

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– Ms. Baisakhi Majumdar

VS

RESPONDENT: ICICI Prudential Life Insurance Co. Ltd (Mumbai)

COMPLAINT REF: NO: KOL- L-021-2122-1111

AWARD NO:IO/KOL/R/LI/0801/2021-2022

1.	Name &Address OfThe Complainant	Ms. Baisakhi Majumdar Chandi Dham, Ramkrishna Pally Basanti Chira Mill Lane, Burdwan- 713101 West Bengal																						
2.	Type Of Policy: Life Policy Details:	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 12.5%;">Policy Number</th> <th style="width: 12.5%;">Sum Assured</th> <th style="width: 12.5%;">From Date</th> <th style="width: 12.5%;">To Date</th> <th style="width: 12.5%;">DOC</th> <th style="width: 12.5%;">Premium</th> <th style="width: 12.5%;">Policy Term</th> <th style="width: 12.5%;">Paying Term</th> </tr> </thead> <tbody> <tr> <td>08462371</td> <td></td> <td>29.03.2008</td> <td>29.03.2021</td> <td>29.03.2008</td> <td>20000/</td> <td>13</td> <td>13 (Yly)</td> </tr> </tbody> </table>							Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term	08462371		29.03.2008	29.03.2021	29.03.2008	20000/	13	13 (Yly)
Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term																	
08462371		29.03.2008	29.03.2021	29.03.2008	20000/	13	13 (Yly)																	
3.	Name of insured	Ms. Baisakhi Majumdar																						
4.	Name of the insurer	ICICI Prudential Life Insurance Co. Ltd (Mumbai)																						
5.	Date of Repudiation																							
6.	Reason for Repudiation																							
7.	Date of receipt of the Complaint	26- Dec-2021																						
8.	Nature of Complaint	Not provided 100 % withdrawal of surrender value before vesting of the policy.																						
9.	Amount of Claim	Refund of 100 % of Fund value as on 20.01.2021																						
10.	Date of Partial Settlement																							
11.	Amount of relief sought	Refund of 100 % of Fund Value as on 20.01.2021 + 2.5 % monthly interest + penalty + harassment charges																						
12.	Complaint registered under Insurance Ombudsman Rules 2017	13(1) (a)- delay in settlement of claims.																						
13.	Date of hearing Place of hearing	09- Feb-2022 Kolkata																						
14.	Representation at the hearing																							
	a)For the Complainant	Mr. Snehashis Mazumder, brother of Mrs. Baisakhi Majumdar.																						
	b)For the Insurer	Mrs. Nitu Singh																						
15.	Complaint how disposed	By conducting online hearing																						
16.	Date of Award	15- Feb-2022																						

17. Brief Facts of the Case:

As per complainant, she has submitted online surrender form on 20.01.2021 to withdraw 100 % fund value. Date of vesting of the policy- 28.03.2021 & so 100 % withdrawal be possible prior to date of vesting. She visited branch to submit the documents in January, 2021 Branch representative reviewed all the documents and denied for accepting of surrender form provided the reasons that 100 % withdrawal cannot be processed in Q4 FY-2020-2021 & informed her to visit the branch on 05.04.2021 , i.e., Q1 FY-2021-2022 for 100 % withdrawal. She visited the branch twice on 5.4.2021 & 7.4.2021 for submission of documents for 100 % withdrawal. But at present, Insurer not accepting 100 % withdrawal of application and insisting her to take ICICI Pension plan.

18. Contention of the complainant:

She wants to get back her 100 % money along with penalty & interest.

19. Contention of the Respondent:

As per SCN, policy (unit linked pension plan) has been issued on basis of duly signed proposal form with first premium deposit of Rs. 20000/ with relevant KYC proof on 29.03.2008 & policy document has been sent through ZD courier on 2.4.2008. Company received total premium of Rs. 240000/ during tenure of the policy. Company has send proactive annuity quotation in October, 2020 & November, 2020 informing about various annuity options available on policy maturity to registered mail address of policyholder as well as proactive SMS communications requesting to submit the pension option on her registered mobile no. 9734736043. The policy vested on 29.03.2021 & total vested accumulated value was Rs. 537143.08. Complainant has logged into Company's website on 5.1.2021 for surrender request ,downloaded the surrender form & has received an intimation to visit their branch office with surrender request along with requisite documents to proceed further. She visited branch office on 20.1.2021 & Company tried to convince her by explaining about the policy features & not for surrender of the policy & being convinced to continue the said policy she has not submitted the surrender request further. But Company missed to take her written consent regarding retention of the said policy at that moment. As per record, policyholder had approached on 9.4.2021 for surrendering of his policy & further on 18.4.2021 through mail. Again she has send mail on 1.5.2021 with dissatisfaction & wants to withdraw of lump sum amount followed by 17.5.2021, June, 2021. On analyzing the complaint made to IRDAI as well as IGMS Company offered to pay Rs. 537143.08, i.e., bid value as on date of vesting & informed the same to the Complainant through mail

20. Observation and conclusions:

During hearing, representative of complainant has informed that though the complainant has applied for surrender of the policy well before date of vesting, Company denied to pay the lumpsum surrender amount & they insisted to take annuity as per policy conditions. Company now send a mail dated 08.01.2022 that they are ready to pay the bid value as on date of vesting ,i.e., Rs.537143.08 but complainant has demanded interest from date of vesting to date of payment. In response, Insurer has informed that as per policy condition, the policy is eligible for surrender after completion of 3 policy years & on surrender policyholder is entitled to receive the fund value after deduction of applicable charges. Company also sent intimation of annuity option prior to 6 months of date of vesting & policyholder is entitled either to receive 100 % annuity or she can commute upto 1/3 rd of fund value &

rest amount of fund as on date of vesting will be converted to annuity. As per record of Company, complainant has applied for surrender of the policy through online prior to date of vesting of the policy in January, 2021 & Company has offered for refund of bid value as on date of vesting as Rs. 537143.08 with interest on unclaimed amount.

AWARD

Without going into the merit of the case and considering the offer made by the Insurance Company, they are advised to refund the bid value, i.e., Rs. 5,37,143.08 (Rupees Five lakh Thirty Seven Thousand One Hundred Forty Three & Eight Paise only) with interest on unclaimed amount, if any as per norms of IRDAI towards full & final settlement of the above complaint after cancellation of the policy with an intimation to this forum.

Hence, the complaint is treated as disposed of.

**P K RATH
INSURANCE OMBUDSMAN**

Dated at Kolkata on 15TH February, 2022

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

Ombudsman Name: P.K.RATH

CASEOFCOMPLAINANT– MR. TUSHAR KANTI ROY

VS

RESPONDENT: L.I.C. OF INDIA, KMDO-1.

COMPLAINT REF: NO: KOL-L-029-2122-0951

AWARD NO:IO/KOL/A/LI/0860/2021-2022

1.	Name &Address of The Complainant	MR. TUSHAR KANTI ROY Flat No. 4B, IRIS-I, Dream Park Apartment, Station Road, Sonarpur, Kolkata – 700103. W.B.							
2.	Type Of Policy: Life / Health / General :LIFE Policy Details:								
		Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term
		821321870	50000	T-121-SSS		28.01.1996	175	25	25
3.	Name of insured	MR TUSHAR KANTI ROY							
4.	Name of the insurer	L.I.C. OF INDIA, KMDO-I							
5.	Date of receipt of the Complaint	30-11-2021							
6.	Nature of Complaint	Maturity claim under the policy not yet settled.							
7.	Amount of Claim	0.00							
8.	Date of Partial Settlement								
9.	Amount of relief sought								
10.	Complaint registered under Insurance Ombudsman Rules 2017	13-1(a)							
11.	Date of hearing Place of hearing	19.01-2022/23.02.2022 Kolkata							
12.	Representation at the hearing								
	a)For the Complainant	MR. TUSHAR KANTI ROY							
	b)For the Insurer	MR. SUJAY KUMAR BRAHMA							
13.	Complaint how disposed	By conducting online hearing							
14.	Date of Award	28-FEB-2022							

Brief Facts of the Case :

1. The subject policy matured on 28.01.2021 but not yet settled by the insurer in spite of providing all requirements. Lodged complaint to the insurer on 04.08.2021, 23.08.2021 and 20.09.2021 but no suitable response received in this regard.

2. The life assured under the policy took some loan from SBI, Washim Branch and kept the policy assigned in favour of the said bank.

3. The life assured repaid the loan and loan interest to SBI, Washim Branch but the said bank did not observe the Reassign procedure and the life assured submitted the original policy bond along with other requirements for getting the maturity value under the policy but the insurer did not settle the claim as the policy was assigned in favour of the SBI, Washim Branch and advised to submit discharge from the Bank only. Accordingly the said bank submitted all required papers for settle the claim but till date the said claim not yet settled.

4. As per SCN the insurer clarified that the policy was assigned in favour of SBI, Washim Branch and Maturity Value paid to the said bank on 15.07.2021 for Rs. 134000/- through NEFT but the said NEFT rejected for reason "Returned by RBI". Thereafter Mr. Tushar Kanti Roy, Chief Manager of SBI, OAD, LHO, Kolkata provided Bank A/c Details of his own on behalf of the said bank for making payment of the maturity value under the policy. But the insurer rejected the request showing reason that since the policy is assigned in favour of the SBI, money should be sent only to the Assignee only and not to the Assignor. Hence on getting the valid discharge from the Assignee along with the Bank A/c Details of the Assignee they will proceed further for payment of Maturity Value under the policy.

Contention of the complainant :

The complainant alleged that the policy was assigned in favour of the SBI, Washim Branch as he took some loan from the said bank. Later he repaid all the loan and loan interest to the said bank and in turn the said bank returned the original policy bond to him without going through the reassignment process. On maturity he submitted the original policy bond along with other requirements for getting the maturity value under the policy but the insurer regretted as the policy was assigned in favour of the SBI, Washim Branch and advised for fresh submission of discharge voucher from the assigned bank. Accordingly the said bank submitted all required papers for settlement of claim but till date no maturity claim settled under the policy. Lodged complaint to the insurer on 04.08.2021, 23.08.2021 and on 20.09.2021 but no fruitful result came out. Being aggrieved appealed before this office for redressal of his case.

Contention of the Respondent :

As per SCN the insurer clarified that the policy was assigned in favour of SBI, Washim Branch and Maturity Value paid to the said bank on 15.07.2021 for Rs. 134000/- through NEFT but the said NEFT rejected for reason "Returned by RBI". Thereafter Mr. Tushar Kanti Roy, Chief Manager of SBI, OAD, LHO, Kolkata provided Bank A/c Details of his own on behalf of the said bank for making payment of the maturity value under the policy. But the insurer rejected the request showing reason that since the policy is assigned in favour of the SBI, money should be sent only to the Assignee only and not to the Assignor. Hence on getting the valid discharge from the Assignee along with the Bank A/c Details of the Assignee they will proceed further for payment of Maturity Value under the policy.

Observation and conclusions :

It is observed that the policy was assigned in favour of SBI, Washim Brnch and valid assignment is still there. As per Bank A/c details provided by the said bank, the insurer made the maturity payment but rejected by the RBI on two occasions. Now on behalf of the bank it was submitted that if payment can be made by RTGS or by Cheque instead of NEFT then the account may be credited for otherwise the A/c no. will not work and requested to make the payment by RTGS or by Cheque. Under this circumstances the insurer on getting the bank account details afresh from Assignee, SBI, Washim Branch, may take the decision accordingly, as a special case, with a view to close the complaint.

AWARD

Taking into account the facts and circumstances of the case, the 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 the insurer tried to make payment through NEFT but the same rejected on two occasions. Therefore, they are directed to proceed with the payment without further delay to the Assignee, SBI, Washim Branch after getting the Assignee's Bank A/c details through other means, as per RBI guidelines with an intimation to this office. Hence the complaint is closed.

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 28th Day of Feb., 2022

SHRI P K RATH
INSURANCE OMBUDSMAN

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 – TAPAS DAS

VS

RESPONDENT: ICICI PRUDENTIAL LIFE INSURANCE CO. LTD. (MUMBAI)

COMPLAINT REF. NO: KOL-L-021-2122-1014

AWARD NO: IO/KOL/A/LI/ 0879 /2021-2022

1.	Name & Address Of The Complainant	TAPAS DAS A-11/3, Happy Nook, EKTP, Phase – IV, Kolkata - 700 078, West Bengal.							
2.	Type Of Policy: Life Policy Details: ICICI Pru LifeLink Wealth SP								
		Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term
		15688635	6,25,000	01-Jul-2011	01-Jul-2021	01-Jul-2011	5,00,000.00	10/SP	01
3.	Name of insured	Tapas Kumar Das							
4.	Name of the insurer	ICICI Prudential Life Insurance Co. Ltd. (Mumbai)							
5.	Date of receipt of the Complaint	17-Dec-2021							
6.	Nature of Complaint	Less settlement of maturity claim							
7.	Amount of Claim	Rs.1,65,50,000/-							
8.	Date of Partial Settlement	27.12.2021							
9.	Amount of relief sought	Rs.1,65,50,000/-							
10.	Complaint registered under Insurance Ombudsman Rules 2017	Rule 13(1)(c) – any dispute in regard to premium paid or payable in terms of the policy							
11.	Date of hearing Place of hearing	24-Feb-2022 Online hearing from Kolkata Office							
12.	Representation at the hearing								
	a) For the Complainant	Mr. Tapas Das							
	b) For the Insurer	Ms. Shahin Shaikh & Ms. Nitu Singh							
13.	Complaint how disposed	By conducting online hearing							
14.	Date of Award	28-Feb-2022							

Brief Facts of the Case:

i) The Complainant, Mr. Tapas Das, is an NRI living in Canada who purchased one life insurance policy bearing nos. 12224470 from ICICI Prudential Life Insurance Co. on 15.07.2009 with an initial payment of Rs.5,00,000/-. This was a regular premium policy instead of a single premium one as intended by the Complainant. With the intervention of the IRDAI, the Insurance Company, issued a fresh single premium policy bearing no.15688635 on 01.07.2011 cancelling the previous policy and adjusting the premium amount of Rs.5,00,000/- of the previous policy.

ii) It is alleged that the Insurance Company held the premium for almost 2 years before issuance of the

new policy without allowing any capital appreciation to the complainant while issuing the new policy.

iii) The new policy bearing no. 15688635 was matured on 01.07.2021 with the fund value of Rs.12,17,785.16/-. The Complainant wanted to get the maturity payment in his NRE account but the Company due to non-receipt of the bank statement from the Complainant confirming the source of the premium amount from NRE account, sent a cheque of Rs.10,11,054.92/- after deducting TDS of Rs.2,31,758/- (@31.2% on net maturity amount) to the Kolkata address of the Complainant despite being fully informed that he does not reside at Kolkata and the cheque was returned to the insure undelivered.

iv) The Complainant approached the Insurance Company through series of emails since July 2021 regarding various deficiencies on servicing aspect of the policy by the insurer like releasing the maturity proceeds by cheque in lieu of crediting the amount directly in his NRE account, dispatching the cheque to his Kolkata address in spite of being aware of his NRI status, less payment of maturity amount without providing documentary proof in support of TDS, delayed payment of maturity proceeds after the episode of undelivered cheque payment etc.

v) The Complainant filed his complaint at IRDAI on 24.08.2021 and lodged his complaint at the office of the Insurance Ombudsman, Kolkata on 06.12.2021.

vi) The Insurance Company, reviewed the Complaint after it was registered at the office of the Insurance Ombudsman and as service gesture offered the Complainant through email dated 27.12.2021 to pay penal interest of Rs. 31,855.16/- @6.25% for 184 days from date of maturity till 31.12.2021.

Contention of the complainant:

i) That there are clear evidences that ICICI Pru had sold him the wrong Policy (Life Stage Pension Policy bearing no. 12224470 in 2009 with multiple year payment and later changed that to current plan of one time payment with Policy No. 15688635 in 2011. Thus ICICI Pru profited by holding back his fund for additional 2 years.

ii) That he had submitted required banking documents multiple times that the policy opened in 2009 was paid from his ICICI NRE Account No. 000601075419 which is still active. In 2011 while issuance of the current policy, ICICI Pru made their internal book adjustment but no amount was paid by him further from his bank account whatsoever.

iii) That he had provided his ICICI NRE bank account statement which clearly shows conversion from foreign funds US\$ and GBP on 15.07.2009. The account opening form of policy no.12224470 also cross references to his ICICI Bank details.

iii) That the present policy bearing no. 15688635 has matured on 01.07.2021 and since then ICICI Pru has reopened the account verification process and on 07.07.2021 they confirmed that they have verified his NRE account and all the policy related payment will be deposited to this registered account. The Maturity book value is shown as Rs.12,17,785.16/-.

iv) That on 23.07.2021, ICICI Pru has communicated to him that they have mailed a cheque of Rs.10,11,054.92/- to his Kolkata address though his registered address in the policy is his overseas address as updated. ICICI Pru later confirmed that the cheque was eventually returned undelivered from his Kolkata address.

v) That the Company intentionally delayed the payment process by sending the payment through cheque that too to his previous address instead of making direct credit to his verified NRE account.

vi) That on 29.12.2021 the Company first time clarified that TDS of Rs.2,31,758/- @31.2% on the Net Maturity amount has been withheld but not produced any copy of this certificate either.

vii) That on 14.10.2021 ICICI Pru has communicated that they have failed to deposit payment in his stated NRE account which is in frozen status but on taking up the matter with his banker, ICICI Bank Branch, he obtained confirmation that the account is in active status.

viii) That after 14.10.2021 till date ICICI Pru has not made any further attempt to deposit payment to my registered bank account. On the contrary they are still asking for proof of payment from his bank account at the initiation of his current policy, which he had clarified earlier.

ix) That ICICI Pru has been profiteering by holding his payment additionally over 2 years 5 months, for which he is seeking additional compensation. According to his conservative estimate, his total claim now stands to Rs.1,65,50,000/- if settled by January 2022.

Mr. Tapas Das, the Complainant, attended the online hearing on 24.02.2022. He elaborately made his submissions during the course of hearing and reiterated the points already mentioned in his complaint letter. He confirmed that he had finally received the maturity proceeds under the policy from the Insurance Company in his NRE account after long and agonizing delay, however he was not satisfied with the penal interest provided by the Company for delayed payment. He demanded penal interest for one year as a compensation for the distress caused to him by the insurer.

Contention of the Respondent:

The contention of the Insurance Company as per their Self-Contained Note (SCN) received on 27.12.2021 is as follows:

i) That the policyholder has highlighted concern with regards to the following policy as mentioned in the table 1 below. The Company was in receipt of duly filled and signed application form along with the relevant supporting and KYCs for issuance of the said policy. The policy number 15688635 was proposed by Mr. Tapas Kumar Das.

Table 1

Application number	PP32395524	Disputed Policy Number	15688635
Name of the Proposer and Life Assured	Mr. Tapas Kumar Das	Plan name	ICICI Pru LifeLink Wealth SP
Sum Assured	Rs.625,000/-	Proposal Received date	September 16, 2010
Risk commencement and Policy issuance Date	July 01, 2011	Premium amount and Frequency mode	Rs.5,00,000/- Single premium plan
Policy and Premium paying term	10 years	Policy status	Matured on July 01, 2021
Fund Value	Rs. 12,42,812.91/- as on dated June 30, 2021	Maturity payout	Rs.10,11,054.92/-
Policy document dispatch date	Dispatched on July 16, 2011 via blue dart courier awb no. 44849534822	Total disputed amount	Rs. 12,42,812.91/- (fund value)
Policyholder's Concern and Demand	Policyholder has raised concern that there was a delay in processing the Maturity proceeds in his NRE bank account held with the ICICI Bank. Demands for Maturity.		

ii) That in regards, to the policyholder's concern, we would like inform you that the policyholder had opted for an ICICI Life Stage Pension policy number 12224470 in July 2009. Policyholder has approached us with mis-sale allegation for the said policy in June 2011. Post evaluating the facts and findings and considering as a special case we have offered policy cancellation and product change to single premium for Rs. 5 Lakhs. Accordingly, we have transferred towards the issuance of new policy and has issued the ICICI Pru LifeLink Wealth SP as one time premium plan in June 2011.

iii) That based on the information provided in the application form, the Company issued a ICICI Pru LifeLink Wealth SP as a single premium plan of Rs.500,000/- on July 01, 2011 with policy term 10 years as mentioned in the table 1.

iv) That The Company would like to inform that the above mentioned policy is a single premium plan with 10 policy years, hence prior to completion of the policy term Company had sent multiple email communications between January 2021 to June 2021 to the policyholder's registered email address dases@telus.net and tapasdas06@gmail.com informing him that Maturity benefit for his above mentioned policy will be processed to his Bank account no. XXXXXX5419 updated in our records. The Confirmation on bank account details communications also mentioned that "If you wish to receive the payout in an NRE account, then please share proof of premium payment". The copies of the email communications sent to the policyholder have shared for reference along with the Self Contained Note (SCN).

v) That the Policyholder approached the Company on February 09th, 2021 through website requesting to confirm the procedure to add the Bank account details online. Here an email communication was sent to the policyholder confirming about the Bank account details updated in the said policy on February 09th, 2021.

vi) That the Policyholder approached the Company on February 10th, 2021 and submitted his ICICI Bank Ltd. account XXXXXXXX5419 details to initiate the amount on maturity date on July 01st, 2021. Additionally, he has requested to update his communication address. In order to change the address in the said policy the Company requested for valid address proof and has sent the email with the above context on dated February 11th, 2021 and March 05th, 2021 respectively.

vii) That later on March 08th, 2021 the policyholder shared his passport copy as address proof. Accordingly, his current address got updated in Company's record for future correspondence. The Company have communicated the above confirmation via email on March 12th, 2021 and March 18th, 2021 respectively.

Old Address: A-11/3, Happy Nook, E.C.T.P PH-IV, EM Bypass, Kolkata 700 078, West Bengal

New Address: 4310 McMullen Way SW, Edmonton, Alberta, Canada, T6W 1K7

viii) That the policyholder has approached the Company (through website) on June 29, 2021 to know the said policy maturity payout details. Post reviewing the said concern the Company requested the policyholder to submit cancelled cheque copy and Identity proof. Further, the Company informed the policyholder incase his premium amount was paid under the said policy from the NRE account. Company requires the bank statement confirming the source of the premium amount from NRE account under your policy. Company will issue a repatriation letter to facilitate remittance of the amount in the NRE account. The payout shall be processed directly to your NRE bank account basis the repatriation letter. The details were communicated to the policyholder via email dated June 29th, 2021.

ix) That the Policyholder has not submitted the complete documents he has given only cancelled cheque and Identity proof copy to us on July 01st, 2021. We have evaluated the said details and has identified that NRE Bank statement copy is not available for repartition letter for further payout. Hence the Company confirmed the receipt of cancelled cheque and Identity proof and has raised the NRE Bank statement documents requirement from the policyholder and has sent the email on July 01st, 2021.

x) That the said policy term of 10 years has been completed and got matured on July 01st, 2021. In absence of the payout documents for electronic payout, the Company had processed and dispatched the Maturity payout of Rs.10,11,054.92/- (Rupees Ten Lakhs Eleven Thousand Fifty and Ninety-Two paise only) via cheque at the policyholder's registered postal address. The above details were communicated to the policyholder via email dated July 07, 2021.

Maturity calculation for reference:

Details of the Maturity amount	Amount (Rs.)
Total maturity Amount (A)	Rs.12,42,812.92/-
Premium amount (B)	Rs.5,00,000/-
Net Maturity amount (A-B)=C	Rs.7,42,812.92/-
TDS (31.2% on the Net maturity amount) (D)	Rs.231,758/-
Final Maturity amount paid to the policyholder	Rs.10,11,054.92/-

xi) That Immediately post receiving the above communication the policyholder approached us requesting to remit the Maturity payout directly to his NRE bank account number and asking for breakdown of the Maturity payout. Here post review we have informed the policyholder that we have processed the Maturity benefit payout on July 01, 2021 via Cheque for an amount of Rs.10,11,054.92/- and if he wishes to receive the payout in his NRE bank account requested him to submit the bank statement confirming the source of the premium amount paid from NRE account and once we received the same we shall assist you further. The said communication was sent to the policyholder via email dated July 23, 2021

xii) That as per records the policyholder had approached the Company touch point multiple times from July 2021 to December 2021 with the above concern. However, every time the Company requested the policyholder to share the bank statement confirming the source of the premium amount paid from NRE account in order to facilitate remittance of the Maturity refund amount in the policyholder's NRE account. Additionally, the denied the policyholder's request for any additional amount as the maturity value that is processed is as per policy terms and condition.

xiii) That simultaneously in December 2021 the case was received from the senior management, here post evaluating the same we had identified that due to service lapse the Maturity amount Rs.1,011,054.92/- for policy number 15688635 was not credited at the time of policy maturity. The error has been rectified and the Company has decided to process the refund of the Maturity amount Rs.1,011,054.92/- to the policyholder's ICICI NRE bank account number XXXXXXXX5419 along with penal interest rate @6.25% interest of Rs.26,157.21/- for 142 days (subject to TDS) towards the delay occurred for maturity payment. A communication with the settlement was shared with the policyholder via email dated December 21, 2021

xiv) That meanwhile the said complaint is now received from the Insurance Ombudsman Office, Kolkata in December 2021. We have once again reviewed the complaint, and in view of the above facts there has been service lapse occurred by the touch point for incorrect requirements triggered, hence we are of the view to pass benefit of interest as service gesture effective policy maturity i.e. July 01, 2021 till December 31, 2021. The total interest amount payable is Rs.31,855.16/- for 184 days. A communication has been sent to the policyholder via email dated December 27, 2021.

Ms. Shahin Shaikh & Ms. Nitu Singh represented ICICI Prudential Life insurance Company in the online hearing. Ms. Shaikh mentioned that they have already communicated the details of TDS on maturity proceeds to the Complainant through email. The Insurance Company also settled the maturity claim for the policy under complaint to the NRE account of the Complainant on 27.12.2021 with penal interest of Rs. 31,855.16/- for 184 days @6.25% from 01.07.2021 i.e. date of maturity to 31.12.2021.

Observation and conclusions:

- i) The Complainant is an NRI residing at Canada.
- ii) The first policy bearing no. 12224470 was issued in July 2009 for Rs.5 lacs which was cancelled by the insurer on the basis of complaint of the Complainant for being a regular premium policy instead of single pay policy and a new single premium policy bearing no. 15688635 was freshly issued on 01.07.2011 adjusting the premium of the previous policy.
- iii) The Complainant submitted documentary proof that the amount of Rs. 5 lac was debited from his NRE account XXXXXXXXXXXX5419 on 15.07.2009 while issuance of the previous policy bearing no. 12224470. He had not paid any fresh amount for the new policy bearing no. 15688635 and the premium amount was adjusted from his previous policy. On the date of maturity i.e. 01.07.2021, the Insurance Company issued a cheque of Rs. 10,11,054.92/- in favour of the Complainant to settle the maturity claim under the policy in lieu of transferring the amount directly to his NRE account without giving cognizance to the document showing the premium of the previous policy was paid from his said NRE account.
- iv) The cheque was sent to the Kolkata address of the Complainant although his address at Canada was previously updated in the records of the insurer as per request of the Complainant.
- v) The TDS of Rs.2,31,758/- was correctly deducted on net maturity amount @31.2% as per TDS for non resident policyholders in respect of policy payout as governed by the provisions of Section 195 of the Income Tax Act, 1961. However, the deduction details in this respect had not been shared with the Complainant initially, provided later after receiving request from him.
- vii) The net maturity proceeds of Rs.10,11,054.92/- after deduction of TDS from the gross maturity amount of Rs.12,42,812.92/- was payable on the date of maturity of the policy i.e. 01.07.2021, was actually transferred to NRE account of the Complainant on 27.12.2021. The Company paid penal interest of Rs.31,855.16/- for 184 days @6.25% from date of maturity to date of payment.

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 there was certain lapses on part of the Insurance Company in settling the maturity claim under this policy bearing no. 15688635 - initially by not allowing fund transfer to his NRE account without any valid reason and further the cheque was wrongly dispatched to the previous address of the Complainant in spite of updating his present address with the insurer. The distress caused by the Insurance Company to the Complainant due to lack of sensibility in settling the maturity claim with repeated mistakes is found to be unacceptable and the Company should be careful in future in dealing such cases. They have paid the maturity amount on 27.12.2021 to the NRE account of the Complainant along with interest for delayed settlement as per section 17(7) of Insurance ombudsman Rules,2017. However, any compensation claimed beyond the actual monetary loss suffered by the Complainant for deficiency in service does not come under the purview of this forum.

As such, the case is dismissed without providing any further relief to the Complainant and the Complaint is 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 28th Day of February 2022

P K RATH
INSURANCE OMBUDSMAN

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 – SAYAN SAHA

VS

RESPONDENT: KOTAK MAHINDRA LIFE INSURANCE CO. LTD. (MUMBAI)

COMPLAINT REF. NO: KOL-L-026-2122-1103

AWARD NO: IO/KOL/A/LI/ 0877 /2021-2022

1.	Name & Address Of The Complainant	SAYAN SAHA 46, Khub Lal Saha Street, Dum Dum Cantonment, Gorabazar, Kolkata - 700 028, West Bengal.							
2.	Type Of Policy: Life (Individual Life Insurance plan) Policy Details: Kotak Surakshit Jeevan								
		Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term
		02423529	Not available	13-Dec-2011	13-Dec-2021	13-Dec-2011	Not available	10/Yearly	01
3.	Name of insured	Sayan Saha							
4.	Name of the insurer	Kotak Mahindra Life Insurance Co. Ltd. (Mumbai)							
5.	Date of receipt of the Complaint	24-Dec-2021							
6.	Nature of Complaint	Revival of policy not effected before settlement of maturity claim							
7.	Amount of Claim	Rs.76,176/-							
8.	Date of Partial Settlement	09.12.2021							
9.	Amount of relief sought	Rs.76,176/-							
10.	Complaint registered under Insurance Ombudsman Rules 2017	Rule 13(1)(c) – any dispute in regard to premium paid or payable in terms of the policy							
11.	Date of hearing Place of hearing	24-Feb-2022 Online hearing from Kolkata Office							
12.	Representation at the hearing								
	a) For the Complainant	Mr. Sayan Saha							
	b) For the Insurer	Ms. Nivedita Bhattacharya							
13.	Complaint how disposed	By conducting online hearing							
14.	Date of Award	28-Feb-2022							

Brief Facts of the Case:

i) The Complainant, Mr. **Sayan Saha** purchased one life insurance policy bearing nos. 02423529 from Kotak Mahindra Life Insurance Co. on 13.12.2011 with both policy & premium paying term of 10 years. The Complainant failed to pay the premium under the policy since the installment due on 13.12.2019 due to some financial problem.

ii) It is reported that the Complainant paid two the installments due on 13.12.2019 & 13.12.2020 on 04.12.2021 amounting Rs.18,139.51/- and also sent the major revival form to the insurer for reviving the

policy before the due date of maturity of the policy on 13.12.2021. The Complainant received message from the insurer on his registered mobile no. that revival of his policy was considered on 09.12.2021. But the Insurance Company settled the maturity claim in paid up status of the policy without effecting the revival and sent a cheque of Rs.9,167.98/- which was delivered to the Complainant on 11.12.2021.

iii) The policy was loan encumbered and the Company deducted outstanding loan of Rs.56,824.19/- while settling the maturity claim.

iv) The Complainant was aggrieved as he had been deprived of the full maturity amount of the policy by the Insurance Company in spite of accepting his request for reviving the policy along with the consideration amount before the date of maturity. He approached the Insurance Company through email on 23.12.2021 for settlement of full maturity claim of his policy but the Company denied his request as per the letter dated 23.12.2021, stating that they start processing the payment of maturity claim of a policy 7 days prior to the date of maturity when the policy was in paid up status for the instant case. However, they informed that the revival amount of Rs.18,139.51/- accepted earlier by the Company would be refunded within 5-7 days.

v) The Complainant was not satisfied with this clarification given by the Insurance Company and filed his complaint to the office of the Insurance Ombudsman, Kolkata on 24.12.2021 for redressal of his grievance.

Contention of the complainant:

i) That his policy was in paid up condition since 13.12.2019 and as per IRDA guideline a paid up policy can be revived within a period of 2 years from the date of first unpaid premium before the date of maturity. Hence, the policy could be revived latest by 12.12.2021. He initiated revival of the policy on 04.12.2021 by paying the revival amount of Rs.18,139.51/- for the premium due on 13.12.2019 & 13.12.2020 along with the major revival form. He received confirmatory message on his registered mobile no. from the insurer that revival of the policy was considered on 09.12.2021 which means his revival request was accepted by the Company. On the same date i.e. 09.12.2021, reduced paid up maturity cheque was issued from Kotak of Rs.9,167.98/-. Thus, the Company accepted the premium for 10 years term but still settled reduced paid up maturity value intentionally to gallop the money.

ii) That he availed policy loan in 2019 from this policy due to financial constraints and did not pay the loan & the interest thereon for Rs.56,824/-.

iii) That on enquiry he had learnt from the Insurance Company that the maturity amount for his policy would be around Rs.1,23,000/- if all premiums were paid. Hence, ideally, he should receive Rs. (1,23,000-56,824) = 76,176/- as the maturity proceeds under the policy instead of Rs.9,167.98/- settled by the insurer.

iv) That he is ready to pay the premium of Rs.18,139/-, the consideration amount for revival, refunded to him by the insurer along with Rs.9,167.98/- received as maturity proceeds to receive the full maturity amount of the policy.

Mr. Sayan Saha, the Complainant, attended the online hearing on 24.02.2022. He insisted that he was informed over phone from the Insurance Company that the maturity amount of his policy would be around Rs.1,23,000/- if all premiums were paid. So, he is eligible to receive Rs.38,869/- excluding the outstanding loan amount with interest of Rs.56,824/-, the amount of premium paid by him earlier refunded by Company of Rs.18,139.51/- & the maturity proceeds already received of Rs.9,167.98/-.

Contention of the Respondent:

The Insurance Company informed this office through their email dated 17.02.2022 that they are trying to settle the matter. Again on 23.02.2022, they have intimated that

“We are ready to make a payment of the differential maturity amount to the Complainant. The calculation of the amount payable would be as follows:

Maturity amount which would be payable had the policy been completely inforce - (the maturity amount

+ premiums already refunded to the customer).

We have referred the case to the actuaries for extrapolating the full maturity amount.”

They later shared the difference of maturity amount payable as detailed below:

Maturity Payable as per Actuaries team – A	56,234.64
Maturity Amount Already paid - B	9,167.98
Premium refunded - C	18,126.00
Net Amount Payable (A-B-C)	28,940.66

The Insurance Company earlier in their letter dated 23.12.2021 addressed to the Complainant mentioned the following points:

- i) That the policy bearing no. 02423529 opted for by the Complainant is a Kotak Surakshit Jeevan policy with a Policy term of 10 years and premium paying term of 10 years.
- ii) That the aforesaid policy was in reduced paid-up status due to non-receipt of renewal premiums since 13.12.2019.
- iii) That as per the documents received from the policyholder, the Company raised revival request id 9365911 on 06.12.2021 and same was approved on 09.12.2021.
- iv) That as per the process, the maturity amount was processed 7 days prior to the maturity date on 06.12.2021 and due to this revival could not be done.
- v) That the maturity cheque of Rs.9,167.98/- was dispatched on 09.12.2021 and the same was delivered to the policy holder on 11.12.2021. The policy got matured on 13.12.2021 and maturity pay out was released as per policy contract post deduction of outstanding loan of Rs.56,824.19/-.
- vi) That refund of revival amount of Rs.18,139.51/- have been processed and the same will be credited into the source account within 5-7 days.

Ms. Nivedita Bhattacharya represented Kotak Mahindra Life Insurance Company in the online hearing. She explained that the Insurance Company had already processed the maturity claim before receiving the revival request from the Complaint just few days prior to the date of maturity. As a result, the maturity proceeds were settled in reduced paid up status of the policy. The Company is now willing to settle the full maturity amount after deducting the refunded amount of premium & maturity amount already paid as detailed below:

Basic Sum Assured	Rs.65,828	Loan Principal	Rs.46,000
Reversionary Bonus (26.75%)	Rs.17,608	Loan Interest	Rs.10,824
Terminal Bonus @3%	Rs.19,748	Premium Refunded	Rs.18,126
Special Terminal Bonus @1.5%	Rs. 9,874	Maturity claim paid	Rs. 9,168
Total Maturity Amount	Rs.1,13,058	Amount to be deducted	Rs.84,118
Net Amount Payable: Rs. (1,13,058 - 84,118) = Rs.28,940/-			

Observation and conclusions:

- i) It was a reduced paid-up policy with First Unpaid Premium on 13.12.2019. The Complainant submitted the revival form along with two outstanding installment premiums on 04.12.2021, 9 days prior to the date of maturity (13.12.2021) of the policy.

ii) The Company accepted the request and the Complainant received message from the insurer in this regard on 09.12.2021.

iii) The Insurance Company settled the maturity amount wrongly considering it as a reduced paid up before revival instead of taking it as a fully paid policy post revival and the reduced maturity amount of Rs.9,167.98/- was paid to the policyholder by cheque.

iv) The revival amount of Rs.18,126/- was later refunded to the policyholder.

v) The company is now ready to make a payment of the differential maturity amount i.e. Maturity amount which would be payable had the policy been completely inforce - (the maturity amount + premiums already refunded to the customer) which amounts to Rs.28,940/-.

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 Insurance Company had settled the Maturity Claim under Policy No. 02423529 wrongly in reduced paid up condition in spite of accepting the revival request of the policy by the Complainant prior to the date of maturity. However, the Insurance Company is now willing to settle the difference amount of Rs. 28,940/- as the rest of maturity proceeds payable considering it as a fully paid-up policy which is found to be in order as per terms and conditions of the policy.

As such, the Insurance Company is directed to pay Rs.28,940/- to the Complainant immediately with an intimation to this office.

Hence the Complaint is 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.

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 28th Day of February 2022

P K RATH
INSURANCE OMBUDSMAN

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– APARNA ROY

VS

RESPONDENT: LIFE INSURANCE CORPORATION OF INDIA (HOWRAH DIVISION)

COMPLAINT REF: NO: KOL-L-029-2122-1016

AWARD NO:IO/KOL/R/LI/ 0849 /2021-2022

1.	Name & Address Of The Complainant	APARNA ROY RA-629, RA-Block, Shantinagar, Salt Lake, Sector-IV, Kolkata - 700 105, West Bengal.							
2.	Type Of Policy: Life (Traditional Guaranteed Addition Individual Life Insurance Policy) Policy Details: LIC Jeevan Sneha T-128								
		Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term
		433830888	5,00,000	26-Mar-2001	26-Mar-2021	26-Mar-2001	35,625.00	20/Yearly	20
3.	Name of insured	Aparna Roy							
4.	Name of the insurer	Life Insurance Corporation of India (Howrah Division)							
5.	Date of receipt of the Complaint	06-Dec-2021							
6.	Nature of Complaint	Non- settlement of SB & Maturity proceeds							
7.	Amount of Claim	Not applicable							
8.	Date of Partial Settlement	Not applicable							
9.	Amount of relief sought	Rs.8,52,630/-							
10.	Complaint registered under Insurance Ombudsman Rules 2017	Rule 13(1)(a) — delay in settlement of claims							
11.	Date of hearing Place of hearing	15-Feb-2022 Online hearing from Kolkata Office							
12.	Representation at the hearing								
	a)For the Complainant	Ms. Aparna Roy							
	b)For the Insurer	Ms. Sudipta Roy							
13.	Complaint how disposed	By conducting online hearing							
14.	Date of Award	28-Feb-2022							

Brief Facts of the Case:

i) The Complainant, Ms. Aparna Roy, purchased one life insurance policy bearing nos. 433830888 from Life Insurance Corporation of India, Bagnan Branch under Howrah Division on 26.03.2001. It was a guaranteed return policy with both policy term and premium paying term of 20 years. The annual premium of the policy is Rs.35,025/-.

ii) It is reported by the Complainant that she received a phone call from the LIC office informing her to submit the necessary documents for settling the maturity proceeds under the said policy which was due on 26.03.2021 i.e. three months prior to the date of receiving the phone call. The Complainant submitted all the

documents, her bank account details etc. including copy of the General Diary filed at police station for loss of policy bond, at Bagnan Branch of LIC of India on 29.09.2021.

iii) The Complainant received a text message from the insurer on 02.10.2021 that the maturity benefit under the said policy had been disbursed but no amount was credited to her bank account. Upon enquiry she came to know that the amount was disbursed to a bank account on her name about which she was not at all aware of. On further investigation on her part, she found out that it was account under HDFC Bank Ltd. created by her husband using a fake PAN card, a complaint about which had been filed by her with the Haridevpur police station on 22.11.2020 and a case was started vide F.I.R. no.354 of 2020, the proceedings going on at the Hon'ble High Court.

iv) The Complainant approached the Insurance Company through email on 04.10.2021 to settle the maturity proceeds to her correct bank account no. which she had submitted to Bagnan Branch on 29.09.2021 but the insurer did not pay heed to her concern.

v) The Complainant filed her complaint to the office of the Insurance Ombudsman on 06.12.2021.

Contention of the complainant:

i) That she received phone call from LIC of India regarding maturity of her policy 3 months after the date of maturity.

ii) That she submitted all the documents, her bank particulars and General Diary for loss of policy bond at Bagnan Branch of LIC of India on 29.09.2021.

iii) That the insurer disbursed the maturity amount to another bank account on her name, a fake one created by her husband, not mandated by her.

Ms. Aparna Roy, the Complainant, attended the online hearing on 15.02.2022. She reiterated that she received a phone call from LIC of India informing her about maturity of her policy. She visited the Bagnan Branch of LIC of India on 29.09.2021 and deposited the Discharge voucher, Bank account particulars and the original General Diary for loss of Policy Bond. She said that she is separated with her husband for last 2 years and the original policy bond lies with her husband. On 02.10.2021 she received an SMS from LIC of India that the maturity amount of the policy was credited to her bank account. But on checking her account she found that no such amount was credited to her account. Subsequently, on enquiry she could understand that the amount was credited to a fake account on her name which was opened by her husband fraudulently. She requested the Insurer to transfer the amount to her given bank account but the insurer did not pay her the amount till date.

Contention of the Respondent:

The contention of the Insurance Company as per their Self-Contained Note (SCN) dated 04.02.2022 is as follows:

i) That the Policy No.433830888 under T/T 128/20 was issued to Smt Aparna Roy on 26.03.2001 and the policy was matured on 26.03.2021. On receipt of the required documents from the claimant, the maturity claim was processed and maturity proceed was released on 30.09.2021 through NEFT to the claimant's banker HDFC Bank, Rashbehari Branch, A/c. No. 50100050857457.

ii) That the claim was settled on the basis of Original Policy Bond, Discharge Voucher duly signed and witnessed and NEFT details alongwith KYC of Aparna Roy.

iii) That the Claimant now complains of non-receipt of maturity proceed amounting Rs.11,19,033.00 of the aforesaid policy in her bank account (in Bandhan Bank) that she mentioned in the NEFT Form to the Branch submitted on 29.09.2021.

iv) That on receipt of the complaint, the servicing Branch of the policy (Bagnan) had taken up the matter with HDFC Bank (Rashbehari Branch) to return the amount to the LIC of India with Bank account details. However, the amount has not yet been returned by the recipient Bank.

Ms. Sudipta Roy represented L I C of India in the online hearing. She clarified that the date of maturity of the

policy was on 26.03.2021. They have received the maturity discharge voucher duly signed and filled in alongwith the original policy bond and the claim payment was already processed before the submission of Discharge Voucher and other documents by Ms. Aparna Roy, the Complainant. Hence, the amount was paid to her HDFC Bank account. On receiving the complaint from Ms. Aparna Roy the insurer took up the matter with HDFC Bank, though the Bank authority freezes the account, the amount has not been returned to the insurer as per their request.

Observation and conclusions:

- i) The date of maturity of the policy was 26.03.2021 and the complainant submitted the documents on 29.09.2021 after receiving the information over phone from the insurer after 3 months from date of maturity.
- ii) The Insurer paid the maturity amount on 30.09.2021 .i.e. on the next day of receiving the documents from the Complainant.
- iii) The Complainant submitted application for deactivation of PAN Card bearing no. ADCPR5155N the office of the Income Tax Department, Kolkata - Ward 17(2) on 16.03.2021 complaining that the card was issued with her signature forged by her husband.
- iv) The Complainant submitted letter on 04.10.2021 to the HDFC Bank in which the maturity amount was credited in her supposedly fake account for block the amount.
- v) FIR was lodged against his husband regarding cheating and forgery at Haridevpur PS on 22.11.2020 & 06.12.2020. The proceedings of the case is on at the Hon'ble court.
- vi) The system generated policy master of the policy bearing no.433830888 does not contain the name of the complainant, it shows the name of Mr. Arun Kumar Chattaraj, the husband of the Complainant, in the address fields.
- vii) The matter was taken up by the Insurer with the HDFC Bank, and requested them to return the amount to the insurer. This indicates that the insurer could realize that the amount was paid to a wrong account.

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 this is a case of insurance fraud which does not come under the purview of the Insurance Ombudsman. The case cannot be considered at this level.

However, having known that there is some fraud involved, the insurer is supposed to file case in appropriate authority. They cannot absolve the responsibility by simply writing to the Banker. They are advised to take action immediately to get back the money.

Hence the Complaint is 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 28th Day of February 2022

**P K RATH
INSURANCE OMBUDSMAN**

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 – BARUN KANTI SAHA

VS

RESPONDENT: Life Insurance Corporation of India (KMDO-1)

COMPLAINT REF: NO: KOL-L-029-2122-1019 AWARD

NO:IO/KOL/A/LI/ 0840 /2021-2022

1.	Name & Address Of The Complainant	Barun Kanti Saha BC – 132, Salt Lake City, Sector – 1, Kolkata - 700 064, West Bengal.							
2.	Type Of Policy: Life (Individual with profit life policy) Policy Details: LIC Jeevan Saral Plan T-165								
		Policy Number	Sum Assured (Mat/Death)	From Date	To Date	DOC	Premium	Policy Term	Paying Term
		495360241	1,58,840 10,00,000	30-Nov-2011	22-Nov-2021	22-Nov-2011	48,040	10 Yearly	10
3.	Name of insured	Barun Kanti Saha							
4.	Name of the insurer	Life Insurance Corporation of India (KMDO-1)							
5.	Date of receipt of the Complaint	15-Dec-2021							
6.	Nature of Complaint	Less payment of Maturity proceeds							
7.	Amount of Claim	Not applicable							
8.	Date of Partial Settlement	Not applicable							
9.	Amount of relief sought	Rs.2,54,053/- (Total premium paid less maturity amount received)							
10.	Complaint registered under Insurance Ombudsman Rules 2017	Rule 13(1)(b) – any partial or total repudiation of claims by an insurer							
11.	Date of hearing Place of hearing	15-Feb-2022 Kolkata							
12.	Representation at the hearing								
	a)For the Complainant	Mr. Barun Kanti Saha							
	b)For the Insurer	Mr. Sujay Brahma							
13.	Complaint how disposed	By conducting online hearing							
14.	Date of Award	28-Feb-2022							

Brief Facts of the Case:

i) The Complainant, Sri Barun Kanti Saha, purchased one Jeevan Saral policy bearing no. 495360241 from city Branch- 7 of KMDO-1 under Life Insurance Corporation of India on 30.11.2011.

ii) The policy was issued on the life of Sri Barun Kanti Saha, at an age of entry of 59 years for Maturity & Death Sum Assured of Rs.1,58,840/- & Rs.10,00,000/- respectively with yearly premium of Rs.48,040/- for a term of 10 years.

- iii) Sri Barun Kanti Saha had paid all the premium under the policy for 10 years from 2011 to 2020 and he received Rs.2,26,347/- on 26.11.2021 from the insurer as maturity proceeds due on 22.11.2021.
- iv) He paid total premium of Rs.4,80,400/- against this policy and hence he is shocked to receive the maturity amount of Rs.2,26,347/- which is much less than the total premium paid under the policy.
- v) He filed his complaint to the Sr. Divisional Manager & the Manager (CRM), LIC of India, KMDO-1, on 28.10.2021 & 29.10.2021 respectively but he was not satisfied with the clarification letter issued on 02.11.2021 by the Manager (CRM) of the insurer in response to his complaint.
- vi) The Complainant finally approached the office of the Insurance Ombudsman on 15.12.2021 for justice and redressal of his grievance.

Contention of the complainant:

- i) That he purchased the policy on 22.11.2011 and paid yearly premium @Rs.48,040/- for full term of 10years of the policy.
- ii) That he paid Rs.4,80,400/- in total under this policy for 10 years but the Insurance company paid him an amount of Rs.2,26,347/- as maturity value of the policy on 26.11.2021.
- iii) That he is totally disappointed with the maturity amount which is Rs.2,54,053/- less than the total premium paid by him under this policy.
- iv) That at the time of taking the policy he knew that it was high risk policy but he could not imagine that he would not get back the premium paid by him.
- v) That he is suffering from metal anxiety and depression due to this financial set back which has a negative impact on his physical health condition as well.

Mr. Barun Kanti Saha, the Complainant, attended the online hearing from this office on 15.02.2022. He is not knowledgeable about insurance policies and trusted on the words of the Agent while purchasing this policy. He was told that he would receive Rs. 10 lac after 10 years but he received only Rs.2.26 lac as maturity proceeds though he had paid a total premium of Rs.4.8 lac. He did not even receive the premium amount paid by him. He pleaded for return of at least the premium amount paid by him.

Contention of the Respondent:

The contention of the Insurance Company according to their Self-Contained Note (SCN) dated 20.01.2022 is as follows:

- i) That the Complainant, Sri Barun Kanti Saha, purchased one Jeevan Saral Policy bearing no. 495360241 on 22.11.2011 on his own life. The Maturity Sum Assured of the Policy is Rs. 1,58,840/- as clearly mentioned in policy document.
- ii) That as per terms and conditions of the policy - in the event of the Life assured surviving the date of maturity, a sum equal to Maturity Sum Assured in force after partial surrenders, if any, along with the corresponding loyalty addition, if any, shall be payable. The loyalty additions declared as a result of an actuarial valuation shall be applicable only to policies resulting into surrender, death claim or maturity claim before the date of next valuation and shall not remain attached to the
- iii) That the maturity claim of the policy under complaint fell due on 22.11.2021 and the Life Assured / Complainant, Sri Barun Kanti Saha, survived the date of maturity. Life Insurance Corporation of India made the payment of maturity on 26.11.2021 the following amount to the surviving Life Assured by NEFT:

Maturity Sum Assured	Rs. 1,58,840
Loyalty Addition	Rs. 67,507
Total Amount Paid	Rs. 2,26,347

iv) That Life Insurance Corporation of India made the maturity payment as per the contract stated in the policy bond in toto and there was no deficiency in service on its part.

Mr. Sujay Brahma, attended the online hearing on behalf of LIC of India. He reiterated the points already mentioned in their SCN. He clarified that the maturity Sum Assured is clearly mentioned in the policy document. The maturity Sum Assured and the loyalty addition is paid as per terms and condition of the policy in this case.

Observation and conclusions:

The Complainant, Sri Barun Kanti Saha, purchased one Jeevan Saral Policy bearing no. 495360241 on 22.11.2011 from Life Insurance Corporation of India on his own life. His age at entry was 59 years and yearly premium was Rs.48,040/- with both term & premium paying term of 10 years. The Maturity Sum Assured of the policy is Rs.1,58,840/- which is clearly mentioned in the policy bond. On verification it is observed that the maturity proceeds paid by the Insurer is in order 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 maturity amount paid by the insurer under the Policy bearing no. 495360241 is in consonance with the terms and conditions of the policy.

As such, the case is dismissed without providing any relief to the Complainant and the Complaint is 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 28th Day of February 2022

P K RATH
INSURANCE OMBUDSMAN

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 – Partha Dutta

VS

RESPONDENT: Tata AIA Life Insurance Co. Ltd.

COMPLAINT REF: NO: KOL- KOL-L-046-2122-1238

AWARD NO:IO/KOL/A/LI/0883/2021-2022

1.	Name & Address Of The Complainant	Partha Dutta 36A/1, Peary Mohan Roy Road, Kolkata - 700 027.							
2.	Type Of Policy: Life Policy Details:								
		Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term
		C211262585	Rs. 763000			26/11/2011	Rs.34438.00		15
3.	Name of insured	Partha Dutta							
4.	Name of the insurer	TATA AIA Life Ins. Co. Ltd.							
5.	Date of Repudiation								
6.	Reason for Repudiation								
7.	Date of receipt of the Complaint	14-Jan-2022							
8.	Nature of Complaint	Less Payment of Maturity Amount							
9.	Amount of Claim	0.00							
10.	Date of Partial Settlement								
11.	Amount of relief sought	Rs. 35213.00							
12.	Complaint registered under Insurance Ombudsman Rules 2017	Rule 13(1)(b) – any partial or total repudiation of claims by an insurer							
13.	Date of hearing Place of hearing	15-Feb-2022 Kolkata							
14.	Representation at the hearing								
	a)For the Complainant	Pravat Kumar Datta- Father							
	b)For the Insurer	Anupam Halder							
15.	Complaint how disposed	By conducting online hearing							
16.	Date of Award	25-Feb-2022							

17. Brief Facts of the Case:

A Policy , bearing No. C211262585, was issued by the TATA AIG Ins. Co. Ltd on the life of Pratima Datta on 26.05.2011 for a Sum Assured of Rs. 763000/- and semi-annual prem. Rs. 34438/- under the "Tata AIA Life Maha Life Gold-Old" Plan. On 31/11/2021, the insure received the death Claim Intimation Form from the nominee, Partha Dutta, intimating them that the Life Assured had passed away on 01/11/2021 due to Hemorrhage. The Insure has paid an amount of Rs. 727787/- on 03/12/2021 as full and final settlement of claim under the policy after deducting the unpaid premium and service tax from the claim amount.

18. Contention of the complainant:

The complainant, Partha Dutta, has complained vide his e-mail dtd. 12/01/2022 that though he was to receive Rs. 763000/- towards Death Claim under Policy No. C211262585, he received only Rs. 727787/- from the Insure. He has alleged that the Insurer had deducted an amount of Rs. 35213/- from the claim amount towards premium due in November under the policy and that it was not payable as the due date of the renewal premium was 28/11/2021 i.e., beyond the date of death of his mother. He has asked for the refund of the premium amount.

The father of the complainant was present during the on-line hearing and he repeated the same arguments.

19. Contention of the Respondent:

The SCN dtd. 28/01/2022, received from the insurer, Tata AIA Life Ins. Co. Ltd., states that one semi-annual premium due on 28/11/2021 was deducted from the death claim proceeds as per the terms and conditions of the policy.

The settlement sheet shows that Rs. 34438/ and Rs. 775/- was deducted from the Claim Amount towards unpaid premium and Service Tax on unpaid premium respectively. Also, the premium payment intimation dtd. 27/10/2021 issued by the Insurer shows an amount of Rs. 35213/- was due from the deceased policyholder on 26/11/2021.

The on-line hearing was attended by the representative of the Insurer. He drew attention to the relevant clause of the Policy which states that " If this Policy becomes a claim by death of the Insured , any balance of the premiums due for the full policy year in which death occurs shall be deducted from the proceeds payable under the Policy".

20. Observation and conclusions:

It is observed that the "Premium Provisions " attached with the policy states that "**Deduction of Premium at Death** – If this Policy becomes a claim by death of the Insured, any balance of the premiums due for the full policy year in which death occurs shall be deducted from the proceeds payable under the Policy."

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties present in the hearing, I am of the opinion that the respondent, Tata AIA Life Insurance Co. Ltd., had settled the Death Claim on the Life of Late Pratima Datta against Policy No. C211262585 as per the terms and conditions of the Policy. The complaint is dismissed without providing any relief to the complainant.

The complaint is hereby 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 the 25th Day of March, 2022

**P K RATH
INSURANCE OMBUDSMAN**

**PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND
UNDER INSURANCE OMBUDSMAN RULES 2017
OMBUDSMAN – SH. C.S.PRASAD
CASE OF SH. ANAND KUMAR V/S LIC OF INDIA-MEERUT
COMPLAINT REF: NOI-L-029-2122-0743**

AWARD NO:

1.	Name & Address of the Complainant	Sh. Anand Kumar R-6/66, 1st floor Raj Nagar, Ghaziabad UP-201002
2.	Policy No: Type of Policy Date of policy issuance Duration of policy/Policy period	256373064 Life 15.12.2010 11/11 YEARS
3.	Name of the insured Name of the policyholder	Sh. Anand Kumar Sh. Anand Kumar
4.	Name of the insurer	LIC of India-Meerut
5.	Date of Repudiation/Rejection	01.11.2021
6.	Reason for rejection	Paid as per policy terms and conditions
7.	Date of receipt of the Complaint	26.11.2021
8.	Nature of complaint	Less maturity payment
9.	Amount of Claim	Rs. 199984/-
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	Rs. 199984/-
12.	Complaint registered under IOB rules	YES
13.	Date of hearing/place	Online hearing on 08.02.2022
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the insurer	Sh. Jitendra Bhati, AO
15.	Complaint how disposed	Award
16.	Date of Award/Order	11.02.2022

17) Brief Facts of case: - This is a complaint filed by Sh. Anand Kumar against the decision of LIC of India-Meerut, relating to Less maturity payment by the company under mentioned Life Insurance policy.

18) Cause of Complaint

a) Complainant's argument: - The complainant alleged that he had purchased Jeevan Saral policy 11 years ago with Sum assured Rs. 500000/- which was also mentioned in his first premium receipt. In the last 11 years he has been paying Rs.2042/- monthly, so the total amount deposited is around Rs.269544/-. He received the claim form which states gross payable amount as Rs.116496/- which is 60% lower than the deposited amount. He is a retired banker and was expecting a good return and bonus on the policy but see that LIC has not declared any bonus on this policy.

He has written to LIC branch office and management but to no satisfaction. The complainant has approached the Insurance Ombudsman to look into this matter and check that he at least gets the deposited amount.

- b) **Insurers' argument:** - Insurer vide SCN dtd. 28.12.2021 denied the allegations and contended that the policy was issued on 15.12.2010 and matured on 15.12.2021. As per policy features there are two sum assured, one is death sum assured, and other is maturity sum assured. The maturity sum assured (MSA) under the policy is Rs.78980/- and Death sum assured is Rs. 500000/-. On survival of the LA on the date of maturity, MSA along with loyalty addition is payable. Under said policy MSA is Rs.78980/- + loyalty addition at the rate of Rs. 475/- per thousand i.e. $Rs.475/1000 * 78980 = Rs.37516/-$. So, the total amount payable is $Rs.78980+37516= Rs.116496/-$, and the Discharge voucher has been issued for the same amount.

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 08.02.2022. Both the complainant and insurer's representative attended the hearing and reiterated their submissions. The complainant is aggrieved because the maturity amount payable is only Rs.116496/- which is 60% lower than the deposited amount.

The insurer's representative reiterated that as per policy features, there are two sum assured, one is death sum assured, and the other is maturity sum assured. The maturity sum assured under the policy is Rs.78980/- and Death sum assured is Rs. 500000/- which is clearly written on the policy bond. On survival of the LA on the date of maturity, MSA along with loyalty addition is payable, which is Rs 116496/ only.

It is observed that the complainant purchased the policy at an advanced age of 59 years, and at higher age, mortality risk premium is very high. Maturity sum assured of the policy is Rs. 78980/-, Death sum assured is Rs.5 Lacs and Accidental sum assured is Rs. 5 Lacs which are clearly mentioned on the face of the policy bond. Maturity benefit mentioned on the policy bond says that "*in the event of the life assured surviving the date of maturity, a sum equal to maturity sum assured in force after partial surrender, if any, along with the corresponding loyalty addition, if any, shall be payable*". The company is paying Rs.116496/- in total with Maturity SA of Rs.78980/- + loyalty addition at the rate of Rs. 475/- per thousand i.e. $Rs.475/1000*78980=Rs.37516/-$ as per the terms and conditions of the policy.

The complainant did not read the terms and conditions written on the policy bond. Further, it is obvious that the grievance of the complainant has stemmed from the presumption that it was an investment, and not an insurance policy which is meant to guard against the risk of any untoward incident. The insurer is paying the maturity benefit as per the terms and condition of the policy. I find no merit to interfere with the decision of the Insurance Company. 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: 11.02.2022

**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 – SH. C.S.PRASAD
CASE OF SH. ANANT KUMAR GUPTA V/S MAX LIFE INSURANCE CO. LTD.
COMPLAINT REF: NOI-L-032-2122-0732**

AWARD NO:

1.	Name & Address of the Complainant	Sh. Anant Kumar Gupta 32/12, Labour Colony Ferozabad, UP-283203
2.	Policy No: Type of Policy Date of policy issuance Duration of policy/Policy period	550204184 Life 29.03.2006 100/20 YEARS
3.	Name of the insured Name of the policyholder	Sh. Anant Kumar Gupta Sh. Anant Kumar Gupta
4.	Name of the insurer	Max Life Insurance Co. Ltd.
5.	Date of Repudiation/Rejection	27.09.2021
6.	Reason for rejection	As per policy terms & conditions
7.	Date of receipt of the Complaint	23.11.2021
8.	Nature of complaint	Date of maturity not correct
9.	Amount of Claim	NA
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	NA
12.	Complaint registered under IOB rules	YES
13.	Date of hearing/place	Online hearing on 08.02.2022
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the insurer	Ms. Aanchal Yadav, Manager Legal
15.	Complaint how disposed	Award
16.	Date of Award/Order	11.02.2022

17) Brief Facts of case: - This is a complaint filed by Sh. Anant Kumar Gupta against the decision of Max Life Insurance Co. Ltd., relating to wrong date of maturity mentioned by the company under mentioned Life Insurance policy.

18) Cause of Complaint

Complainant's argument: - The complainant alleged that he purchased a life insurance policy from Max Life Insurance on 29 Mar 2006 having Policy No 550204184 having sum assured ₹ 500000/- and other benefits like Bonus etc. whose premium was ₹ 35000/- (Appx.) to be paid annually whose maturity date was 29 Mar 2026 as per the proposal Form and Policy Pack given to him at the time of taking Policy. After paying premium for 15 yrs, he called up the customer care of the company to know about the Maturity Amt but they said that there was some technical error and the actual maturity date is 29 Mar 2056. He called and also sent mails to their customer care team, Customer care officer and Grievance redressal officer. Maturity date is 29 Mar 2026 mentioned on policy pack and proposal form given to him at the time of taking policy. Company did not inform him regarding change in Maturity date neither through mail nor through any physical communication. At the time of taking policy his age was 49 years so why would he wait for 30 yrs to get the maturity amount.

Insurers' argument: - Insurer vide SCN dtd. 02.02.2022 denied the allegations and contended that the complainant is alleging mis-selling on the grounds that he was informed at the time of taking this policy that maturity will be in 2026 and 20 years premium was required to be paid. Complainant has already paid 15 premiums and further assures that he is ready to pay next 5 premiums, however he is expecting maturity in 2026 not in 2056. The complainant has nowhere denied the receipt of policy pack which nullifies the statement made by complainant that he was not in accurate knowledge of maturity term of the policy as alongwith the policy pack, a Key Feature Document of policy is sent to all the policyholders briefing the quick view of the policy. Had there been any sort of mis-selling, what prevented the complainant to approach the respondent immediately after receipt of policy pack within free look period as the complainant, being an educated person, must have gone through the terms and conditions of the policy. Apart from the above, the policy pack also contains Terms and conditions detailing the benefits of the policy wherein under head of BENEFITS at Serial No. 2, MATURITY BENEFIT of the policy are detailed which clearly mentions that the policy shall mature only when the policyholder attains the age of 100 years.

Relevant Para is reproduced below for ready reference:

"2) Maturity Benefit

On Life Insured attaining age 100 (one hundred) years, the Policy will mature and we shall pay you Sum Insured as specified in the Schedule together with the sum insured of paid up additions, bonuses, if any. Living benefits already paid to Life Insured during ages 61 to 80 shall not be deducted from the benefit payable on maturity."

The terms mentioned and served upon the complainant within the policy pack and after going through the same, the acceptance of the terms on part of complainant can be very well made out from the fact that the complainant, in spite of having an option to return the policy within Free Look Period of 15 days, never approached the respondent against the said terms and conditions and hence the issue raised after a lapse of 15 years has no base at all.

That apart from the above, the complainant has also concealed that the said policy also comes with more benefits such as:-

- Money back benefit as: 5% of Sum Assured every year from Age 61 to 80
- Surrender value of policy is Rs. 384,092.75 as on 10-Jan-2022 out of which Rs. 62,000 is cash value of bonus available.
- Maturity Benefit: Sum assured and bonuses accrued till Maturity
- Death benefit: Sum assured and bonuses accrued

The complainant, since 2020, is already receiving Rs. 25,000/- as Annual Money Back against his policy which is a benefit based on the same terms and conditions, to which the complainant is raising issues before this Court. These benefits are well within the knowledge of the complainant, however, in spite of such benefits provided by the insurance company, the complainant is making baseless allegations that misspelling has been done which is totally false and bogus and as such the same shall not be encouraged in any form.

The policy is a contract and the same is governed by the terms and conditions agreed between the parties and as such the policy purchased by the complainant created contractual relations between the complainant and the respondent. The complainant and the company are bound to follow the terms of the contract and act accordingly but not beyond that.

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 08.02.2022. Both the complainant and insurer's representative attended the hearing and reiterated their submissions. The complainant submitted that he had purchased the insurance policy from Max Life Insurance, whose maturity date was 29 Mar 2026, and after paying premium for 15 years, he was told by the customer care of the company that the actual maturity date was 29 Mar 2056. Company did not inform him regarding change in Maturity date neither through mail nor through any physical communication. At the time of taking policy, his age was 49 years so why would he wait for 30 yrs to get the maturity amount.

The insurer's representative reiterated that the policy document along with Key Feature of policy was sent to complainant and the policy pack also contains Terms and conditions detailing the benefits of the policy wherein under head of BENEFITS at Serial No. 2, MATURITY BENEFIT of the policy are detailed which clearly mentions that the policy shall mature only when the policyholder attains the age of 100 years. The complainant, since 2020, is already receiving Rs. 25,000/- as Annual Money Back against his policy which is a benefit based on the same terms and conditions.

It is observed that the complainant purchased the policy on 29.03.2006 at the age of 50 years. As per the policy schedule, Date of last premium due is 29.03.2026, and duration of coverage is upto the age of 100 years, i.e. 29.03.2056. As per the policy benefit annexed with the policy schedule, it is clearly written in the policy schedule that the policy will mature on the life assured attaining age of 100 years. There is also a living benefit in the policy wherein 5% of Sum Assured is to be paid to the policyholder every year between the age of 61 years to 80 years, and accordingly the complainant is receiving Rs. 25,000/- as Annual Money Back. It was explained that even after 80 years, his life would remain insured till the age of 100 years. The Policy has been issued as per the terms and conditions of the policy which is duly approved by the Insurance regulatory body. In the subject complaint, no deviation is observed on the part of the insurer, so 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: 11.02.2022**

**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 – SH. C.S.PRASAD
CASE OF SH. ABHISHEK KUMAR BAJPAI V/S LIC OF INDIA-KANPUR
COMPLAINT REF: NOI-L-029-2122-0813**

AWARD NO:

1.	Name & Address of the Complainant	Sh. Abhishek Kumar Bajpai H.no.-64 A, G-1, Gali No.-7 Sarin Farm, Surajpur Near Yamuna Chowk Greater Noida, UP-201306
2.	Policy No: Type of Policy Date of policy issuance Duration of policy/Policy period	235025279 Life 28.10.2009 12/6 YEARS
3.	Name of the insured Name of the policyholder	Sh. Abhishek Kumar Bajpai Sh. Abhishek Kumar Bajpai
4.	Name of the insurer	LIC of India-Kanpur
5.	Date of Repudiation/Rejection	09.12.2021
6.	Reason for rejection	Not payable as per policy terms & conditions
7.	Date of receipt of the Complaint	14.12.2021
8.	Nature of complaint	Less maturity payment
9.	Amount of Claim	Rs 50000/-
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	Rs. 50000/-
12.	Complaint registered under IOB rules	YES
13.	Date of hearing/place	Online hearing on 17.02.2022
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the insurer	Sh. Shankar Ram, Manager Claims
15.	Complaint how disposed	Award
16.	Date of Award/Order	18.02.2022

17) Brief Facts of case: - This is a complaint filed by Sh. Abhishek Kumar Bajpai against the decision of LIC of India, relating to Less maturity payment by the company under mentioned Life Insurance policy.

18) Cause of Complaint

a) Complainant's argument: - The complainant alleged that he had purchased aforementioned policy on his life on 28.10.2009 by the company for SA of Rs. 1 lakh. He has deposited around Rs. 72000/- in LIC in 12 years. On maturity he had received around Rs. 50000/- and Rs. 30000/- as money back. Company did not pay him the complete maturity amount. The complainant has approached the Insurance Ombudsman for necessary action.

b) Insurers' argument: - Insurer, vide SCN dtd. 10.01.2022 denied the allegations and contended that the Policy No. 235025279 was issued on 28.10.2009 for Sum Assured of Rs. 100000/- in the name of Sri Abhishek Kumar Bajpai. Policy matured on 29.10.2021 and maturity amount Rs.50680/- paid on 11.11.2021 as per the terms and conditions

of the policy. As per the policy conditions, Maturity amount will be equal to the = Total amount of premium paid (Excluding extra/optional rider premium, if any) (+) Loyalty addition declared if any in said valuation year (-) Survival benefit paid earlier.

Accordingly the company has paid maturity amount Rs. 50680/-. Detail calculation is as under:-

Total premium paid Rs. 71880/- (5990 * 12) (-) Premium for AB ₹ 1200/- (100*12) (+) loyalty addition Rs. 10000/- (Rs. 100 per thousand S.A) (-) Rs. 30000/- (15000+15000 after every 4 years) SB paid earlier.

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 17.02.2022. Both the complainant and insurer's representative attended the hearing and reiterated their submissions. The complainant submitted that he had purchased the policy for SA of Rs. 1 lakh. He has deposited around Rs. 72000/- in LIC in 12 years. On maturity, he had received around Rs. 50000/- and Rs. 30000/- as money back. Company did not pay him the complete maturity amount.

The insurer's representative reiterated that the Policy was issued for Sum Assured of Rs. 100000/-. As per the policy conditions, Maturity amount payable is equal to the total amount of premium paid (Excluding extra/optional rider premium, if any) (+) Loyalty addition declared if any in said valuation year (-) Survival benefit paid earlier. The company has paid maturity amount Rs. 50680/- on 11.11.2021 as per the terms and conditions of the policy.

It is observed that the policy was issued for SA of Rs. 1 Lacs for policy term of 12 years upto 28.10.2021. It is clearly written on the face of the policy bond that "*On expiry of policy term: Total amount of premiums (excluding extra/optional rider premiums, if any) paid plus Loyalty Additions, if any, less the amount of survival benefits paid earlier*" will be paid. As per policy provisions, extended coverage has also been provided for further 6 years i.e. upto 28.10.2027 for SA of Rs. 50000/- without paying premium. The maturity payment has been made as per the policy terms & conditions, and I see no reason to intervene into the decision of the insurer. 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: 18.02.2022

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

CASE OF (Name of Complainant) : Mr. Madan Mohan Maheshwari Vs. LIC of India, Patna II

COMPLAINT REF: NO: PAT-L-029-2122-0317

AWARD NO: IO/PAT/A/LI/0069/2021-2022

1.	Name & Address of the Complainant	Mr. Madan Mohan Maheshwari SriNandan Road Dist. : Chapra (Bihar) PIN-841301 Mobile No. : 9431095011 Email : klgscpr@gmail.com
2.	Policy No: Type of Policy Duration of policy/Policy period	539813058 Jeevan Saral 15.04.2011 (DOC) 15.04.2021 (DOC)
3.	Name of the insured Name of the policyholder	Mr. Madan Mohan Maheshwari Mr. Madan Mohan Maheshwari
4.	Name of the insurer	LIC of India, Patna II
5.	Date of Repudiation/Rejection	N/a
6.	Reason for repudiation/rejection	N/a
7.	Date of receipt of the Complaint	01.11.2021
8.	Nature of complaint	Maturity Claim
9.	Amount of Claim	Rs. 1000000+LA
10.	Date of Partial Settlement	N/a
11.	Amount of relief sought	Rs. 1000000+LA
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules, 2017	13(2)
13.	Date of hearing/place	18/02/2022 (Online hearing through GoToMeeting App)
14.	Representation at the hearing	
	a) For the Complainant	Mr. Ravi Maheshwari for Mr. Madan Mohan Maheshwari
	b) For the insurer	LIC of India, Patna II
15.	Complaint how disposed	Award
16.	Date of Award/ Recommendation	22 nd Feb. 2022

Brief Facts of the Case:

The complaint pertains to fraudulent selling:-

- The Complainant purchased a policy at age of 59 for 10 years and deposited Rs.48040 pa for 10 year.
- At the age of 59 years his policy got matured and he received Rs.226347 as Maturity Claim.
- At the time of sell LIC Agent & DO has explained him that he will get Rs.1000000 as Maturity benefit. After receiving maturity claim letter he came to know that this policy was mis-sold to him and there is some calculation mistake on the part of LIC.
- The complaint has submitted that he received the Policy Bond very late and hence been barred to exercise Free Look Option. Whereas Free Look Cancellation period starts from date of actual receipt of Policy bond.

Cause of Complaint:

Complainants' argument:

The complainant has submitted that he has been Mis-sold him by Agent & DO by overstating the policy benefits.

Respondent's Contention:

The respondent Insurance Company has not submitted SCN.

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

The hearing was scheduled for 18.02.2021 through GoToMeeting app as per the instructions of COI and both parties were informed accordingly in advance. The complainant in person and Mr. V.Kr. Maheshwari, the representative of the respondent insurer appeared on the online platform for hearing. As the Complainant Mr M.M. Maheshwari has requested to allow his nephew Sh. Ravi Maheshwari to attend the hearing as the complainant was supposed to be travelling at the time of hearing. The Forum allowed him to attend the hearing on behalf of Sh. M M Maheshwari as a special case. In the beginning both parties were asked for any scope of mediation under *section 16(1) of The Insurance Ombudsman Rules, 2017*. Both of them declined for mediation by the forum. Hence, the hearing started for passing a suitable award.

During course of hearing representative of the complainant reiterated the content of the written complaint submitted by his uncle. He contended that on the basis of fraudulent practices the Policy was sold to him. He was told that Rs. 10 lacs would be paid along with Loyalty addition at the time of maturity, as the Agent was canvassing for a LIC policy he was not able to smell the fraud. He also mentioned that he got only Rs.226347 as Maturity payment. It is too little in comparison to the promises made at the time of sell. He also submitted that the Surrender payment of the policy is less than the Maturity payment.

The representative of the insurer submitted that Maturity Claim has been paid as per policy condition. This is a "Jeevan Saral" Policy. In this policy LIC pay Death Sum Assured along with return of premium and Loyalty Addition on death of the Life Assured. Whereas, on Maturity Sum Assured of the policy along Loyalty Addition has to be paid. Maturity Sum Assured as printed on the Policy Bond is Rs.158840 for the premium payable for 10 years. And the company has Paid Rs.158840 as Maturity Sum Assured and Rs.67507 as Loyalty Addition, Total Rs.226347 as Maturity Claim. The respondent Insurance Company has also submitted that "Jeevan Saral" is basically a Risk Cover plan. Death benefits are higher and Maturity benefits are lower than that of other plans.

Moreover, "Jeevan Saral" plan is a special type of plan in which premia are the same for all the Ages but Maturity Sum Assured varies according to age. In general Maturity Sum Assured are higher for lower Age group. Being of higher age, Insured of this policy got lesser amount on Maturity.

In view of the above contentions of both parties and the documents submitted by them, it is observed that the respondent Insurance Company has paid Maturity Sum Assured as per policy condition.

Hence following is the order:

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both parties during the course of hearing, that there is no merit in the complaint, therefore is being dismissed.

The complaint is hereby disposed off.

**SHREE NAGENDRA KUMAR SINGH
INSURANCE OMBUDSMAN
FOR THE STATE OF BIHAR & JHARKHAND**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA
(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)**

OMBUDSMAN – VIPIN ANAND

In the Matter of MR. R K PANGANNAYA V/s LIFE INSURANCE CORPORATION OF INDIA

Complaint No: BNG--L—029--2122– 0107(Old no.BNG-MISC-L-029-1920-0118)

Award No: IO/BNG/A/LI/ 0152 /2021--2022

1.	Name & Address of the Complainant	MR.R K PANGANNAYA(Proposer) MR.SRINIVAS PANGANNAYA(Life Assured) "RAMAKRISHNA NILAYA" PANGANNAYA ROAD, HARADY, PUTTUR TQ.DAKSHIN KANNADA DIST. KARNATAKA-574201
2.	Policy No: Type of Policy: Name of the Policy: Commencement of Policy/ Policy Period/PPT Mode/Premium Amount Sum Assured	622078865 Life – Endowment MONEYBACK Type LIC BALVIDYA Endowment Policy 1.10.2002 23 Years Single premium policy Single premium-Rs.102077 Rs.50000
3.	Name of the Insured Name of the Policyholder	MR.SRINIVAS PANGANNAYA MR.R K PANGANNAYA
4.	Name of the Respondent Insurer	LIC Of India – UDUPI DO
	Date of Repudiation/ Rejection/ Reply	April 2019. When LIC refused to issue cheques for claims settlement
6.	Reason for repudiation/ Rejection	Government instructions
7.	Date of receipt of Annexure VI-A	23/07/2021 & 26/7/2021(Duplicate)
8.	Nature of complaint	Manner of Receipt of Survival Benefits
9.	Amount of claim	Outstanding payments+25%PA Interest+RS.1000000 (Rupees Ten lakh) as compensation for harassment & mental agony
10.	Date of Partial Settlement	March 2019 SB
11.	Amount of relief sought	Outstanding payments+25% PA Interest +RS.1000000 (Rupees ten lakhs) as compensation for harassment & mental agony
12.	Complaint registered under Rule No	Rule 13(1)(b) of Ombudsman Rules 2017
13.	Date of hearing/place	19.11.2021 (scheduled)
14.	Representation at the hearing	
	a) For the Complainant	Written Argument as requested by complainant
	b) For the Respondent Insurer	SCN of UDUPI DO-LIC
15.	Complaint how disposed	Disallowed
16.	Date of Award/Order	10.2.2022

17. Brief Facts of the Case:

The complaint emanated from the demands of the Complainants', both father & son who claim that Survival Benefits due in LIC BALVIDYA policy no.622078865 with Commencement date 1.10.2002 should be necessarily paid by way of cheques only. Their bank Puttur Coop Bank is now NEFT enabled with IFSC Code IBKL0078PCT but the complainants have

steadfastly refused to share the bank account details or give NEFT mandate. LIC has submitted that GOI Ministry of Finance OM's mandate all PSU's under them (LIC is under the Ministry of Finance) will receive & make payments electronically through banks only. The Insurance Division, DOFS, Ministry of Finance in its letter dated 28.12.2012 addressed to the LIC Chairman has instructed LIC that No Payment should be made through cheques and LIC should immediately start payment through e-mode.

18. Cause of Complaint:

a. Complainants' argument:

The Complainants' vide the two Form VI-A's dated 23.7.2021 & 26.7.2021, his subsequent letter dated 23.9.2021 in which he has acknowledged receiving not less than 50 notices from LIC to share his NEFT enabled bank details and written argument dated 9.11.2021 received on 11.11.2021 has made the following points.

1. LIC's policy T&C do not specify availability of a bank account in any Nationalised banks. Therefore LIC should not blackmail him to open an account in a Nationalised bank. LIC is still having cheques availability.(Written Argument dated 9.11.2021
2. LIC should compulsorily credit all claims in his policies only through cheque.
3. LIC has issued its own circulars as per its convenience without any mandate from the GOI making e- mode of payments compulsory which is illegal which is not in the interests of policyholders like him.
4. He should be compensated for the delay in his claim settlements to the tune of 25% PA and a lump sum amount of Rs.1000000 (ten lakhs) for the torture/harassment he underwent.
5. His NEFT enabled bank account details will not be shared with LIC as it is his personal data.

b. Respondent Insurer's argument:

The RI vide their SCN dated 13.7.2021 & 19.11.2021 (copies enclosed) stated that they are following the guidelines and instructions received by the Ministry of Finance, GOI.

1. The Insurance Division, DOFS, Ministry of Finance GOI vide its instruction F.NO.G14013/11/2011-Ins.II dated 28.12.2012 addressed to the LIC Chairman has stated that henceforth No Payment should be made through cheques and LIC should immediately start payment through e-mode.
2. LIC has pointed out that GOI Ministry of Finance OM NO.I -11011/58/2013-DBT dated 19.2.2015 mandates that all PSU's associated with them (LIC is under the Ministry of Finance) will receive & make payments electronically through banks.
3. In spite of the same, they tried to make intermittent claim payments by obtaining special permission from the competent authority. Since 1.10.2015, it is mandated by the Government of India not to make payment except through e-mode. Still, LIC has made a few Cheque payments to Mr. R.K. Pangannaya by seeking special permissions from the competent authority but this cannot continue indefinitely.
4. They have given an undertaking that once Mr. R K Pangannaya submits the NEFT details of his Bank Account & mandate, they will settle all claim payments due as per rules immediately.

19. Reason for Registration of complaint: -

The complaint falls within the scope of Insurance Ombudsman Rules, 2017 under Sec 13(1)(b) and hence, it was registered.

20. The following documents were placed for perusal: -

- a. Complaint along with enclosures
- b. Respondent Insurer's two SCN's dated 13.7.2021 & 19.11.2021 along with enclosures
- c. Consent of the Complainant in the two Annexure VIA's & Respondent Insurer in VII A for mediation by Insurance Ombudsman's Office
- d. Written arguments of Complainants
- e. The Insurance Division, DOFS, Ministry of Finance GOI Instruction F.NO.G14013/11/2011-Ins.II dated 28.12.2012 addressed to the LIC Chairman
- f. GOI Ministry of Finance OM NO.I -11011/58/2013-DBT dated 19.2.2015

21. Result of personal hearing with both the parties

Opportunity was given to the complainants to attend a personal hearing scheduled for 19.11.2021 which was declined by them. They have preferred to make a written submission after seeking permission from the Ombudsman. RI too has made a further submission on 19.11.2021 along with enclosures.

The issue to be decided by the Forum is whether the complainant's demands are valid & whether there is any deficiency of service by the Insurer. Both parties have submitted written arguments & reiterated their respective stand.

The forum has examined the complainants' issues one by one.

1. The mode through which claim payments will be made is never a standard part of policy conditions. The issue of nationalised banks arose as the complainant gave only a Cooperative Bank's Account Number which did not have NEFT facility at that time.
2. The GOI vide its Ministry of Finance OM NO.I -11011/58/2013-DBT dated 19.2.2015 AND by its Ministry of Finance, Instruction no. F.NO. G 14013 / 11/ 2011-Ins.II dated 28.12.2012 issued by the Insurance Division, DOFS addressed to the LIC Chairman has expressly instructed LIC not to issue cheques for any payments to its policy holders. Being a citizen of the country, the complainant needs to follow government guidelines for financial transactions. He cannot order LIC to issue cheques solely as per his own wishes & in violation of specific government instructions. Also, it is noted that he had shared his Bank Account details previously but is not willing to share his new NEFT enabled bank account details nor has he given a mandate for NEFT payment. The complainants throughout have displayed a total lack of Understanding about government initiatives for financial transparency & its efforts to streamline/safeguard the interests of the citizens of the country from unscrupulous /criminal elements who indulge in financial fraud and their own interest in receiving the payments electronically.
3. The complainant's assertion in his written argument dated 9.11.2021 is that LIC has issued its own circulars as per its convenience illegally without any mandate from the GOI making e- mode of payments compulsory for settling all policy benefits/claims to its policyholders. In view of point 2 above, this accusation is untenable.
4. All delays in payments have occurred solely on account of the non-cooperative, intransigent attitude of the complainant. He has himself accepted having received more than 50 requests from LIC for his bank details & authorisation to enable electronic transfer which he has stubbornly refused and even went to the extent of instructing his bank not to share his NEFT compliant Bank account details. Consequently, he cannot lay the blame of delay at the door of the Insurer who was only trying to comply with specific government instructions in the matter. In fact, they cooperated out of their way for several years at their own risk to help the complainant but cannot be expected to continue it indefinitely.

5. In the current digital world, all financial transactions are happening throughout the world on the basis of similar authorisations which are considered totally safe. The complainant himself has shared details of his bank account number earlier but refuses to revalidate it & give NEFT mandate with a total lack of rational appreciation of the Insurer's legitimate constraints. Refusing details of bank/branch/Ac.no on grounds of not parting with personal data due to fear of cyber fraud is entirely illogical and self-defeating.

This dispute has been lingering since 2013 even without any substantive issues. The forum concludes that the entire issue has been blown out of proportion causing substantial loss to both sides due to the irrational refusal of the complainant to provide information/authorisation legitimately asked for by the Insurer & is a routine matter in these digital times.

The complainant is advised to provide the Insurer all necessary information/authorisation required for settlement of pending claims without any delay.

AWARD

Taking into account the facts & circumstances of the case, the documentary evidence and the submissions made by both the parties, the Forum has reached the conclusion that the dispute has occurred solely due to the complainant's refusal to provide information necessary for the Insurer to make payment. Hence, the complaint is '**Disallowed**'. The complainant is advised to provide the Respondent Insurer all necessary information/authorisation required for settlement of pending claims without any delay. Insurer is directed to settle all pending, current & future claims arising out of Pol.no.622078865 after getting the required details from the complainant as per rules. **There is no deficiency of service on part of the Insurer. The complaint is closed and disposed of.**

Dated at Bengaluru on 10th day of February, 2022

(VIPIN ANAND)
INSURANCE OMBUDSMAN
KARNATAKA STATE

22. Compliance of Award:

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

a. The Complainant shall submit all requirements/Documents required for settlement of award within 15 days of receipt of the award to the Respondent Insurer.

b. According to Rule 17(6) of the 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.

Copy to:

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA
(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SRI VIPIN ANAND

In the Matter of Mr.Sannahanumaiah V/s. Life Insurance Corporation of India, Bangalore-1 Division
Complaint No: BNG-L-029-2122-0121
Award No: IO/BNG/A/LI/0157/2021-2022

1.	Name & Address of the Complainant	Mr. H.Sannahanumaiah, S/o Late Hanumanthaiah, Madihalli, K.R.Extension Post. TIPTUR- 572 142, TUMKUR Dist.
2.	Policy No: Type of Policy: Name of the Policy: Commencement of Policy Policy Period/PPT / Date of Maturity Mode/Sum Assured/Inst.Premium	613144122 Life Insurance LIC's Jeevan Saral 05.02.2011 10/10 / 05.02.2021 Mly/1,25,000/510.00 (Qly 2336/-)
3.	Name of the Insured Name of the Policyholder	Mr. H.Sannahanumaiah Mr. H.Sannahanumaiah
4.	Name of the Respondent Insurer	LIC of India, Divisional Office, Bangalore-1 Dvn.
5.	Date of Repudiation/ Rejection/ Reply	17.05.2021
6.	Reason for repudiation/ Rejection	Maturity amount paid as per terms and conditions
7.	Date of receipt of Annexure VI-A	01.10.2021
8.	Nature of complaint	Short payment on Maturity
9.	Amount of claim	Refund of Premium paid in full + Interest
10.	Date of Partial Settlement	09.02.2021
11.	Amount of relief sought	Rs. 65,609/-
12.	Complaint registered under Rule No	Rule 13(1)(b) of Insurance Ombudsman Rules 2017
13.	Date of hearing/place	03.02.2022–Via 'On-Line Hearing' Thru 'Go-To-Meet'
14.	Representation at the hearing	
	a) For the Complainant	Self – Mr.H.Sannahanumaiah
	b) For the Respondent Insurer	Mrs.Shraddha Bharathi, Manager(Claims)
15.	Complaint how disposed	Partially Allowed
16.	Date of Award/Order	16.02.2022

17. Brief Facts of the Case:

Complainant has taken the said policy on 05.02.2011 for 10 year term from LIC of India. Maturity amount under the said policy was claimed to have been paid short of Sum Assured mentioned in the Policy Bond. On writing to the Insurer on 01.05.2021, Complainant received a reply on 17.05.2021 confirming that the payment on Maturity of the policy made was in order as per terms and conditions of the policy. Dissatisfied with this reply, Complainant approached this forum.

18. Cause of Complaint: -

a. Complainant's argument:

The Complainant has stated that he has taken the emanated policy on 05.02.2011 for a Sum Assured of Rs.1,25,000 for 10 years term with premium paying term of 10 years. He has paid premium for 10 years. On Maturity of the Policy on 05.02.2021, he had received an amount of Rs.30,829/- only. The payment received was less than the Sum Assured mentioned in the Policy Bond and even less than the total premium paid by him during the term of the policy. He further states that, he has paid Rs.95,609/- during the term of the policy and received only Rs.30,829/- as maturity payment. He should get at-least the amount paid by him along with the Bank rate of interest. He approached Insurer on 01.05.2021 and Insurer replied vide their letter dated 17.05.2021 that, the Maturity amount paid was in order as per terms and conditions of the Policy. Aggrieved by this, he had approached this Forum.

b. Respondent Insurer's argument:

The RI vide their SCN dated 19.07.2021 states that the Policy No. 613144122– LIC's Jeevan Saral plan, was taken by the Complainant on 05.02.2011 for 10 years term with Premium payment term of 10 years. It is a very unique plan, with a very high Death cover benefit. In this plan, the policyholder has to first decide the amount of premium per month, depending on this unit amount, Death Sum Assured and Maturity sum assured will be decided. Under this plan, Death cover is 250 times of the basic monthly premium, irrespective of the age at entry of policyholder and term of the policy. But Maturity Sum Assured is defined taking into account the age at entry and term of policy.

RI has submitted that the Life Assured has paid monthly premium of Rs.510/- per month (which includes accident benefit premium of Rs.10.41). Death cover provided was 1,25,000/-. Life Assured paid total premium of Rs.61,200/- during 10 years term of the policy. Death benefit offered from 1st day of policy was much more than the premiums paid during the entire term of the policy. Added to this higher death cover, Accident benefit was also provided, which is equal to the Death Sum Assured. The amount, Rs.1,25,000/- printed in the policy bond is Death benefit Sum Assured and Accident Death Sum Assured. Death Sum assured was erroneously printed in the place of Maturity Sum Assured, for which the rectification letter dated 26.08.2020 was sent to the Life Assured stating the rectification for policy schedule, wherein Maturity Sum Assured was mentioned as Rs.23,720/- only.

RI further submits that, they have settled the Maturity benefit of Rs.30,829/-(MSA 23,720 + LA 8,539 -(X charge 1430)) on 09.02.2021, through NEFT to the given bank account of the policyholder on receipt of the discharge voucher from the Life Assured. Since they have served a rectification letter to Life Assured before Maturity date and settled the Maturity benefit as per terms and conditions of the policy, they have requested the forum to consider the complaint in their favour.

19. Reason for Registration of complaint: -

The complaint falls within the scope of Insurance Ombudsman Rules, 2017 under Rule 13 (1)(b).

20. The following documents were placed for perusal: -

- a. Complaint along with enclosures,
- b. Respondent Insurer's SCN along with enclosures and
- c. Consent of the Complainant in Annexure VIA & Respondent Insurer in VII A for mediation by the Insurance Ombudsman.

21. Result of personal hearing with both the parties (Observations & Conclusions):

The issue to be decided by the Forum is whether the Maturity amount paid by the Insurer is in order or not.

Personal hearing by the way of online Video-conferencing through Go to Meet was conducted on 03.02.2022 in the said case. Mr.H.Sannahanumaiah, Life Assured himself presented the case and Mrs. Shraddha Bharati, Manager(Claims) presented the case on behalf of the RI. Both the parties confirmed that audio and video of other party is audible and clear.

During hearing, the Insurer reiterated that the said Jeevan Saral Policy provides high risk cover irrespective of the age at entry and term of the policy. But Maturity payment was defined considering the age at entry & term of the policy. Insurer has admitted that there was a typographical error in the schedule of Policy Bond. On noticing the same, they have sent a revised schedule of the policy to the Policyholder before Maturity on 26.08.2020. The Maturity payment made was as per terms & conditions of the policy approved by the regulator. Mr.H.Sannahanumaiah expressed his lack of awareness regarding the Insurance policy taken and with regard to the Insurer also and he expected the amount paid by him as premium along with minimum interest should have been received at maturity. Further on his retirement from service, the premiums under the said policy was due for payment and policy was lapsed for 4-5 years. He was asked to pay around Rs.50,000/- for revival of the said policy in 2017. He had paid the same and continued the payment of Rs.2336/- for every 3 months. In case Insurer had informed about the Maturity benefit then, he would have saved the amount paid for revival at least. He requested the Forum for refund of Premiums paid by him.

22. Forum's Observation:

After careful scrutiny of records, the Forum observed that the complainant availed the said policy by submitting necessary requirements. In the Policy Schedule of the bond, 2 columns out of 4 only are printed. The death sum assured was printed in maturity sum assured column which appears to be a typographical error. The issue with regard to two columns left blank in the policy schedule was not raised by the complainant on receipt of the policy bond. The RI has also not taken proper care while printing the policy bond. Hence, the deficiency on the part of both the parties has been observed in this case.

Forum further notes that the policy was lapsed after retirement from service of the Policyholder. When the Policyholder approached Insurer for revival of the policy, at least then Insurer should have informed him regarding Maturity Sum Assured and typographical error in the Policy bond and then the Policyholder would have been given an opportunity to review the decision of continuation of the policy. But the Insurer accepted the risk on revival during 2017 with Class III Health Extra and thereby increased premium. Policyholder sincerely paid the amount quoted for revival and enhanced premium till the end of the term. If the Policyholder was given an opportunity to review after bringing to his knowledge the revised schedule at the time of revival of the policy, his decision of continuing the policy may have been different.

AWARD

Taking into account, the facts & circumstances of the case, and the submissions made by both the parties through documents and during the course of Personal hearing, the Forum finds that, since the Insurer did not provide an opportunity to the Policyholder to review his decision of continuing the policy even at the time of reviewing the risk at revival, Insurer is directed to refund the amount collected under the Policy as Revival amount and premiums collected thereafter + Paid up Value if any before revival. However no Interest is awarded since the Policyholder had enjoyed the high risk cover during the term of the policy.

The Complaint is hence **Partially Allowed**.

Compliance of Award

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

Rules, 2017:

1. The Complainant shall submit all requirements/Documents required for settlement of award within 15 days of receipt of the award to the Respondent Insurer.
2. According to Rule 17(6) of the Insurance Ombudsman Rules, 2017, the insurer shall comply with the Award within 30 days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Dated at Bengaluru on 16th February 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR KARNATAKA STATE

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA
(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SRI VIPIN ANAND

In the Matter of Mr.Sannahanumaiah V/s. Life Insurance Corporation of India, Bangalore-1 Division
Complaint No: BNG-L-029-2122-0121
Award No: IO/BNG/A/LI/0157/2021-2022

1.	Name & Address of the Complainant	Mr. H.Sannahanumaiah, S/o Late Hanumanthaiah, Madihalli, K.R.Extension Post. TIPTUR- 572 142, TUMKUR Dist.
2.	Policy No: Type of Policy: Name of the Policy: Commencement of Policy Policy Period/PPT / Date of Maturity Mode/Sum Assured/Inst.Premium	613144122 Life Insurance LIC's Jeevan Saral 05.02.2011 10/10 / 05.02.2021 Mly/1,25,000/510.00 (Qly 2336/-)
3.	Name of the Insured Name of the Policyholder	Mr. H.Sannahanumaiah Mr. H.Sannahanumaiah
4.	Name of the Respondent Insurer	LIC of India, Divisional Office, Bangalore-1 Dvn.
5.	Date of Repudiation/ Rejection/ Reply	17.05.2021
6.	Reason for repudiation/ Rejection	Maturity amount paid as per terms and conditions
7.	Date of receipt of Annexure VI-A	01.10.2021
8.	Nature of complaint	Short payment on Maturity
9.	Amount of claim	Refund of Premium paid in full + Interest
10.	Date of Partial Settlement	09.02.2021

11.	Amount of relief sought	Rs. 65,609/-
12.	Complaint registered under Rule No	Rule 13(1)(b) of Insurance Ombudsman Rules 2017
13.	Date of hearing/place	03.02.2022–Via ‘On-Line Hearing’ Thru ‘Go-To-Meet’
14.	Representation at the hearing	
	a) For the Complainant	Self – Mr.H.Sannahanumaiah
	b) For the Respondent Insurer	Mrs.Shraddha Bharathi, Manager(Claims)
15.	Complaint how disposed	Partially Allowed
16.	Date of Award/Order	16.02.2022

17. Brief Facts of the Case:

Complainant has taken the said policy on 05.02.2011 for 10 year term from LIC of India. Maturity amount under the said policy was claimed to have been paid short of Sum Assured mentioned in the Policy Bond. On writing to the Insurer on 01.05.2021, Complainant received a reply on 17.05.2021 confirming that the payment on Maturity of the policy made was in order as per terms and conditions of the policy. Dissatisfied with this reply, Complainant approached this forum.

18. Cause of Complaint: -

a. Complainant’s argument:

The Complainant has stated that he has taken the emanated policy on 05.02.2011 for a Sum Assured of Rs.1,25,000 for 10 years term with premium paying term of 10 years. He has paid premium for 10 years. On Maturity of the Policy on 05.02.2021, he had received an amount of Rs.30,829/- only. The payment received was less than the Sum Assured mentioned in the Policy Bond and even less than the total premium paid by him during the term of the policy. He further states that, he has paid Rs.95,609/- during the term of the policy and received only Rs.30,829/- as maturity payment. He should get at-least the amount paid by him along with the Bank rate of interest. He approached Insurer on 01.05.2021 and Insurer replied vide their letter dated 17.05.2021 that, the Maturity amount paid was in order as per terms and conditions of the Policy. Aggrieved by this, he had approached this Forum.

b. Respondent Insurer’s argument:

The RI vide their SCN dated 19.07.2021 states that the Policy No. 613144122– LIC’s Jeevan Saral plan, was taken by the Complainant on 05.02.2011 for 10 years term with Premium payment term of 10 years. It is a very unique plan, with a very high Death cover benefit. In this plan, the policyholder has to first decide the amount of premium per month, depending on this unit amount, Death Sum Assured and Maturity sum assured will be decided. Under this plan, Death cover is 250 times of the basic monthly premium, irrespective of the age at entry of policyholder and term of the policy. But Maturity Sum Assured is defined taking into account the age at entry and term of policy.

RI has submitted that the Life Assured has paid monthly premium of Rs.510/- per month (which includes accident benefit premium of Rs.10.41). Death cover provided was 1,25,000/-. Life Assured paid total premium of Rs.61,200/- during 10 years term of the policy. Death benefit offered from 1st day of policy was much more than the premiums paid during the entire term of the policy. Added to this higher death cover, Accident benefit was also provided, which is equal to the Death Sum Assured. The amount, Rs.1,25,000/- printed in the policy bond is Death benefit Sum Assured and Accident Death Sum Assured. Death Sum assured was erroneously printed in the place of Maturity Sum Assured, for which the rectification letter dated 26.08.2020 was sent to the Life Assured stating the rectification for policy schedule, wherein Maturity Sum Assured was mentioned as Rs.23,720/- only.

RI further submits that, they have settled the Maturity benefit of Rs.30,829/-(MSA 23,720 + LA 8,539 -(X charge 1430)) on 09.02.2021, through NEFT to the given bank account of the policyholder on receipt of the discharge voucher from the Life Assured. Since they have served a rectification letter to Life Assured before Maturity date and settled the Maturity benefit as per terms and conditions of the policy, they have requested the forum to consider the complaint in their favour.

19. Reason for Registration of complaint: -

The complaint falls within the scope of Insurance Ombudsman Rules, 2017 under Rule 13 (1)(b).

20. The following documents were placed for perusal: -

- a. Complaint along with enclosures,
- b. Respondent Insurer's SCN along with enclosures and
- c. Consent of the Complainant in Annexure VIA & Respondent Insurer in VII A for mediation by the Insurance Ombudsman.

21. Result of personal hearing with both the parties (Observations & Conclusions):

The issue to be decided by the Forum is whether the Maturity amount paid by the Insurer is in order or not.

Personal hearing by the way of online Video-conferencing through Go to Meet was conducted on 03.02.2022 in the said case. Mr.H.Sannahanumaiah, Life Assured himself presented the case and Mrs. Shradha Bharati, Manager(Claims) presented the case on behalf of the RI. Both the parties confirmed that audio and video of other party is audible and clear.

During hearing, the Insurer reiterated that the said Jeevan Saral Policy provides high risk cover irrespective of the age at entry and term of the policy. But Maturity payment was defined considering the age at entry & term of the policy. Insurer has admitted that there was a typographical error in the schedule of Policy Bond. On noticing the same, they have sent a revised schedule of the policy to the Policyholder before Maturity on 26.08.2020. The Maturity payment made was as per terms & conditions of the policy approved by the regulator. Mr.H.Sannahanumaiah expressed his lack of awareness regarding the Insurance policy taken and with regard to the Insurer also and he expected the amount paid by him as premium along with minimum interest should have been received at maturity. Further on his retirement from service, the premiums under the said policy was due for payment and policy was lapsed for 4-5 years. He was asked to pay around Rs.50,000/- for revival of the said policy in 2017. He had paid the same and continued the payment of Rs.2336/- for every 3 months. In case Insurer had informed about the Maturity benefit then, he would have saved the amount paid for revival at least. He requested the Forum for refund of Premiums paid by him.

22. Forum's Observation:

After careful scrutiny of records, the Forum observed that the complainant availed the said policy by submitting necessary requirements. In the Policy Schedule of the bond, 2 columns out of 4 only are printed. The death sum assured was printed in maturity sum assured column which appears to be a typographical error. The issue with regard to two columns left blank in the policy schedule was not raised by the complainant on receipt of the policy bond. The RI has also not taken proper care while printing the policy bond. Hence, the deficiency on the part of both the parties has been observed in this case.

Forum further notes that the policy was lapsed after retirement from service of the Policyholder. When the Policyholder approached Insurer for revival of the policy, at least then Insurer should have informed him regarding Maturity Sum Assured and typographical error in the Policy bond and then the Policyholder would have been given an opportunity to review the decision of continuation of the policy. But the Insurer accepted the risk on revival during 2017 with Class III Health Extra and thereby increased premium. Policyholder sincerely paid the amount quoted for revival and enhanced premium till the end of the term. If the Policyholder was given an opportunity to review after bringing to his knowledge the revised schedule at the time of revival of the policy, his decision of continuing the policy may have been different.

AWARD

Taking into account, the facts & circumstances of the case, and the submissions made by both the parties through documents and during the course of Personal hearing, the Forum finds that, since the Insurer did not provide an opportunity to the Policyholder to review his decision of continuing the policy even at the time of reviewing the risk at revival, Insurer is directed to refund the amount collected under the Policy as Revival amount and premiums collected thereafter + Paid up Value if any before revival. However no Interest is awarded since the Policyholder had enjoyed the high risk cover during the term of the policy.

The Complaint is hence **Partially Allowed**.

Compliance of Award

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

3. The Complainant shall submit all requirements/Documents required for settlement of award within 15 days of receipt of the award to the Respondent Insurer.
4. According to Rule 17(6) of the Insurance Ombudsman Rules, 2017, the insurer shall comply with the Award within 30 days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Dated at Bengaluru on 16th February 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR KARNATAKA STATE

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA

(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SRI VIPIN ANAND

In the matter of: Mr. Kapil Kumar Mishra V/S Reliance Nippon Life Insurance Co. Ltd.,

Complaint No: BNG--L--036--2122—0183

Award No: IO/BNG/A/LI/0161/2021-2022

The Forum received the above Complaint, registered on 28.09.2021 and received Annexure VI-A on 08.10.2021. On scrutiny of documents, noted the following facts;

Mr.Kapil Kumar Mishra has taken a Policy, No. 53878895 from Reliance Nippon Life Insurance Co. Ltd. on 20.02.2021. Policy term is for 10 years with premium payment term of 7 years, Death Sum Assured Rs.11,00,000/- for annual payment of premium Rs.1,00,000 + GST

Complainant's grievance is, the referred policy was mis-sold to him by Reliance Nippon/IIFL representatives on wrong information and false promises. They have given a wrong presentation stating that, if he has paid Rs.1,00,000 for 7 years, he will get back Rs.14,55,145/- at the end of the 10th year, which works out to 12.2% return. But the benefits as per Policy bond are much lesser than the earlier presentation/assurance.

The benefits assured by these representatives do not match with the actual benefits allowed under the Policy. Feeling cheated, he has sent a mail to Insurer on 04.08.2021 for cancellation of this policy and refund of premium paid. But RI has rejected the request as it was made beyond freelook period. He also had approached GRO of Insurer but his complaint was not addressed to his satisfaction. Then he approached this forum.

With the intervention of this Forum, RI though maintained their stand of not considering the cancellation of policy & refund of premium since the request made was beyond freelook period, but being a customer centric organisation, offered an option of cancellation of the referred annual premium policy and issue a Single Premium Policy for full premium received vide their mail dated 13.01.2021. Complainant also agreed for the same and submitted the required forms/documents. New Single Premium Policy No. 54059179 was issued on 11.02.2022 and despatched to the Complainant on 15.02.2022.

Since both the parties agreed for the settlement, the complaint is treated as closed.

AWARD

Taking into account the facts and circumstances of the case, and the records made available to the Forum, the Complaint is amicably resolved and closed.

Compliance of Award:

Attention of the Insurer is hereby invited to upload the compliance of this award in the CMS module provided for complaints registered at the Forum.

Dated at Bangalore on 21st day of February 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR KARNATAKA STATE

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA

(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SRI VIPIN ANAND

In the matter of: Mr. Kapil Kumar Mishra V/S Reliance Nippon Life Insurance Co. Ltd.,

Complaint No: BNG--L--036--2122—0183

Award No: IO/BNG/A/LI/0161/2021-2022

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- d. The Forum received the above Complaint, registered on 28.09.2021 and received Annexure VI-A on 08.10.2021. On scrutiny of documents, noted the following facts;
- e. Mr.Kapil Kumar Mishra has taken a Policy, No. 53878895 from Reliance Nippon Life Insurance Co. Ltd. on 20.02.2021. Policy term is for 10 years with premium payment term of 7 years, Death Sum Assured Rs.11,00,000/- for annual payment of premium Rs.1,00,000 + GST
- f. Complainant's grievance is, the referred policy was mis-sold to him by Reliance Nippon/IIFL representatives on wrong information and false promises. They have given a wrong presentation stating that, if he has paid Rs.1,00,000 for 7 years, he will get back Rs.14,55,145/- at the end of the 10th year, which works out to 12.2% return. But the benefits as per Policy bond are much lesser than the earlier presentation/assurance. The benefits assured by these representatives do not match with the actual benefits allowed under the Policy. Feeling cheated, he has sent a mail to Insurer on 04.08.2021 for cancellation of this policy and refund of premium paid. But RI has rejected the request as it was made beyond freelook period. He also had approached GRO of Insurer but his complaint was not addressed to his satisfaction. Then he approached this forum.
- g. With the intervention of this Forum, RI though maintained their stand of not considering the cancellation of policy & refund of premium since the request made was beyond freelook period, but being a customer centric organisation, offered an option of cancellation of the referred annual premium policy and issue a Single Premium Policy for full premium received vide their mail dated 13.01.2021. Complainant also agreed for the same and submitted the required forms/documents. New Single Premium Policy No. 54059179 was issued on 11.02.2022 and despatched to the Complainant on 15.02.2022.
- h. Since both the parties agreed for the settlement, the complaint is treated as closed.

AWARD

Taking into account the facts and circumstances of the case, and the records made available to the Forum, the Complaint is amicably resolved and closed.

Compliance of Award:

Attention of the Insurer is hereby invited to upload the compliance of this award in the CMS module provided for complaints registered at the Forum.

Dated at Bangalore on 21st day of February 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR KARNATAKA STATE

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA
(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SHRI VIPIN ANAND

In the Matter of Mrs. SUMA S L V/s PNB METLIFE INDIA INSURANCE CO LTD.,
Complaint No: BNG-L-033-2122-0335 dt 11.02.2022
Award No: IO/BNG/A/LI/0162/2021-22

5. The Complaint is emanated from the non-settlement of maturity claim under policy no. 00024847 held by Mrs. Suma S.L. She has complained that the above said policy has matured and she has received a mutilated cheque No.459645 dated 15.12.2021 for Rs.108000/- towards the maturity claim settlement sent by the Respondent Insurer (PNB Metlife India Insurance Co Ltd.,) She has returned the said cheque to the Respondent Insurer on 27.12.2021 and requested them to issue a fresh cheque in lieu of the mutilated one vide her written request letter dated 27.12.2021. Since, she has not received the fresh cheque within reasonable time, she has approached this Forum for redressal of her grievance.
6. The Complainant has submitted her bank details afresh viz., cancelled cheque, Adhaar copy to the Respondent Insurer's office on 12.02.2022.
7. With the intervention of the Forum, the Respondent Insurer has processed the maturity claim payment for Rs.108000/- and amount has sent to the Complainant's bank account no. 03541610006721 on 21.02.2022 vide Transaction No. 008315538 and requested us to close the complaint.
8. The Complainant confirmed the receipt of the amount vide her mail dated 22.02.2022 and requested us to close the complaint.
9. Since the matter has been settled amicably by both the parties, the complaint is resolved on compromise basis and treated as closed.

AWARD

Taking into account, the facts & circumstances of the case and the records made available to this Forum, the complaint is RESOLVED and closed as the complainant confirmed that the receipt of the maturity claim amount and requested us to close the complaint made against the Respondent Insurer in view of the settlement of maturity claim under the said policy.

Dated at Bengaluru this, 22nd February, 2022.

VIPIN ANAND
INSURANCE OMBUDSMAN
FOR THE STATE OF KARNATAKA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA

(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SHRI VIPIN ANAND

In the Matter of Mrs. SUMA S L V/s PNB METLIFE INDIA INSURANCE CO LTD.,

Complaint No: BNG-L-033-2122-0335 dt 11.02.2022

Award No: IO/BNG/A/LI/0162/2021-22

1.The Complaint is emanated from the non-settlement of maturity claim under policy no. 00024847 held by Mrs. Suma S.L. She has complained that the above said policy has matured and she has received a mutilated cheque No.459645 dated 15.12.2021 for Rs.108000/- towards the maturity claim settlement sent by the Respondent Insurer (PNB Metlife India Insurance Co Ltd.,) She has returned the said cheque to the Respondent Insurer on 27.12.2021 and requested them to issue a fresh cheque in lieu of the mutilated one vide her written request letter dated 27.12.2021. Since, she has not received the fresh cheque within reasonable time, she has approached this Forum for redressal of her grievance.

2.The Complainant has submitted her bank details afresh viz., cancelled cheque, Adhaar copy to the Respondent Insurer's office on 12.02.2022.

3.With the intervention of the Forum, the Respondent Insurer has processed the maturity claim payment for Rs.108000/- and amount has sent to the Complainant's bank account no. 03541610006721 on 21.02.2022 vide Transaction No. 008315538 and requested us to close the complaint.

4.The Complainant confirmed the receipt of the amount vide her mail dated 22.02.2022 and requested us to close the complaint.

5.Since the matter has been settled amicably by both the parties, the complaint is resolved on compromise basis and treated as closed.

AWARD

Taking into account, the facts & circumstances of the case and the records made available to this Forum, the complaint is RESOLVED and closed as the complainant confirmed that the receipt of the maturity claim amount and requested us to close the complaint made against the Respondent Insurer in view of the settlement of maturity claim under the said policy.

Dated at Bengaluru this, 22nd February, 2022.

VIPIN ANAND
INSURANCE OMBUDSMAN
FOR THE STATE OF KARNATAKA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA

(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SRI VIPIN ANAND

In the Matter of Mr.G.N.Khatavkar V/s LIFE INSURANCE CORPORATION OF INDIA

Complaint No: BNG-L-029-2122-0270

Award No: IO/BNG/A/LI/0169/2021-2022

1.	Name & Address of the Complainant	Mr. G.N.Khatavkar "Hongirana" Near J.K.School, Bhivagiri Nagar, Shakti Colony Thinobli Karnataka-580032
2.	Policy No: Type of Policy: Name of the Policy: Commencement of Policy/ Policy Period/Premium/Mode/DOMaturity	638263792 Life Jeevan Saral (With – Profits) 28.10.2010/11Years/Rs55174/-/Yearly /28.10.2021
3.	Name of the Insured Name of the Policyholder	Mr. G.N.Khatavkar Mr Gangadhar Narayanappa Khatavkar
4.	Name of the Respondent Insurer	LIC Of India –Dharwad Divisional Office
5.	Date of Repudiation/ Rejection	Nil, Maturity claim paid for Rs232991/-
6.	Reason for repudiation/ Rejection	NA
7.	Date of receipt of Annexure VI-A	27.12.2021
8.	Nature of complaint	Misguided and missold with fake and fraud commitments by agent. Maturity Sum Assured paid much less than promised.
9.	Amount of claim	Sum Assured or atleast premiums paid amount.
10.	Date of Partial Settlement	NA. Maturity claim paid on 28.10.2021
11.	Amount of relief sought	Sum Assured or premiums paid Rs606914/- .
12.	Complaint registered under Rule No	13(1) (b) of Insurance Ombudsman Rules, 2017
13.	Date of hearing/place	16.02.2022 Via 'On-Line Hearing' Thru 'Go-To-Meet'
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the Respondent Insurer	Mr.C.M.Sambrani - Manager (CRM), Dharwad Division
15.	Complaint how disposed	Disallowed
16.	Date of Award/Order	24.02.2022

17. Brief Facts of the Case:

The complaint emanated due to complainant receiving very less amount on maturity of the policy, with respect to the premiums paid yearly for 11years term. RI had paid Maturity amount of Rs232991/- which is less compared to his expectations, as against a total amount of Rs606914/-, paid as premium. The complainant is not satisfied and wanted atleast full premium paid amount back. The Grievance Redressal Officer (G.R.O.) of

the RI has insisted that Maturity amount paid to him is correct. Hence Complainant approached this Forum for redressal of grievance.

18. Cause of Complaint: -

a. Complainant's argument:

The Complainant vide his letter dated 23.11.2021 stated that he was unsatisfied with the claim amount received on maturity of his policy no.638263798, from LIC, who had promised a net profit of 10lakhs, after 11years, on maturity, for which he had paid yearly premium of Rs55174/- for 11years which is Rs606914/-. But he received maturity amount of Rs232991/-, which is less than the premium paid by him for 11years. So, he is in loss of Rs373923/-. When he enquired the same, in the LIC office, they are telling some different kind of information, than the information shared at the time of taking policy and they even had given the plan pamphlet, to understand and the same GM who was appointed at time of taking policy, also had told that it will profit of 10lakhs. But now, he not been knowledge of this, is facing a huge amount of loss.

As he is a retired bank employee with age of 71 and had by-pass surgery during March 2012, at Fortis Hospital, Bangalore and had incurred about Rs500000/-, as he had brain strokes and spending money for half yearly health check-ups and had borrowed money towards these payments and his family is dependent on his retired income. So now he is devastated for this situation, he is having home loans and his responsibilities for which this amount would be helpful. But now everything has got changed because of LIC. Aggrieved with the decision of the RI, he represented his case to G.R.O vide his complaint dated 28.7.2021 for which he received reply dated 25.8.2021, stating to submit all requirements in 632 Branch and claim will be settled as per policy conditions. He submitted all requirements and received Rs232991/- from LIC, much lower amount, hence, he approached the Forum seeking amount of relief as Sum Assured or atleast paid full premium amount.

b. Respondent Insurer's argument:

The RI vide their SCN dated 6.1.2022 received by us on 11.1.2022, has stated that the complainant availed the said policy on 28.10.2010 by payment of premium of Rs55174/- (including Health extra 7134 +Accidental Benefit 1000) under Yearly mode after fully understanding the attractive features of the plan. Policy bond was issued by noting Maturity sum assured as Rs157960/-, death benefit sum assured as Rs1000000/- and accident benefit sum assured as Rs1000000/-. At that time, the complainant did not raise any objections.

LIC's Jeevan Saral (Plan 165) is a unique plan having good features of the conventional plan and the flexibility of Unit-linked plan. This plan contains higher death cover, a smooth return, liquidity and lot of flexibility. In conventional plans, premium rates are given per 1000 sum assured for different entry ages and terms. But in this plan the death benefit is directly related to the premiums paid which policy holder can choose. The death sum assured under this plan is 250 times the monthly premium selected by the customer. The maturity sum assured, unlike in conventional plans, is calculated depending upon the age of the life assured and the term of the policy.

The Maturity Sum Assured Rs.157960/- and the Death Sum Assured Rs1000000/- are correctly mentioned in the policy bond. The maturity sum assured is calculated on the basis of Monthly Premium, Age at entry and Term of the policy. Maturity Sum Assured for a Monthly Premium of Rs100/- and term 11 years and age 59 years is Rs3949/-. For this policy the Monthly premium is Rs4000/- ($1000000/250=Rs4000/-$). Maturity Sum Assured payable for monthly premium Rs500/- under the above mentioned policy is $3949*40=Rs157960/-$. Total Maturity proceeds along with Loyalty addition is Rs232991/-($157960+75031$) have been paid on 22.10.2021.

The customer has taken the policy at the age of 59yrs and this plan assures Death Sum Assured of Rs1000000/- and Accident benefit for an additional Sum of Rs1000000/- for Yearly premium of Rs.55174/-which is not available in any of the conventional plans for this premium. Also note that there was no other conventional plan available for age at entry 59years. Insurance coverage for total amount of 20 lakhs provided till age 70years, Death Sum Assured of Rs1000000/- and Accident benefit for an additional Sum of Rs1000000/- As the risk premium at older age is higher compared to lower age group and the Maturity Sum Assured in this policy is related with age and term selected, the maturity sum assured payable is less .

For example: If the above Policy was issued to a person having age 25 with the same conditions, the Maturity Sum Assured payable on Maturity including Loyalty Addition is Rs. 505720/-. But the basic premium paid by both the customers are the same ie. Rs.4000/- monthly.

Further, the complainant has understood the full terms and conditions of the policy before the policy was taken by him which is the basis of this contract. As per the proposal form dated 01.09.2010 received from him, he had answered YES to Q.No.12: Whether the terms and conditions of the proposed plan have been explained to you by the agent? And Q No. 13: Have you understood fully the terms and conditions of the plan you proposed to take? The policy bond is an evidence of contract. All the values in the policy schedule are printed correctly. RI has confirmed the calculation of maturity amount, is in order as per the terms and conditions of the policy. Total Maturity proceeds along with Loyalty addition is Rs232991/- (Rs157960/- + Rs75031/-) settled on 28.10.2021. Hence, the RI has prayed for dismissal of complainant's request to consider the payment of maturity claim, at least to the extent of premium paid by him.

19. Reason for Registration of complaint: -

The complaint falls within the scope of Insurance Ombudsman Rules, 2017, under Sec 13(1)(b) and amended time to time, and hence registered.

20. The following documents were placed for perusal: -

- i. Complaint along with enclosures(complaint on 25.8.2021, 23.11.2021, discharge voucher, copy of policy bond, chart, premium paid details, bank pass book, Aadhaar and PAN Card)
- j. Respondent Insurer's SCN along with enclosures (Proposal Form, Policy schedule with conditions, Claim payment voucher and NEFT Payment status, Proposal Review slip, Proposal/Policy Decision dt 23.10.2010, consent letter for Health Extra, Medical Examiners Report, ECG with report, Hb report, Physician report, Sugar report, Lipidogram, Routine Urine analysis, Treadmill test report, explanation mail on chart, letter issued to agent, Agency status report.)
- k. Consent of the Complainant in Annexure VIA & Respondent Insurer in VII A for mediation by the Insurance Ombudsman.

21. Result of personal hearing with both the parties(Observations & Conclusions):

The issue before the Forum is, whether the maturity amount paid by RI to complainant after the 11years policy term is correct or not.

Personal hearing by the way of online video conferencing through Go-To-Meet was conducted on 16.02.2022 in the said case. The Complainant Mr. G.N.Khatavkar, presented the case on his behalf and Mr. C.M.Sambrani, Manager (CRM), presented the case on behalf of the RI. Confirmation was taken from both the participants about the clarity of audio and video to which the Respondent Insurer and complainant responded positively.

The Complainant reiterated his stand as per his complaint, of misguided and missold policy, with fake and fraud commitments by agent of insurer, as he received lesser amount on maturity in comparison to the total premium paid by him. He referred to the chart provided to him. The RI, pointed out that maturity amount was paid to complainant as per the terms and conditions of policy only and his mortality risk was covered for all these 11 years. With reference to the chart provided, the RI stated that the chart printed in Kannada is on Jeevan Saral for private circulation and study material for internal circulation. The benefits shown and printed about Jeevan Saral in English are not circulated by them. The Policy bond is the contract document and is correct and Maturity amount was paid accordingly.

The Forum noted that at the time of taking out the policy, the complainant was Assistant Manager of Vijaya Bank, was of 59years of age, and was suffering from Heart Disease (Hypertension and Ischaemic Heart Disease). As a banker, he was well aware of the difference between a Recurring Deposit and a Life Insurance Policy. It is very obvious, that the policy was taken with the clear intention of covering the risk on his life, especially in view of his health conditions, for which, he consciously agreed to pay a substantial health extra also, under the policy. The extraordinary risk, in his case is borne out by the fact that within less than two years of the policy, he suffered from serious complications related to heart and had to undergo Bypass Surgery. Besides, he has also had brain strokes.

It is to be noted that, LIC's Jeevan Saral, was a special plan, where the focus was on providing a high risk cover within affordable premium. The total death risk cover, in the instant case was Rs10,00,000/- plus Loyalty Addition plus refund of all premiums paid (excluding premiums paid for the first policy year, any extra premium like health extra, and premiums in respect of rider benefits). In addition, an Accident Benefit risk cover of Rs10,00,000/- was provided, covering Disability benefit payment to the Life Assured.

At the age of 59years, a person well versed with return on investment concepts, and with clear health problems, cannot be said to have taken out a large life insurance policy, entirely with the purpose of getting good returns. The unauthorised pamphlet, provided as evidence, is to be discounted as proof of misseling. Since the same is very clearly not an official document and the very obvious comparison to Recurring Deposit rates should have immediately raised a red flag with a Banker, such as Mr G.N.Khatavkar.

Further the Maturity Sum Assured of Rs157960/- was printed upfront in the Policy Bond along with very clear Death benefit Sum Assured Rs1000000/- and Accident Benefit Sum Assured Rs1000000/-. In the lower part of the policy, against the column Maturity Benefit, it is mentioned "In the event of the Life Assured surviving the date of maturity, a sum equal to Maturity Sum Assured in force after partial surrenders, if any, along with the corresponding loyalty addition, if any, shall be payable" which is the exact payment duly paid by RI.

It is also printed in bold letters at the end of the policy, "YOU ARE REQUESTED TO EXAMINE THIS POLICY, AND IF ANY MISTAKE BE FOUND THEREIN, RETURN IT, IMMEDIATELY FOR CORRECTION." If Mr.G.N.Khatavkar, had felt at that time, that the lower Maturity Sum Assured was printed by mistake, he should have immediately pointed out to the insurer at that point of time.

The Forum is of the view, that after enjoying a very high risk cover, in circumstances of clearly impaired health, the Complainant cannot, after Maturity of the policy, seek a refund of premium or any other amount different

from what is provided for, under the policy, in terms of IRDAI File & Use provisions. Raising the issue of Maturity paid amount being less than premiums paid, at this stage, seems to be more of an afterthought, than a legitimate grievance. There are many other Plans of LIC and Other Insurers where, for high risk provisions or for certain higher ages, this situation may occur. In case of Term Assurance Plans, there is no maturity benefit at all. Hence the demand of the Complainant for Refund of premium at this stage, is entirely untenable.

AWARD

Taking into account, the facts & circumstances of the case and the submissions made by both the parties during the course of Go-To-Meet hearing, the Respondent Insurer, has acted as per policy terms and conditions only, and paid Maturity Sum Assured correctly to the complainant. The complainant being a banker, working as Assistant Manager in Vijaya Bank, at the time of commencement of policy, was well aware of the difference between a Recurring Deposit and a Life Insurance Policy. It is very obvious, that the policy was taken with the clear intention of covering the risk on his life, especially in view of his impaired health conditions, for which, he consciously agreed to pay a health extra also, under the policy. The total death risk cover, in the instant case was Rs10,00,000/- plus Loyalty Addition plus refund of all premiums paid (excluding premiums paid for the first policy year, any extra premium like health extra, and premiums in respect of rider benefits). In addition, an Accident Benefit risk cover of Rs10,00,000/- was provided, covering Disability benefit payment to the Life Assured. The RI covered his mortality risk, for 11years and has settled the payment correctly on maturity of the policy.

Hence, the complaint is 'DISALLOWED'.

Dated at Bengaluru on 24th day of February 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR THE STATE OF KARNATAKA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA
(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SRI VIPIN ANAND

In the Matter of Mr.G.N.Khatavkar V/s LIFE INSURANCE CORPORATION OF INDIA

Complaint No: BNG-L-029-2122-0270

Award No: IO/BNG/A/LI/0169/2021-2022

1.	Name & Address of the Complainant	Mr. G.N.Khatavkar "Hongirana" Near J.K.School, Bhivagiri Nagar, Shakti Colony Thinobli Karnataka-580032
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2.	Policy No: Type of Policy: Name of the Policy: Commencement of Policy/ Policy Period/Premium/Mode/DOMatur ity	638263792 Life Jeevan Saral (With – Profits) 28.10.2010/11Years/Rs55174/-/Yearly /28.10.2021
3.	Name of the Insured Name of the Policyholder	Mr. G.N.Khatavkar Mr Gangadhar Narayanappa Khatavkar
4.	Name of the Respondent Insurer	LIC Of India –Dharwad Divisional Office
5.	Date of Repudiation/ Rejection	Nil, Maturity claim paid for Rs232991/-
6.	Reason for repudiation/ Rejection	NA
7.	Date of receipt of Annexure VI-A	27.12.2021
8.	Nature of complaint	Misguided and missold with fake and fraud commitments by agent. Maturity Sum Assured paid much less than promised.
9.	Amount of claim	Sum Assured or atleast premiums paid amount.
10.	Date of Partial Settlement	NA. Maturity claim paid on 28.10.2021
11.	Amount of relief sought	Sum Assured or premiums paid Rs606914/- .
12.	Complaint registered under Rule No	13(1) (b) of Insurance Ombudsman Rules, 2017
13.	Date of hearing/place	16.02.2022 Via ‘On-Line Hearing’ Thru ‘Go-To- Meet’
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the Respondent Insurer	Mr.C.M.Sambrani - Manager (CRM), Dharwad Division
15.	Complaint how disposed	Disallowed
16.	Date of Award/Order	24.02.2022

17. Brief Facts of the Case:

The complaint emanated due to complainant receiving very less amount on maturity of the policy, with respect to the premiums paid yearly for 11years term. RI had paid Maturity amount of Rs232991/- which is less compared to his expectations, as against a total amount of Rs606914/-, paid as premium. The complainant is not satisfied and wanted atleast full premium paid amount back. The Grievance Redressal Officer (G.R.O.) of the RI has insisted that Maturity amount paid to him is correct. Hence Complainant approached this Forum for redressal of grievance.

18. Cause of Complaint: -

a. Complainant’s argument:

The Complainant vide his letter dated 23.11.2021 stated that he was unsatisfied with the claim amount received on maturity of his policy no.638263798, from LIC, who had promised a net profit of 10lakhs, after 11years, on maturity, for which he had paid yearly premium of Rs55174/- for 11years which is Rs606914/-. But he received maturity amount of Rs232991/-, which is less than the premium paid by him for 11years. So, he is in loss of Rs373923/-. When he enquired the same, in the LIC office, they are telling some different kind of information, than the information shared at the time of taking policy and they even had given the plan pamphlet, to understand and the same GM who was appointed at time of taking policy, also had told that it will profit of 10lakhs. But now, he not been knowledge of this, is facing a huge amount of loss.

As he is a retired bank employee with age of 71 and had by-pass surgery during March 2012, at Fortis Hospital, Bangalore and had incurred about Rs500000/-, as he had brain strokes and spending money for half yearly health check-ups and had borrowed money towards these payments and his family is dependent on his retired income. So now he is devastated for this situation, he is having home loans and his responsibilities for which this amount would be helpful. But now everything has got changed because of LIC. Aggrieved with the decision of the RI, he represented his case to G.R.O vide his complaint dated 28.7.2021 for which he received reply dated 25.8.2021, stating to submit all requirements in 632 Branch and claim will be settled as per policy conditions. He submitted all requirements and received Rs232991/- from LIC, much lower amount, hence, he approached the Forum seeking amount of relief as Sum Assured or atleast paid full premium amount.

b. Respondent Insurer's argument:

The RI vide their SCN dated 6.1.2022 received by us on 11.1.2022, has stated that the complainant availed the said policy on 28.10.2010 by payment of premium of Rs55174/- (including Health extra 7134 +Accidental Benefit 1000) under Yearly mode after fully understanding the attractive features of the plan. Policy bond was issued by noting Maturity sum assured as Rs157960/-, death benefit sum assured as Rs1000000/- and accident benefit sum assured as Rs1000000/-. At that time, the complainant did not raise any objections.

LIC's Jeevan Saral (Plan 165) is a unique plan having good features of the conventional plan and the flexibility of Unit-linked plan. This plan contains higher death cover, a smooth return, liquidity and lot of flexibility. In conventional plans, premium rates are given per 1000 sum assured for different entry ages and terms. But in this plan the death benefit is directly related to the premiums paid which policy holder can choose. The death sum assured under this plan is 250 times the monthly premium selected by the customer. The maturity sum assured, unlike in conventional plans, is calculated depending upon the age of the life assured and the term of the policy.

The Maturity Sum Assured Rs.157960/- and the Death Sum Assured Rs1000000/- are correctly mentioned in the policy bond. The maturity sum assured is calculated on the basis of Monthly Premium, Age at entry and Term of the policy. Maturity Sum Assured for a Monthly Premium of Rs100/- and term 11 years and age 59 years is Rs3949/-. For this policy the Monthly premium is Rs4000/- ($1000000/250=Rs4000/-$). Maturity Sum Assured payable for monthly premium Rs500/- under the above mentioned policy is $3949*40=Rs157960/-$. Total Maturity proceeds along with Loyalty addition is Rs232991/-($157960+75031$) have been paid on 22.10.2021.

The customer has taken the policy at the age of 59yrs and this plan assures Death Sum Assured of Rs1000000/- and Accident benefit for an additional Sum of Rs1000000/- for Yearly premium of Rs.55174/-which is not available in any of the conventional plans for this premium. Also note that there was no other conventional plan available for age at entry 59years. Insurance coverage for total amount of 20 lakhs provided till age 70years, Death Sum Assured of Rs1000000/- and Accident benefit for an additional Sum of Rs1000000/- As the risk premium at older age is higher compared to lower age group and the Maturity Sum Assured in this policy is related with age and term selected, the maturity sum assured payable is less .

For example: If the above Policy was issued to a person having age 25 with the same conditions, the Maturity Sum Assured payable on Maturity including Loyalty Addition is Rs. 505720/-. But the basic premium paid by both the customers are the same ie. Rs.4000/- monthly.

Further, the complainant has understood the full terms and conditions of the policy before the policy was taken by him which is the basis of this contract. As per the proposal form dated 01.09.2010 received from him, he had answered YES to Q.No.12: Whether the terms and conditions of the proposed plan have been explained to you by the agent? And Q No. 13: Have you understood fully the terms and conditions of the plan you proposed to take? The policy bond is an evidence of contract. All the values in the policy schedule are printed correctly. RI has confirmed the calculation of maturity amount, is in order as per the terms and conditions of the policy. Total Maturity proceeds along with Loyalty addition is Rs232991/- (Rs157960/- + Rs75031/-) settled on 28.10.2021. Hence, the RI has prayed for dismissal of complainant's request to consider the payment of maturity claim, at least to the extent of premium paid by him.

19. Reason for Registration of complaint: -

The complaint falls within the scope of Insurance Ombudsman Rules, 2017, under Sec 13(1)(b) and amended time to time, and hence registered.

20. The following documents were placed for perusal: -

- l. Complaint along with enclosures (complaint on 25.8.2021, 23.11.2021, discharge voucher, copy of policy bond, chart, premium paid details, bank pass book, Aadhaar and PAN Card)
- m. Respondent Insurer's SCN along with enclosures (Proposal Form, Policy schedule with conditions, Claim payment voucher and NEFT Payment status, Proposal Review slip, Proposal/Policy Decision dt 23.10.2010, consent letter for Health Extra, Medical Examiners Report, ECG with report, Hb report, Physician report, Sugar report, Lipidogram, Routine Urine analysis, Treadmill test report, explanation mail on chart, letter issued to agent, Agency status report.)
- n. Consent of the Complainant in Annexure VIA & Respondent Insurer in VII A for mediation by the Insurance Ombudsman.

21. Result of personal hearing with both the parties(Observations & Conclusions):

The issue before the Forum is, whether the maturity amount paid by RI to complainant after the 11years policy term is correct or not.

Personal hearing by the way of online video conferencing through Go-To-Meet was conducted on 16.02.2022 in the said case. The Complainant Mr. G.N.Khatavkar, presented the case on his behalf and Mr. C.M.Sambrani, Manager (CRM), presented the case on behalf of the RI. Confirmation was taken from both the participants about the clarity of audio and video to which the Respondent Insurer and complainant responded positively.

The Complainant reiterated his stand as per his complaint, of misguided and missold policy, with fake and fraud commitments by agent of insurer, as he received lesser amount on maturity in comparison to the total premium paid by him. He referred to the chart provided to him. The RI, pointed out that maturity amount was paid to complainant as per the terms and conditions of policy only and his mortality risk was covered for all these 11 years. With reference to the chart provided, the RI stated that the chart printed in Kannada is on Jeevan Saral for private circulation and study material for internal circulation. The benefits shown and printed about Jeevan Saral in English are not circulated by them. The Policy bond is the contract document and is correct and Maturity amount was paid accordingly.

The Forum noted that at the time of taking out the policy, the complainant was Assistant Manager of Vijaya Bank, was of 59 years of age, and was suffering from Heart Disease (Hypertension and Ischaemic Heart Disease). As a banker, he was well aware of the difference between a Recurring Deposit and a Life Insurance Policy. It is very obvious, that the policy was taken with the clear intention of covering the risk on his life, especially in view of his health conditions, for which, he consciously agreed to pay a substantial health extra also, under the policy. The extraordinary risk, in his case is borne out by the fact that within less than two years of the policy, he suffered from serious complications related to heart and had to undergo Bypass Surgery. Besides, he has also had brain strokes.

It is to be noted that, LIC's Jeevan Saral, was a special plan, where the focus was on providing a high risk cover within affordable premium. The total death risk cover, in the instant case was Rs10,00,000/- plus Loyalty Addition plus refund of all premiums paid (excluding premiums paid for the first policy year, any extra premium like health extra, and premiums in respect of rider benefits). In addition, an Accident Benefit risk cover of Rs10,00,000/- was provided, covering Disability benefit payment to the Life Assured.

At the age of 59 years, a person well versed with return on investment concepts, and with clear health problems, cannot be said to have taken out a large life insurance policy, entirely with the purpose of getting good returns. The unauthorised pamphlet, provided as evidence, is to be discounted as proof of misselling. Since the same is very clearly not an official document and the very obvious comparison to Recurring Deposit rates should have immediately raised a red flag with a Banker, such as Mr G.N.Khatavkar.

Further the Maturity Sum Assured of Rs157960/- was printed upfront in the Policy Bond along with very clear Death benefit Sum Assured Rs1000000/- and Accident Benefit Sum Assured Rs1000000/-. In the lower part of the policy, against the column Maturity Benefit, it is mentioned "In the event of the Life Assured surviving the date of maturity, a sum equal to Maturity Sum Assured in force after partial surrenders, if any, along with the corresponding loyalty addition, if any, shall be payable" which is the exact payment duly paid by RI.

It is also printed in bold letters at the end of the policy, "YOU ARE REQUESTED TO EXAMINE THIS POLICY, AND IF ANY MISTAKE BE FOUND THEREIN, RETURN IT, IMMEDIATELY FOR CORRECTION." If Mr.G.N.Khatavkar, had felt at that time, that the lower Maturity Sum Assured was printed by mistake, he should have immediately pointed out to the insurer at that point of time.

The Forum is of the view, that after enjoying a very high risk cover, in circumstances of clearly impaired health, the Complainant cannot, after Maturity of the policy, seek a refund of premium or any other amount different from what is provided for, under the policy, in terms of IRDAI File & Use provisions. Raising the issue of Maturity paid amount being less than premiums paid, at this stage, seems to be more of an afterthought, than a legitimate grievance. There are many other Plans of LIC and Other Insurers where, for high risk provisions or for certain higher ages, this situation may occur. In case of Term Assurance Plans, there is no maturity benefit at all. Hence the demand of the Complainant for Refund of premium at this stage, is entirely untenable.

AWARD

Taking into account, the facts & circumstances of the case and the submissions made by both the parties during the course of Go-To-Meet hearing, the Respondent Insurer, has acted as per policy terms and conditions only, and paid Maturity Sum Assured correctly to the complainant. The complainant being a banker, working as Assistant Manager in Vijaya Bank, at the time of commencement of policy, was well aware of the difference between a Recurring Deposit and a Life Insurance Policy. It is very obvious, that the policy was taken with the clear intention of covering the risk on his life, especially in view of his impaired health conditions, for which, he consciously agreed to pay a health extra also, under the policy. The total death risk cover, in the instant case was Rs10,00,000/- plus Loyalty Addition plus refund of all premiums paid (excluding premiums paid for the first policy year, any extra premium like health extra, and premiums in respect of rider benefits). In addition, an Accident Benefit risk cover of Rs10,00,000/- was provided, covering Disability benefit payment to the Life Assured. The RI covered his mortality risk, for 11years and has settled the payment correctly on maturity of the policy.

Hence, the complaint is 'DISALLOWED'.

Dated at Bengaluru on 24th day of February 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR THE STATE OF KARNATAKA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA
(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SRI VIPIN ANAND

In the matter of Mr J.Chandramouli V/s LIFE INSURANCE CORPORATION OF INDIA.

Complaint No: BNG-L-029-2122-0231

Award No: IO/BNG/A/LI/0178/2021-2022

1.	Name & Address of the Complainant	Mr J.Chandramouli No.521, 5 th Cross, 1 st A Main
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		East of NGEF Layout Kasthuri Nagar, Bangalore -560096 Mob: 9341256517
2.	Policy No: Type of Policy/Plan Commencement of Policy /Policy Period/Premium Paying Term Sum Assured Date of maturity	360752649 Jeevan Shree Without Profit. 08.09.2001/20 Years /12 Yrs 500000 08.09.2021
3.	Name of the Insured Name of the Policyholder	Mr J.Chandramouli Mr J.Chandramouli
4.	Name of the Respondent Insurer	Life Insurance Corporation of India
5.	Date of Repudiation/Rejection	NA
6.	Reason for Repudiation/Rejection	NA
7.	Date of receipt of Annexure VI A	19.11.2021
8.	Nature of complaint	Amount of loan principal and interest parts deducted out of maturity benefits though it is fully paid without any dues.
9.	Amount of claim	736816 (Loan Principal 283500 + interest 453316)
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	1525000 + updated interest
12.	Complaint registered under Rule No	13(1)(b) of Insurance Ombudsman Rules, 2017
13.	Date of hearing/place	23.02.2022/Bengaluru/ Via 'On-Line Hearing' Thru 'Go-To-Meet'
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the Respondent Insurer	Mrs Shamalatha, Manager (CRM), Mr Subharayalu, Manager (F&A) Bangalore Division II
15.	Complaint how disposed	Partially Allowed
16.	Date of Award/Order	28.02.2022

17. Brief Facts of the Case:

The complaint emanated from the recovery of Loan amount with interest, from full Sum Assured payable on Maturity by the Respondent Insurer (hereinafter referred as RI). The Complainant raised the complaint with GRO of RI, as he claims he had repaid the loan with interest in 2012 itself, but the response was not satisfactory. Hence, he approached this Forum for justice.

18. Cause of Complaint:

a. Complainant's argument: -

The Complainant stated that he received maturity claim intimation letter dated 10.5.2021 for his policy number 360752649. The insurer had mentioned an amount of maturity payable of Rs1525000/- and a recovery amount of Rs283500/- towards loan and Rs453316/- towards interest and net payable amount of Rs788184/-. The

Complainant stated that he had repaid his outstanding loan on 20.01.2012 and RI has returned the original policy bond with covering letter dated 21.02.2012 through Registered post to him. He also went for fresh loan on this policy in 2016, and on pointing that his earlier loan is outstanding, he had submitted letter in branch on 16.3.2016 for immediate clarification and correction of the same. The RI has not replied to his letter and so, he sent one registered letter dated 29.6.2016, for which he has not received any reply. On receipt of maturity intimation letter he had sent a final letter on 14.07.2021 through Speed Post to RI, mentioning all his previous letters sent, for release of full maturity amount to him without any deduction of loan as he has repaid it fully earlier.

The Complainant stated that he has not received any reply. Aggrieved, the Complainant registered his complaint with this Forum for justice.

b. Respondent Insurer's argument: -

The RI in their SCN dated 24.12.2021, gave their clarifications on the allegations made by the Complainant in the said complaints as false. The RI stated that the Complainant had taken a Jeevan Shree Policy on 8.9.2001 for Sum Assured of Rs500000/- for a period of 20 years. It is a limited payment endowment type of policy with guaranteed additions. The said policy has matured for payment on 8.9.2021.

The complainant availed a loan of Rs283500/- on 3.11.2010. The complainant repaid the said loan together with interest on 20.01.2012 by paying an amount of Rs314472/- vide transaction no.36243 by cheque bearing no.505092 dated 18.01.2012 at 3.18pm. However the said transaction was cancelled for the reason 'Policy Number Wrong' at 3.31pm. On investigation conducted by RI, it was found that the said transaction was cancelled, leading to loan and loan interest being outstanding, till the date of maturity. RI produced the following records in support of their claim.

1. Premium history sheet showing the said transaction dated 20.01.2012 bearing no.36243 was cancelled on the same day.
2. Copy of the Cancelled Transaction Register for month of Jan2012.
3. The loan and loan interest repaid register for the date 20.1.2012.
4. List of cheques collected and deposited in bank for 20.1.2012.
5. Daily receipt usage register showing transaction as cancelled for reason "Policy Number Wrong."
6. RI submitted that once the transaction is cancelled, the same will not appear in Loan History and their branch office by oversight has released the policy documents to the complainant without realizing the said amount.

From above records it is clear that Corporation has not realised the loan proceeds in respect of the impugned policy from complainant and hence loan and loan interest is outstanding on the date of maturity and needs to be deducted while settling the maturity claim.

Upon receipt of the complaint from the complainant, the RI contacted the complainant and sought additional details like cheque number, name of bank and copy of pass book to which complainant is unrelenting. In the light of the aforementioned submissions and facts, RI prayed the Forum for dismissal of complaint.

19. Reason for Registration of complaint: -

The complaint falls within the scope of Insurance Ombudsman Rules, 2017, under Sec 13(1)(b) and amended, time to time, and hence registered.

20. The following documents were placed for perusal: -

- a. Complaint along with enclosures (Maturity claim intimation letter dt 10.5.2021, policy bond schedule copy, letter received in branch 308 on 16.3.2016, policy bond endorsed with loan repaid details, covering letter ref PS/Loans dt 21.2.2012, his reminder complaint letter dt 29.6.2016, his letter dated 14.7.2021 with speed post details)
- b. Respondent Insurer's SCN along with enclosures (Premium history, Cancelled transaction register, loan and loan interest repaid register, list of cheques collected on 20.1.2012, daily usage receipt register, Union Bank letter dt 7.1.2022, updated loan history on 9.2.2022, bank a/c 111803 subledger, audit report 2012-13, Bank of Baroda (earlier Dena Bank) statement of bank a/c no.052110023853 in r/o Sh Chandramouli J for period 21.1.2012 to 8.3.2016 (till date of closure of a/c) and Canara Bank (earlier Syndicate Bank) statement of bank a/c no.04572010000069 in r/o Mr Chandra Mouli for the period 1.1.2012 to 31.3.2013.)
- c. Consent of the Complainant in Annexure VI A & Respondent Insurer in VII A for mediation by the Insurance Ombudsman.

21. Result of Personal hearing with both the parties (observations & Conclusions): -

The issue which requires consideration is whether RI's recovery of outstanding loan and loan interest on date of maturity of the policy is appropriate.

Personal hearing by the way of online Video-conferencing through Goto Meet was conducted in the said case. Mr J.Chandramouli, Complainant, presented the case and Mrs. Shamalatha, Manager(CRM) and Mr Subharayalu, Manager (F&A) from LIC of India, Bangalore Division II, presented the case on behalf of the RI. Both the parties confirmed that audio and video of other party are audible and clear.

During the course of hearing, both the parties reiterated their earlier submissions. The Forum carefully went through the documents submitted by the RI and complainant, along with the submissions made by the Complainant. The Forum is of the view that all cheque payments, received by any institution, are subject to realization of the cheque.

The Complainant pointed out that he had repaid the loan Rs283500/- with interest Rs30972/- amounting to total of Rs314472/- by cheque and didn't remember from which bank. On the Forum's intervention, he disclosed that he had two Bank accounts, one his personal with Syndicate Bank and other with Dena Bank, which was his official account and he has now closed, all his official accounts. He said that he has no bank related records, of his closed account as he has shifted his residence to new place. Had the insurer insisted on the same in 2016, he would have produced details then. Now at the age of 72 years, he is unable to remember his old records, and produce any evidence of cheque clearance from his bank accounts.

The RI stressed that as per their records, the loan with interest amount as on 20.1.2012, of Rs314472/-, transaction entry number 36243, was cancelled within 13 minutes on the same day and cheque has not been encashed by them. The details pertaining to request letter, original receipt, cheque hand over records, are not traceable now but this entry is not appearing in transaction cancelled receipts missing, during Inter Audit Period 27.9.2011 to 22.8.2012, as mentioned in Audit report of Year 2012-2013. The Loan History statement was showing Nil outstanding amount, due to some technical issues and based on it, by mistake, the Original Policy Bond was returned to complainant.

The Forum found that since dispute has arisen on the loan repaid with interest amount of Rs314472/- , the onus is on both parties to prove and bring more evidence from the bank regarding encashment of cheque 505090 dated 18.1.2012. One week time was awarded to both the parties to trace more records on the same.

The RI has subsequently collected and submitted the details from both the banks namely

1. Dena Bank, now merged with Bank of Baroda, for the period 21.1.2012 to 8.3.2016, the date when this bank account was closed. The account was in name of Mr Chandramouli J, with account no.052110023853, and it is not showing any clearance of cheque number or amount of Rs314472/-.
2. Syndicate bank, now merged with Canara Bank, for the period 1.1.2012 to 31.3.2013 and this account is operational account, in the name of Mr Chandramouli, with account no.04572010000069, and it is not showing any clearance of cheque number or amount of Rs314472/- .

The RI submitted the same to Forum on 28.2.2022.

The Forum concludes that the complainant's cheque no.505090 for Rs314472/-, has not been encashed so far from his disclosed accounts, as above, so he is liable to pay this amount. The RI is correct in stating, the deduction of outstanding loan and interest amount from maturity proceeds but has to take responsibility for the following deficiencies in service.

- Receipt cancelled information, was not shared with policyholder.
- No follow up was done for repayment of the outstanding loan amount with policy holder.
- Release of policy bond with reassignment in the name of policy holder was done without verifying all records.
- In 2016, it was discovered that loan is outstanding, but no action was taken and no reply was given to policy holder.

The RI failed to maintain proper records and had failed to give reply to the concerns and letters sent by complainant to resolve the issue in 2016 itself and thereby punishing the complainant by recovering the interest till date of maturity is not fair.

The Forum hereby directs the RI to settle the maturity claim by recovering Rs314472/- only, towards outstanding loan plus interest amount as on 20.1.2012. The Forum also directs the complainant that if he is able to produce any evidence of debiting this amount of Rs314472/- and remittance to LIC, from any of his bank accounts, then the same may be produced before RI for reconsideration of the recovery.

AWARD

Taking into account the facts & circumstances of the case, documents submitted and the submissions made by both the parties during the course of personal hearing, and the Bank records produced by the RI, this Forum directs, the RI to settle the Maturity Claim amount by deducting only Rs314472/-, towards outstanding loan amount and interest amount, upto 20.1.2012, by collecting all necessary requirements.

The complaint is Partially Allowed.

22. Compliance of Award:

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

- a. The Complainant shall submit all requirements/Documents required for settlement of award within 15 days of receipt of the award to the Respondent Insurer.
- b. According to Rule 17(6) of the 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.

Dated at Bengaluru on 28th day of February 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR THE STATE OF KARNATAKA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA
(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SRI VIPIN ANAND

In the matter of Mr J.Chandramouli V/s LIFE INSURANCE CORPORATION OF INDIA.

Complaint No: BNG-L-029-2122-0231

Award No: IO/BNG/A/LI/0178/2021-2022

1.	Name & Address of the Complainant	Mr J.Chandramouli No.521, 5 th Cross, 1 st A Main East of NGEF Layout Kasthuri Nagar, Bangalore -560096 Mob: 9341256517
2.	Policy No: Type of Policy/Plan Commencement of Policy /Policy Period/Premium Paying Term Sum Assured Date of maturity	360752649 Jeevan Shree Without Profit. 08.09.2001/20 Years /12 Yrs 500000 08.09.2021
3.	Name of the Insured Name of the Policyholder	Mr J.Chandramouli Mr J.Chandramouli
4.	Name of the Respondent Insurer	Life Insurance Corporation of India
5.	Date of Repudiation/Rejection	NA
6.	Reason for Repudiation/Rejection	NA
7.	Date of receipt of Annexure VI A	19.11.2021
8.	Nature of complaint	Amount of loan principal and interest parts deducted out of maturity benefits though it is fully paid without any dues.

9.	Amount of claim	736816 (Loan Principal 283500 + interest 453316)
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	1525000 + updated interest
12.	Complaint registered under Rule No	13(1)(b) of Insurance Ombudsman Rules, 2017
13.	Date of hearing/place	23.02.2022/Bengaluru/ Via 'On-Line Hearing' Thru 'Go-To-Meet'
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the Respondent Insurer	Mrs Shamalatha, Manager (CRM), Mr Subharayalu, Manager (F&A) Bangalore Division II
15.	Complaint how disposed	Partially Allowed
16.	Date of Award/Order	28.02.2022

17. Brief Facts of the Case:

The complaint emanated from the recovery of Loan amount with interest, from full Sum Assured payable on Maturity by the Respondent Insurer (hereinafter referred as RI). The Complainant raised the complaint with GRO of RI, as he claims he had repaid the loan with interest in 2012 itself, but the response was not satisfactory. Hence, he approached this Forum for justice.

18. Cause of Complaint:

a. Complainant's argument: -

The Complainant stated that he received maturity claim intimation letter dated 10.5.2021 for his policy number 360752649. The insurer had mentioned an amount of maturity payable of Rs1525000/- and a recovery amount of Rs283500/- towards loan and Rs453316/- towards interest and net payable amount of Rs788184/-. The Complainant stated that he had repaid his outstanding loan on 20.01.2012 and RI has returned the original policy bond with covering letter dated 21.02.2012 through Registered post to him. He also went for fresh loan on this policy in 2016, and on pointing that his earlier loan is outstanding, he had submitted letter in branch on 16.3.2016 for immediate clarification and correction of the same. The RI has not replied to his letter and so, he sent one registered letter dated 29.6.2016, for which he has not received any reply. On receipt of maturity intimation letter he had sent a final letter on 14.07.2021 through Speed Post to RI, mentioning all his previous letters sent, for release of full maturity amount to him without any deduction of loan as he has repaid it fully earlier.

The Complainant stated that he has not received any reply. Aggrieved, the Complainant registered his complaint with this Forum for justice.

b. Respondent Insurer's argument: -

The RI in their SCN dated 24.12.2021, gave their clarifications on the allegations made by the Complainant in the said complaints as false. The RI stated that the Complainant had taken a Jeevan Shree Policy on 8.9.2001 for Sum Assured of Rs500000/- for a period of 20 years. It is a limited payment endowment type of policy with guaranteed additions. The said policy has matured for payment on 8.9.2021.

The complainant availed a loan of Rs283500/- on 3.11.2010. The complainant repaid the said loan together with interest on 20.01.2012 by paying an amount of Rs314472/- vide transaction no.36243 by cheque bearing no.505092 dated 18.01.2012 at 3.18pm. However the said transaction was cancelled for the reason 'Policy Number Wrong' at 3.31pm. On investigation conducted by RI, it was found that the said transaction was cancelled, leading to loan and loan interest being outstanding, till the date of maturity. RI produced the following records in support of their claim.

7. Premium history sheet showing the said transaction dated 20.01.2012 bearing no.36243 was cancelled on the same day.
8. Copy of the Cancelled Transaction Register for month of Jan2012.
9. The loan and loan interest repaid register for the date 20.1.2012.
10. List of cheques collected and deposited in bank for 20.1.2012.
11. Daily receipt usage register showing transaction as cancelled for reason "Policy Number Wrong."
12. RI submitted that once the transaction is cancelled, the same will not appear in Loan History and their branch office by oversight has released the policy documents to the complainant without realizing the said amount.

From above records it is clear that Corporation has not realised the loan proceeds in respect of the impugned policy from complainant and hence loan and loan interest is outstanding on the date of maturity and needs to be deducted while settling the maturity claim.

Upon receipt of the complaint from the complainant, the RI contacted the complainant and sought additional details like cheque number, name of bank and copy of pass book to which complainant is unrelenting. In the light of the aforementioned submissions and facts, RI prayed the Forum for dismissal of complaint.

19. Reason for Registration of complaint: -

The complaint falls within the scope of Insurance Ombudsman Rules, 2017, under Sec 13(1)(b) and amended, time to time, and hence registered.

20. The following documents were placed for perusal: -

- d. Complaint along with enclosures(Maturity claim intimation letter dt 10.5.2021, policy bond schedule copy, letter received in branch 308 on 16.3.2016, policy bond endorsed with loan repaid details, covering letter ref PS/Loans dt 21.2.2012, his reminder complaint letter dt 29.6.2016, his letter dated 14.7.2021 with speed post details)
- e. Respondent Insurer's SCN along with enclosures (Premium history, Cancelled transaction register, loan and loan interest repaid register, list of cheques collected on 20.1.2012, daily usage receipt register, Union Bank letter dt 7.1.2022, updated loan history on 9.2.2022, bank a/c 111803 subledger, audit report2012-13, Bank of Baroda (earlier Dena Bank)statement of bank a/c no.052110023853 in r/o Sh Chandramouli J for period 21.1.2012 to 8.3.2016(till date of closure of a/c) and Canara Bank (earlier Syndicate Bank) statement of bank a/c no.04572010000069 in r/o Mr Chandra Mouli for the period 1.1.2012 to 31.3.2013.)
- f. Consent of the Complainant in Annexure VI A & Respondent Insurer in VII A for mediation by the Insurance Ombudsman.

21. Result of Personal hearing with both the parties (observations & Conclusions): -

The issue which requires consideration is whether RI's recovery of outstanding loan and loan interest on date of maturity of the policy is appropriate.

Personal hearing by the way of online Video-conferencing through Goto Meet was conducted in the said case. Mr J.Chandramouli, Complainant, presented the case and Mrs. Shamalatha, Manager(CRM) and Mr Subharayalu, Manager (F&A) from LIC of India, Bangalore Division II, presented the case on behalf of the RI. Both the parties confirmed that audio and video of other party are audible and clear.

During the course of hearing, both the parties reiterated their earlier submissions. The Forum carefully went through the documents submitted by the RI and complainant, along with the submissions made by the Complainant. The Forum is of the view that all cheque payments, received by any institution, are subject to realization of the cheque.

The Complainant pointed out that he had repaid the loan Rs283500/- with interest Rs30972/- amounting to total of Rs314472/- by cheque and didn't remember from which bank. On the Forum's intervention, he disclosed that he had two Bank accounts, one his personal with Syndicate Bank and other with Dena Bank, which was his official account and he has now closed, all his official accounts. He said that he has no bank related records, of his closed account as he has shifted his residence to new place. Had the insurer insisted on the same in 2016, he would have produced details then. Now at the age of 72 years, he is unable to remember his old records, and produce any evidence of cheque clearance from his bank accounts.

The RI stressed that as per their records, the loan with interest amount as on 20.1.2012, of Rs314472/-, transaction entry number 36243, was cancelled within 13 minutes on the same day and cheque has not been encashed by them. The details pertaining to request letter, original receipt, cheque hand over records, are not traceable now but this entry is not appearing in transaction cancelled receipts missing, during Inter Audit Period 27.9.2011 to 22.8.2012, as mentioned in Audit report of Year 2012-2013. The Loan History statement was showing Nil outstanding amount, due to some technical issues and based on it, by mistake, the Original Policy Bond was returned to complainant.

The Forum found that since dispute has arisen on the loan repaid with interest amount of Rs314472/- , the onus is on both parties to prove and bring more evidence from the bank regarding encashment of cheque 505090 dated 18.1.2012. One week time was awarded to both the parties to trace more records on the same.

The RI has subsequently collected and submitted the details from both the banks namely

3. Dena Bank, now merged with Bank of Baroda, for the period 21.1.2012 to 8.3.2016, the date when this bank account was closed. The account was in name of Mr Chandramouli J, with account no.052110023853, and it is not showing any clearance of cheque number or amount of Rs314472/-.
4. Syndicate bank, now merged with Canara Bank, for the period 1.1.2012 to 31.3.2013 and this account is operational account, in the name of Mr Chandramouli, with account no.04572010000069, and it is not showing any clearance of cheque number or amount of Rs314472/- .

The RI submitted the same to Forum on 28.2.2022.

The Forum concludes that the complainant's cheque no.505090 for Rs314472/-, has not been encashed so far from his disclosed accounts, as above, so he is liable to pay this amount. The RI is correct in stating, the deduction of outstanding loan and interest amount from maturity proceeds but has to take responsibility for the following deficiencies in service.

- Receipt cancelled information, was not shared with policyholder.
- No follow up was done for repayment of the outstanding loan amount with policy holder.

- Release of policy bond with reassignment in the name of policy holder was done without verifying all records.
- In 2016, it was discovered that loan is outstanding, but no action was taken and no reply was given to policy holder.

The RI failed to maintain proper records and had failed to give reply to the concerns and letters sent by complainant to resolve the issue in 2016 itself and thereby punishing the complainant by recovering the interest till date of maturity is not fair.

The Forum hereby directs the RI to settle the maturity claim by recovering Rs314472/- only, towards outstanding loan plus interest amount as on 20.1.2012. The Forum also directs the complainant that if he is able to produce any evidence of debiting this amount of Rs314472/- and remittance to LIC, from any of his bank accounts, then the same may be produced before RI for reconsideration of the recovery.

AWARD

Taking into account the facts & circumstances of the case, documents submitted and the submissions made by both the parties during the course of personal hearing, and the Bank records produced by the RI, this Forum directs, the RI to settle the Maturity Claim amount by deducting only Rs314472/-, towards outstanding loan amount and interest amount, upto 20.1.2012, by collecting all necessary requirements.

The complaint is Partially Allowed.

22. Compliance of Award:

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

- a. **The Complainant shall submit all requirements/Documents required for settlement of award within 15 days of receipt of the award to the Respondent Insurer.**
- b. **According to Rule 17(6) of the 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.**

Dated at Bengaluru on 28th day of February 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR THE STATE OF KARNATAKA

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA
(UNDER RULE NO: 16/17 of THE INSURANCE OMBUDSMAN RULES, 2017)**

OMBUDSMAN – VIPIN ANAND

In the Matter of MR. P.J.JOSEPH V/s ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

Complaint No: BNG--L—021--2122– 0122

Award No: IO/BNG/A/LI/ 0179 /2021-2022

1.	Name & Address of the Complainant	Mr. Joseph P J No 6&7, Thejushri Nivas, 8 A Cross, Behind Christ the King School, Ramamurthy Nagar, Bangalore, Karnataka-560016
2.	Policy No: Type of Policy: Name of the Policy: Commencement of Policy/ Policy Period/PPT Mode/Premium Amount	01979932 Life ICICI PRU Invest shield ULIP plan 10.10.2006 15/15 H.Yly /6000
3.	Name of the Insured Name of the Policyholder	Mr. P.J.JOSEPH “
4.	Name of the Respondent Insurer	ICICI PRU Life Insurance Company LTd
	Date of Repudiation/ Rejection/ Reply	nil
6.	Reason for repudiation/ Rejection	NIL
7.	Date of receipt of Annexure VI-A	24.7.2021
8.	Nature of complaint	Maturity amount less than Premiums paid .Rs.124265
9.	Amount of claim	As per policy terms and conditions
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	500000
12.	Complaint registered under Rule No	Rule 13(1)(a) as per Ombudsman Rules 2017
13.	Date of hearing/place	23.2.2022- VC-BANGALORE
14.	Representation at the hearing	
	a) For the Complainant	Self
	b) For the Respondent Insurer	MS Nitu Singh, Senior Manager Customer Service
15.	Complaint how disposed	Disallowed

16.	Date of Award/Order	28.2.2022
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17. Brief Facts of the Case:

The complaint emanated due to settlement of lesser maturity claim amount of Rs.124265. Even though he contacted the Grievance Redressal Officer (G.R.O.) of the RI, there was no response from them. Aggrieved he has approached the Forum.

18. Cause of Complaint: -

a. Complainant's argument:

The Complainant stated that he availed the said policy no.01979932 from ICICI Pru life and has paid all the 30 Half yearly premiums of Rs.6000 up to date. But the RI has settled a lesser maturity amount of Rs.124265 after 15 years after he has paid a total premium of Rs.180000. He claims that he should be compensated for the loss suffered in interest income on his policy.

b. Respondent Insurer's argument:

SCN Received on 30.7.2021- Gist is given below.

1. Fund value as per T & C paid on maturity. Was encashed by policyholder cum complainant.
2. Complainant himself is an agent of RI. He was aware of investment risks/NAV calculation/risk premium charges.
3. They stand by the policy T & C.

19. Reason for Registration of complaint: -

The complaint falls within the scope of Insurance Ombudsman Rules, 2017 under Sec 13(1)(a) and hence, it was registered.

20. The following documents were placed for perusal: -

- a. Complaint along with enclosures,
- b. Respondent Insurer's SCN along with enclosures
- c. Consent of the Complainant in Annexure VIA & Respondent Insurer in VII A.

21. Result of personal hearing with both the parties (Observations & Conclusions):

The dispute is whether Complainants demand for higher maturity claim is valid.

Personal hearing by the way of online Video-conferencing through Goto Meet was conducted in the said case. Mr.P.J.Joseph (Complainant) and Neetu singh (Representative of RI) presented their case. Confirmation from all the participants about the clarity of audio and video was taken to which the participants responded positively.

This Forum has perused the documentary evidence available on record and the submissions made by both the parties.

It is a fact that that complainant has paid all premiums due in the policy. Maturity amount is less than total premiums paid by around Rs.55000. But it is to be noted that even after maturity, RI has given coverage equal

to half the sum assured in the policy for a further period of 10 years without any additional premium. Also, risk coverage premium is also debited from fund value regularly along with

Other charges. Therefore, whatever amount is paid as maturity is reasonable for the kind of coverage given. Complaint is without merits.

AWARD

Taking into account, the facts & circumstances of the case, and the submissions made by both the parties during the course of Personal hearing, the RI's claim payment is in order.

The complaint is disallowed.

Dated at Bengaluru on 28th day of February, 2022

**(VIPIN ANAND)
INSURANCE OMBUDSMAN
KARNATAKA STATE**