing no. 579275788 on 15.07.2021 was not credited to his account as it was closed on that date. In all three policies**

**death claim is payable in stead of surrender value as life assured expired before processing of surrender value payment by the insurer.**

**As such, Life Insurance Corporation of India is hereby instructed to reinstate all three policies and settle the death claim to the nominee as per terms and conditions of the policies immediately as detailed below:**

- a) For Policy No. 579275787 & 579275789 - Death Claim amount less surrender value already paid on 18.05.2021**
- b) For Policy No. 579275788 - Full Death Claim amount**

**Hence the Complaint is treated as disposed of.**

**The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rule 2017.**

As per Rule 17(6) of the said rules the Insurer shall comply with the Award within 30 days of the receipt of the acceptance letter of the Complainant and shall intimate the compliance to the Ombudsman.

Dated at Kolkata on 29<sup>th</sup> Day of April 2022

**P K RATH**  
**INSURANCE**

**OMBUDSMAN**

**Copy to: 1) Complainant: Ms. Bindu Barik**

**2) Company: Life Insurance Corporation of India (KMDO-II)**

**PROCEEDINGS BEFORE**  
**THE INSURANCE OMBUDSMAN, STATE OF RAJASTHAN**  
**UNDER THE INSURANCE OMBUDSMAN RULES, 2017(As amended till date)**  
**OMBUDSMAN – MR.RAJIV DUTT SHARMA**  
**CASE OF KRISHNA DEVI V/S MAX LIFE INSURANCE CO. LTD.**  
**COMPLAINT REF: NO JPR-L-032-2223-0001**

1.	Name & Address of the Complainant	Ms.Krishna Devi Hanumangarh
2.	Policy No: Date of commencement Plan Sum Assured Premium	339341828 21.08.2020 Max Life Assured Wealth Plan Rs.2043940/- Rs.7896/-
3.	Name of the insured Name of the policyholder	Mr. Vinod Kumar Mr. Vinod Kumar
4.	Name of the insurer	Max Life Insurance Company Ltd
5.	Date of Repudiation	NA
6.	Reason for repudiation	Misrepresentation of facts
7.	Date of receipt of the Complaint	01.04.2022
8.	Nature of complaint	Nonpayment of death claim and cancellation of the policy after death
9.	Amount of Claim	Rs.2043940/-
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	Rs.2043940/-
12.	Complaint registered under Rule no: of IOB rules	13 (1) b
13.	Date of hearing/place	26.04.2022/Online Hearing
14.	Representation at the hearing	
	a) For the Complainant	Ms.Krishna Devi

	<b>b) For the insurer</b>	<b>Ms.Aanchal Yadav</b>
<b>15</b>	<b>Complaint how disposed</b>	<b>Recommendation</b>
<b>16</b>	<b>Date of Award/Order</b>	<b>27.04.2022</b>

**17) Brief Facts of the Case:-** Ms.Krishna Devi (hereinafter referred to as the complainant) had filed a complaint against Max Life Insurance Company Ltd (hereinafter referred to as the respondent Insurance Company) alleging repudiation of death claim under policy bearing no.339341828.

**18) Cause of Complaint:**

**Complainant's argument:** The complainant stated that the Max Life policy bearing no. **339341828** favouring her husband having commencement date 21.08.2020 with sum assured of Rs.2043940/- and premium amount of Rs.7896/-was issued. The complainant submitted that her husband died on **10.09.2020** due to a heart attack. After his death she applied for claim settlement and submitted documents to the insurer's office but the Insurance Company replied vide letter dated 23.11.2021 that policy was cancelled on 21.09.2020 and initial premium has already been refunded on the name of Lt.Mr.Vinod Kumar so claim cannot be paid. The complainant further submitted that she approached the GRO of the Insurance Company on 17.02.2022 but she did not get any relief. Hence she approached this forum for redressal of her complaint.

**Insurer's argument:-** The respondent Insurance Company in its SCN dated 26.04.2022 stated that the death claim was intimated under the subject policy on 26.07.2021 claiming that the Life Assured expired due to Heart Attack on 10.09.2020. Thereafter the subject claim was investigated and the investigator suspected death prior to policy issuance and also that the LA was suffering from Liver disease but no disclosure of earlier treatment has been made in proposal form by the LA. The Insurance Company further submitted that there had been misstatement and suppression of material fact at the time of signing the proposal form with an intent to defraud the company.As per terms and conditions of the policy the claim was rejected under the head of fraud, misrepresentation and the complainant was informed about the rejection of the claim as **"If you or anyone acting at your direction or within your knowledge, or any person under or in respect of this policy makes or advances any claim knowing it to be false or fraudulent in any way, then, we will cancel this policy subject to such fraud being established by us in accordance with section 45 of the Insurance Act as amended from time to time"**. Hence the claim was repudiated accordingly. Also policy was already cancelled on 21.09.2020 and initial premium was also refunded in the name of Late Mr. Vijay Kumar.

**19) Reason for Registration of Complaint:** - Case of nonpayment of death claim

**20) The following documents were placed for perusal.**

- a) Complaint letter
- b) Policy copy
- c) GRO Letter
- d) Form VI A duly signed by the complainant
- e) SCN and a form VIIA duly signed by the Insurance Company
- f) Death certificate

**21) Result of hearing with both parties (Observations and Conclusion):-** Online hearing was scheduled on 27.04.2022 but during the course of hearing the Insurance Company agreed to settle the death claim under subject policy after deducting amount of premium refunded earlier. The complainant

also agreed with the offer made by the respondent Insurance Company. The complainant and Insurer signed the Mediation Form for amicable settlement of the claim.

**Recommendation**

**Taking into account the facts & circumstances of the case and the submissions made by both the parties, the Insurance Company agreed for settlement of death claim under policy no. 339341828 after deducting amount of premium refunded earlier as full and final settlement of the complaint. In view of the above facts, circumstance and mutual agreement, I feel just, fair and equitable to make the recommendation about settlement of the complaint as full and final on the basis of mutual agreement between both the parties.**

**The complaint is hereby disposed off accordingly.**

**22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017 (as amended till 18.05.2021).**

- a. According to Rule 16(2) of Insurance Ombudsman Rules 2017 (amended till 18.05.2021), the complainant shall furnish to the insurer within a period of 15 days from the date of receipt of this Award, a letter of acceptance that the Award is in full and final settlement of his claim.
- b. Copies of Award to both the parties..

**Place: Jaipur  
Dated 27.04.2022**

**RAJIV DUTT SHARMA  
INSURANCE OMBUDSMAN**

PROCEEDINGS BEFORE  
THE INSURANCE OMBUDSMAN, STATE OF ODISHA  
(UNDER RULE NO: 16(1)/17of  
THE INSURANCE OMBUDSMAN RULES, 2017)  
OMBUDSMAN – **Shri Suresh Chandra Panda**

CASE OF (Mrs. Santosini Dutta vs Exide Life Insurance Co. Ltd.)  
COMPLAINT REF: NO: BHU-L-025-2223-0003  
AWARD NO: IO/BHU/A/LI/\_\_\_\_\_/2022-2023

1.	Name & Address of the Complainant	Mrs. Santosini Dutta At-Chitki, Tamaka, Dt. Jajpur 755019 Odisha
2.	Policy No: Type of Policy Duration of policy/Policy period	04060503 Life 31.07.2019
3.	Name of the insured Name of the policyholder	Ranjan Kumar Dutta. do
4.	Name of the insurer	Exide Life Insurance Company Ltd.
5.	Date of Repudiation	21.10.2021
6.	Reason for repudiation	Suppression of material facts
7.	Date of admission of the Complaint	30.03.2022
8.	Nature of complaint	Repudiation of Death Claim.
9.	Amount of Claim	Rs14,70,000.
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	Rs14,70,000.
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	Rule 13 of IO Rules
13.	Date of hearing/place	27.04.2022/ Bhubaneswar
14.	Representation at the hearing	
	c) For the Complainant	Mrs. Santosini Dutta
	d) For the insurer	Mr. Raktim Choudhury, Exide Life Insurance
15.	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16.	Date of Award/Order	27.04.2022



17) Mrs. Santosini Dutta (herein after referred to as the complainant) had filed a complaint against Exide Life Insurance Co. Ltd. (herein after referred to as the respondent Insurance company) alleging repudiation of Death Claim.

18) Cause of complaint:

a) Complainant's argument: Mrs. Santosini Dutta complained that Mr. Ranjan Kumar Dutta, husband and life assured against policy no. 04060503 purchased on 12.07.2017 expired on 05.07.2020 while the policy was in full force. On submission of all the documents for settlement of death claim, the Insurer had repudiated the death claim vide letter dated 21.10.2021 on the ground of suppression of material facts.

The complainant has appealed to the Ombudsman to mediate so that the genuine death claim under the policy will be settled.

b) Insurer's argument: The Insurer argued that the Deceased Life Assured, Ranjan Kumar Dutta had submitted the duly filled in proposal form along with all other required documents for issuance of the policy no. 04060503 on 31.07.2019 for Sum Assured of Rs.15,00,000/-. It being an early claim, the Insurer had conducted an investigation of the death of the life assured and obtained some indisputable evidences which substantiated that the DLA was diagnosed with K/C/O CA BUCCAL MUCOSA post- surgery as shown in the discharge summary of SPARSH HOSPITAL, Bhubaneswar dated 01.07.2019 which is prior to the commencement of the policy. But the DLA had not mentioned about the disease in the proposal form. The DLA had also not reported the same to the tele call of the medical examiner appointed by the Insurer, Dr. Sumanth Kumar P on date 05.08.2019. The DLA had willfully and fraudulently suppressed the medical history of Buccal Mucosa. Had the treatment been disclosed to the Insurer at the time of the proposal, the Insurer would have declined insurance to Mr. Ranjan Kumar Dutta.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017. This is a complaint against repudiation of Death Claim.

20) The following documents were placed for perusal.

- a) Photo copies of policy documents.
- b) Photo copy of representation to Insurer and its reply.
- c) Discharge summary of Sparsh Hospital

**21)Result of hearing with both parties (Observations & Conclusion)-** On perusal of all the papers, documents submitted and submissions made by both the parties, it was found that the Deceased Life Assured, Mr. Ranjan Kumar Dutta was having pre- existing CA BUCCAL MUCOSA before purchasing the policy no. 04060503 from Exide Life Insurance. The existence of the disease was evident from the discharge summary of Ranjan Kumar Dutta on date 01.07.2019 from SPARSH Hospital, Bhubaneswar, prior to the commencement of the policy i.e. 31.07.2019. Again the DLA was being treated in HCG PANDA Cancer Hospital, Cuttack for CA BUCCAL MUCOSA, CA LUNG and was discharged from the said hospital on 04.09.2019. The discharge summaries of both SPARSH Hospital, Bhubaneswar and HCG PANDA Cancer Hospital, Cuttack clearly indicate that the DLA, Mr. Ranjan Kumar Rout had fraudulently

suppressed the fact of the pre-existing disease of CA BUCCAL MUCOSA which was very much material in deciding the fact of rendering life insurance cover to the DLA. Under the above circumstances, the Ombudsman has upheld the decision of the Insurer in repudiating the Death Claim and the complaint was dismissed.

**AWARD**

**Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, it was decided that the complaint No. BHU-L-025-2223-0003, filed by Mrs. Santosini Dutta, be dismissed.**

Dated at Bhubaneswar on 27th Day of April, 2022.

PANDA)

(SHRI SURESH CHANDRA

INSURANCE OMBUDSMAN  
FOR THE STATE OF ODISHA