

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

OMBUDSMAN –SHRI VIPIN ANAND

In the matter of Mr. **DH Somaraje Gowda Vs TATA AIG General Insurance Co. Ltd.**

Complaint No: BNG-H-047-2122-0382

Award No.- IO/BNG/A/HI/0138/2021-22

1	Name & Address of the Complainant	Mr. DH Somraje Gowda #318, 9 th Cross Road, Duo-Heights Layout, Begur, Bangalore-560114
2	Policy Number Type of Policy Duration of Policy/ Policy Period	0238452957/00925646 Group Mediclaim Policy 17.12.2020 to 16.12.2020
3	Name of the Insured/ Proposer Name of the policyholder	Mr. Somaraje Gowda DH Canara Bank
4	Name of the Respondent Insurer	TATA AIG General Insurance Co. Ltd.
5	Date of repudiation	08.04.2021
6	Reason for repudiation	Non-disclosure of past history of Cerebral Lesion and Radiotherapy performed 25 years ago at the time of policy inception
7	Date of receipt of Annexure VI-A	11.10.2021
8	Nature of complaint	Repudiation of hospitalisation claim
9	Amount of claim	Rs. 3,61,000/-
10	Date of Partial Settlement	NA
11	Amount of relief sought	Rs. 3,61,000/-
12	Complaint registered under Rule no:	13 (1) (b) of Insurance Ombudsman Rules, 2017
13	Date of hearing/place	NA
14	Representation at the hearing	
	a) For the Complainant	NA
	b) For the Respondent Insurer	NA
15	Complaint how disposed	DISALLOWED
16	Date of Award/Order	24.01.2022

17. Brief Facts of the Case:

The complaint emanated from the rejection of the claim on the ground that the history of Cerebral lesion and Radiotherapy performed 25 years ago was not disclosed prior to policy inception. Despite representing to Grievance Redressal Officer (GRO) of the Respondent Insurer (RI) for reconsideration of claim, the plea was not considered favourably. Hence the Complainant approached this Forum for settlement of the claim.

18. Cause of Complaint:

a) Complainant's arguments: The complainant is insured under a group health policy no.- 0238452957/00925646 issued by RI with master policyholder as Canara Bank. The IP was admitted to the Manipal Hospitals on 12.06.2021 where he was diagnosed with Right Malignant Pleural Effusion. He got discharged on 16.06.2021. The hospital raised a bill of Rs. 1,13,561/- and the claim was filed with the RI for reimbursement of expenses. The RI didn't make any payment and rejected his claim stating non-disclosure of past history of Cerebral Lesion and Radiotherapy performed 25 years ago, at the time of policy inception. The inception of the policy was 17.12.2014. The complainant had disclosed his past brain surgery with the insurance agent but the agent didn't consider it as it was 26 years ago. Even at the time of preliminary examination at the hospital, the complainant had told about his past brain surgery to the doctors. The complainant approached GRO of RI for reconsideration of claim, but his plea was not considered favourably. Hence he approached this Forum for relief.

b) Respondent Insurer's Arguments: RI in their Self Contained Note (SCN) sent vide mail dt 17.11.2021 whilst admitting insurance coverage and subsequent repudiation of the claim, submitted that the Complainant is a bank account holder of Canara Bank. The Complainant was earlier holding a Group Health Policy offered by Canara Bank through Apollo Munich Health Insurance Company ("Apollo Munich"). The RI received the duly filled and signed enrollment form and portability form along with the premium amount of Rs. 7107/- for the issuance of the health policy. Accordingly, post reviewing the information filled in the enrollment form and portability form, the risk was accepted and a certificate bearing no.- 00925646 was issued under the master policy number 0238452957 in the name of the Complainant. The Complainant was hospitalized in Manipal Hospital during the period from 12.06.2021 to 16.06.2021. The Complainant was diagnosed with "Right Malignant Pleural Effusion, Right Lung Mass". Claim bearing number 2021070200139 was registered for the above hospitalization. Post receipt of all claim documents from the Complainant, it was observed from the discharge summary submitted by the Complainant had a past history of Cerebral Lesion S/P Radiotherapy. Also, from the MRI report dated 12.06.2021 it was noted that there was a history of operation 25 years back. Past history mentioned in the MRI Report: "Right Retromastoid Suboccipital Craniotomy defect with old operative cavity & surrounding gliosis in the adjacent right cerebellar convexity. Superolateral to operative cavity, there is an avidly enhancing lesion along the tentorium involving lateral portion of the right Transverse sinus & transverse sigmoid sinus junction likely suggestive of residual lesion like Meningioma and as per History, he was operated around 25 years back." Based on the above findings the claim was denied on 04.08.2021 under Section-4. General Conditions.3. Disclosure of Information.

It is pertinent to mention here that in the proposal form in the Part C : Medical and Lifestyle Information, the Complainant has mentioned the response as "No" for the question pertaining to the past medical history. The Section III : DECLARATION & WARRANTY ON BEHALF OF ALL THE PERSONS PROPOSED TO BE INSURED of the proposal form clearly states that in a scenario of non disclosure of facts material to the assessment of the risk, it would nullify the cover in the policy. Had the Complainant disclosed the history of Cancer during at the time of applying for the policy, the RI would not have accepted the proposal for issuance of the certificate based on the declaration. Hence, the certificate issued was cancelled and

claim was repudiated due to non disclosure of the facts at the time of applying for the policy.

19. Reason for Registration of complaint:-

The complaint was registered as it falls within the scope of the Insurance Ombudsman Rules, 2017.

20. The following documents were placed for perusal:

- Complaint along with enclosures,
- Respondent Insurer’s SCN along with enclosures and
- Consent of the Complainant in Annexure VIA & and Respondent Insurer in VII A.

21. Observations & Conclusions:

The dispute is with regard to total repudiation of hospitalisation claim by RI. This Forum has perused the documentary evidence available on record and the submissions made by both the parties.

The Forum notes that while proposing for the issuance of health cover under Group Health insurance policy with the RI, the complainant had himself filled all the details/information/declaration and signed the enrollment form, according to which the IP had not undergone any treatment prior to the inception of policy.

PART C: MEDICAL & LIFESTYLE INFORMATION:

Note: This section is applicable for all the persons to be insured

Medical Information	Y/N
Have you or any of the persons proposed for insurance, ever suffered from or taken treatment, or hospitalized for or have been recommended to take investigations / medication / surgery or undergone a surgery for any of the following medical condition? • Cancer/Kidney failure/Stroke/Heart disease/Paralysis • Any disease of major organs including but not limited to brain, heart, kidney, lungs, liver or any neurological disorder • Any joint disorder including restriction in movement or any form of arthritis	NO
Are you or any of the persons proposed for insurance in good health?	YES
Are you or any of the persons proposed for insurance undergoing/awaiting any treatment for any illness?	NO

As per the above excerpt from the enrollment form dated 14.12.2020, the complainant declared that he had never suffered from or taken treatment or been hospitalised or been recommended to take investigations/medication/surgery or undergone surgery for cancer/kidney failure/heart disease/paralysis, any disease of major organs including but not limited to **brain**, heart, kidney, lungs, liver or any neurological disorder, any joint disorder including restriction in movement or any form of arthritis. He has also signed the declaration that non- disclosure of facts material to the assessment of risk, providing misleading information, fraud or non cooperation by the insured will nullify the cover under the policy and no benefits or refund shall be payable.

The Forum further notes that-

As per the Discharge Summary of Manipal Hospitals, Bangalore dt. 16.06.2021, the IP was diagnosed with Right Malignant Pleural Effusion and Right Lung Mass thereafter he was hospitalised from 12.06.2021 to 16.06.2021 for the treatment and he had a past history of Cerebral Lesion S/P Radiotherapy.

As per MRI Report dt. 12.06.2021, the findings and impression mention “the residual meningioma(as per history operated around 25 years back)”.

The complainant submitted the treating doctor's certificate from Manipal Hospital dt. 16.06.2021 stating that the IP had a past history of Cerebral Lesion and Radiotherapy 26 years ago which is irrelevant for the present admission and illness.

The complainant in his complaint stated that he had undergone a surgery for Cerebral Lesion in Manipal Hospitals in 1994 and disclosed his past brain surgery details to the insurance agent. Even at the time of preliminary examination at the hospital, he only disclosed about his past brain surgery to the doctor.

Despite having a separate questionnaire for the brain surgery/treatment, the complainant has not disclosed about his brain surgery in the enrollment form at the time of policy inception.

Therefore it is an established fact that the IP failed to disclose the above details regarding his Cerebral Lesion surgery in the enrollment form, which amounted to non-disclosure of material facts and breach of 'uberima fides – utmost good faith' as per "**Section 4.3-disclosure to Information**" of policy terms and conditions-

"The policy shall become void and all premium paid thereon shall be forfeited to the Company, in the event of mis-representation, mis-description or non-disclosure of any material fact by the policy holder "

Utmost good faith is a cardinal principle of insurance. This means that parties to an insurance contract must act in good faith, making a full declaration of all material facts in the insurance proposal. As this was not done in the present case, the RI was deprived of an opportunity to evaluate the risk. Consequently, the Insurance contract between the parties became voidable and unenforceable.

The Forum relies on **the Hon'ble Supreme Court's judgement (Civil Appeal No. 2776 of 2002) in the case of Satwant Kaur Sandhu Vs The New India Assurance Company Limited dated 10.07.2009 which states that**

"The upshot of the entire discussion is that in a Contract of Insurance, any fact which would influence the mind of a prudent insurer in deciding whether to accept or not to accept the risk is a "material fact". If the proposer has knowledge of such fact, he is obliged to disclose it particularly while answering questions in the proposal form. Needless to emphasise that any inaccurate answer will entitle the insurer to repudiate his liability because there is clear presumption that any information sought for in the proposal form is material for the purpose of entering into a Contract of Insurance."

and **Hon'ble Supreme Court's judgement in the matter of Reliance Life Insurance Company Limited & another vs Ms. Rekaben Nareshbhai Rathod dated 24.04.2019 has inter-alia held that**

"Now it is clear that a person who affixes his signature to a proposal which contains a statement which is not true, cannot ordinarily escape from the consequence arising there from by pleading that he chose to sign the proposal containing such statement without either reading or understanding it. That is because, in filling up the proposal

form, the agent normally, ceases to act as agent of the insurer but becomes the agent of the insured and no agent can be assumed to have authority from the insurer to write the answers in the proposal form. If an agent nevertheless does that, he becomes merely the amanuensis of the insured, and his knowledge of the untruth or inaccuracy of any statement contained in for of proposal does not become the knowledge of the insurer”.

The complainant was duty bound to disclose details of past medical history in the enrollment form, which forms the pillar of contract of insurance. In view of above, this Forum does not wish to interfere with decision of RI in repudiation of the claim is found to be in order. Accordingly the complaint is Dismissed.

A W A R D

Taking into account of the facts and circumstances of the case and the submissions made by both the parties, the rejection of the claim by the Respondent Insurer on the ground of non-disclosure of material past medical history of Cerebral Lesion Surgery and Radiotherapy is found to be in order and in consonance with the terms and conditions of the policy which does not require any interference in the hands of Ombudsman.

The Complaint is Dismissed.

Dated at **Bangalore** on the **24th day of January, 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

Case of: MR. Omkara Nayak V/S L.I.C. of India, Udupi Division

Complaint No: BNG--L--029--2122—0288

Award No: IO/BNG/A/LI/0137/2021-2022

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- Mr. Omkara Nayak has taken a Single Premium policy(Bima Bachat) bearing No.626619942 on his own life from LIC of India, which was due for Maturity on 10.09.2021 and Maturity payment of Rs.723857/- was made on 03.09.2021 with a recovery of Rs.17,835/- towards Income Tax.
 - He has sent a mail to Insurer on 25.09.2021, acknowledging the receipt of Maturity amount and raised his concern for recovery towards Income Tax at higher rate/disproportionate amount.
 - Insurer replied vide their mail dated 27.09.2021, IT deduction was module driven and there is no human intervention in making payment and they will issue Form 16 for the IT recovered and advised the Policyholder to claim the refund on submission of IT returns for the FY 2021-22.
 - Complainant approached GRO for resolution. GRO of Insurer vide their mail 30.11.2021 informed that the Revised Form 16A with correct taxable income will be

issued and advised the complainant to claim the refund from IT authority accordingly.

- He has registered an Online complaint with this Forum on 07.01.2022. Insurer issued revised Form 16A to complainant to claim refund from IT authority and apologise\ds for the inconvenience caused vide their mail dated 10.01.2022.
- Complainant vide his mail dated 14.01.2022 informed the Insurer that he will withdraw the said complaint. Further he has confirmed to this forum, his consent to withdraw the said complaint vide his mail dated 19.01.2022.

AWARD

Taking into account the facts and circumstances of the case, and the records made available to the Forum, it is concluded that, though there is deficiency of service on part of the Insurer, the redressal now lies only in the hands of the Income Tax department. The Insurer is directed to issue the correct TDS Certificate and be more careful in future.

The Complaint is amicably resolved and closed.

Dated at Bangalore on 20th day of January 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

Case of: MR. Omkara Nayak V/S L.I.C. of India, Udupi Division

Complaint No: BNG--L--029--2122—0286

Award No: IO/BNG/A/LI/0136/2021-2022

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- Mr. Omkara Nayak has taken a Single Premium policy(Bima Bachat) bearing No.626619419 on his own life from LIC of India, which was due for Maturity on 10.09.2021 and Maturity payment of Rs.998424/- was made on 08.09.2021 with a recovery of Rs.24,600/- towards Income Tax.
 - He has sent a mail to Insurer on 25.09.2021, acknowledging the receipt of Maturity amount and raised his concern for recovery towards Income Tax at higher rate/disproportionate amount.
 - Insurer replied vide their mail dated 27.09.2021, IT deduction was module driven and there is no human intervention in making payment and they will issue Form 16 for the IT recovered and advised the Policyholder to claim the refund on submission of IT returns for the FY 2021-22.
 - Complainant approached GRO for resolution. GRO of Insurer vide their mail 30.11.2021 informed that the Revised Form 16A with correct taxable income will be issued and advised the complainant to claim the refund from IT authority accordingly.

- He has registered an Online complaint with this Forum on 07.01.2022. Insurer issued revised Form 16A to complainant to claim refund from IT authority and apologised for the inconvenience caused vide their mail dated 10.01.2022.
- Complainant vide his mail dated 14.01.2022 informed the Insurer that he will withdraw the said complaint. Further he has confirmed to this forum, his consent to withdraw the said complaint vide his mail dated 19.01.2022.

AWARD

Taking into account the facts and circumstances of the case, and the records made available to the Forum, it is concluded that, though there is deficiency of service on part of the Insurer, the redressal now lies only in the hands of the Income Tax department. The Insurer is directed to issue the correct TDS Certificate and be more careful in future.

The Complaint is amicably resolved and closed.

Dated at Bangalore on 20th day of January 2022.

(VIPIN ANAND)
INSURANCE OMBUDSMAN
FOR KARNATAKA STATE

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF ODISHA
(UNDER RULE NO: 16(1)/17of
THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – Shri Suresh Chandra Panda
Case of (MANAGOBINDA DALAI vs. L I C OF INDIA, CUTTACK DIVN.)
COMPLAINT REF: NO: BHU-L-029-2122-0377
AWARD NO: BHU-L-2021-2022-0133

1.	Name, Age at entry & Address of the Complainant	MANAGOBINDA DALAI,56 years AT-VILL/PO- SAHADA VIA- SUNAHA BALASORE.
2.	Policy No: Type of Policy Commencement date/Term Maturity S.A/Premium/Mode	588497810 Life- LICs' Jeevan Saral-with profits 28.04.2009/ 12 years Rs.68410.00/Rs.12010.00/Yearly
3.	Name of theLife Insured Name of thePolicy holder	Managobinda Dalai Managobinda Dalai
4.	Name of the insurer	L I C of India, Cuttack Division
5.	Date of Repudiation	N.A
6.	Reason for repudiation	N.A
7.	Date of admissionof the Complaint	24.11.2021
8.	Nature of complaint	Maturity benefit is very less in comparison to the total premium paid.
9.	Amount of Claim	45,000/-

10.	Date of Partial Settlement	N.A
11.	Amount of relief sought	Rs.45,000/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	Rule 13 of IO Rules
13.	Date of hearing/place	05.01.2022/Bhubaneswar
14.	Representation at the hearing	
	a) For the Complainant	Mr. Managobinda Dalai was absent for the hearing
	b) For the insurer	Sujata Naik, AO,Legal, Cuttack Division
15	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16	Date of Award/Order	05.01.2022

17) Brief Facts of the Case- Mr.Managobinda Dalai(herein after referred to as the complainant) had filed a complaint against LIC of India, Cuttack Division(herein after referred to as the respondent Insurance company) alleging very low maturity benefit payment under policy no.588497810. The complaint falls within the scope of Insurance Ombudsman Rules,2017 and so it was registered.

18) Cause of complaint: Maturity benefit is very low.

Complainant's argument: Complainant argued that the above said Jeevan Saral Policy bearing no.588497810with annual premium of Rs.12010.00was purchased from the present insurer on 28.04.2009 for a term of 12 years.At that particular time, he was allured by the Agent of the Insurer with a promise that the maturity return will be at par with the postal Recurring deposit return. But he was surprised to get a meagre amount of Rs.99,195/- towards maturity value at the end of the policy period. Even the maturity value was Rs.44,975/- less then the total amount of premium paid during the 12 years tenure of the policy.The complainant represented to the grievance officer for reconsideration of the maturity value. On receiving noresponsefrom the Insurer, the complainant approached this Forum for redressal.

Insurer's Argument-: The respondent insurer submitted that Sri Managobinda Dalai had taken the policy bearing no.588497810 under plan -165(Jeevan Saral) with 12 years term. The policy was issued on the basis of a duly filled and signed proposal form received by the insurer. If the policyholder was not satisfied with the terms and conditions of the policy, he could have opted for cancellation of the policy within the free-look cancellation period. The respondent insurer has not received any written request for free look cancellation with in stipulated period. In the policy document it is clearly mentioned that the maturity sum assured under the policy is 68410/- and death sum assured is 250,000/-. The maturity payment of Rs.99,195/-(Maturity value + Loyalty Addition) was settled as per terms and conditions mentioned in the policy document. The respondent insurer further submitted that this is a high-risk plan where the sum assured payable at maturity differs for each age at entry and term of the policy. Hence, the allegations raised by the complainant is vexatious and merely an afterthought and hence, denied.In light of the above, therespondent insurer submitted for dismissal of the complaint.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017. This is a complaint againstless payment in maturity benefit.

- 20) The following documents were placed for perusal.
- Photo copies of policy document.
 - Copy of representation submitted to the grievance officer.
 - SCN by the Insurer.

21) Result of hearing with both parties(Observations & Conclusion):-On perusal of all the papers documents submitted and submissions made by both the parties it is found by the Forum that the policy document clearly mentions the plan opted for , age at entry of the life assured, the maturity amount payable and the number of premiums that the policyholder would have to pay. The policy document also clearly mentioned that there was a period of 15 days for the policyholder to return the policy under Free look period and get his policy cancelled, in case the policyholder was not agreeable to any of the terms and conditions of the policy. However, no complaint was received from the complainant during the said period which is indicative that the complainant was in agreement with the terms and conditions of the policy. On maturity of the policy, the maturity value and Loyalty addition was credited to the preferred bank account of the complainant as per the terms and conditions mentioned in the policy. The Forum would like to mention that it cannot take into consideration any promise or guarantee given by the agent of the insurer without any valid proof or acknowledgement. The Forum could not find any deficiency on the part of the respondent insurer while making the maturity payment. Considering these facts, the Forum opined that the complaint is devoid of merits and deserves to be dismissed.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties and the acknowledgement during the course of hearing the complaint is treated as dismissed.

Dated at Bhubaneswar on 5th January 2022.

SURESH CHANDRA PANDA
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF ODISHA
(Under Rule No: 16(1)/17of
The Insurance Ombudsman Rules, 2017)
OMBUDSMAN – Shri Suresh Chandra Panda

Case of (JANMEJYA MOHANTY vs. LIC OF INDIA.)
COMPLAINT REF: NO: BHU-L-029-2122-0373
AWARD NO: BHU-L-2021-2022- 0143

1.	Name & Address of the Complainant	JANMEJYA MOHANTY Flat no.4/A, Shree Jagannath Villa, JayadevVihar,BBSR
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2.	Policy No Type Commencement Date/ Term S.A /Premium / Paying Mode	587776538 Life –Samridhi Plus - ULIP 07.03.2011 / 10 – 05 Years 1,50,000 / 15000.00 / Yearly
3.	Name of the insured Name of the policyholder	JANMEJYA MOHANTY JANMEJYA MOHANTY
4.	Name of the insurer	Life Insurance Corporation of India, Bhubaneswar Division
5.	Date of Repudiation	N.A
6.	Reason for repudiation	N.A
7.	Date of admission of the Complaint	24.11.2021
8.	Nature of complaint	Less payment in Maturity value.
9.	Amount of Claim	18638/-
10.	Date of Partial Settlement	N.A
11.	Amount of relief sought	18638/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	Rule 13 of IO Rules
13.	Date of hearing/place	13.01.2022/ Bhubaneswar
14.	Representation at the hearing	
	a) For the Complainant	Janmejya Mohanty
	b) For the insurer	R.K.Mishra, Manager, Claims
15	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16	Date of Award/Order	13.01.2022

17) Brief facts of the case: Janmejya Mohanty (herein after referred to as the complainant) had filed a complaint against Life Insurance Corporation of India, Bhubaneswar Division (herein after referred to as the respondent Insurance company) alleging less payment in maturity value. The complaint falls within the scope of Insurance Ombudsman Rules, 2017 and so it was registered.

18) Cause of complaint: Maturity value not paid as per terms and conditions of the policy document.

Complainant's argument: Complainant argued that he had purchased one Samridhi Plus (ULIP) policy bearing number 587776538 with sum assured of Rs.1,50,000/- on 07.03.2011 for a policy term of 10 years. On maturity of the policy, he was paid an amount Rs.131362/- by the respondent insurer which is less than the basic sum assured. As per the terms and conditions of the policy mentioned in the policy document the minimum sum assured is to be paid by the insurer towards maturity value. On representation to the grievance officer the respondent insurer rejected the complaint vide their email dated. 02.08.2021. Finding no other alternatives, the complainant approached the Forum for redressal.

Insurer's Argument-: The Insurer on the other hand submitted that policy No.587776538 (LIC's Samridhi Plus- an ULIP Plan) was sold to the complainant on 07.03.2011 after obtaining signed proposal form along with all supporting documents. On maturity of the policy on 07.03.2021, as per terms and conditions of the policy an amount of Rs.131362.00

equal to highest NAV (Net Asset Value) over the first 100 months of the policy or the value of NAV at the end of policy term, which ever is higher was paid on 30.03.2021 to the complainant. The respondent insurer further submitted that Sum assured under the basic plan is considered on death only.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017. This is a complaint against less settlement of maturity value by the Insurer.

20) The following documents were placed for perusal.

- a) Photo copies of policy documents
- b) Photo copy of policy status
- c) SCN by the Insurer.

21) Result of hearing with both parties (Observations & Conclusion) :- On perusal of all the papers , documents submitted and submissions made by both the parties the learned Authority observed that the maturity value has been paid in accordance to the terms and conditions mentioned under the heading “Benefits payable and events on the happening of which they are payable” of the policy document. Hence, the Forum opined that complaint regarding less payment of maturity value is not maintainable.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties and the acknowledgement during the course of hearing, the complaint is treated as dismissed.

Dated at Bhubaneswar on 13th Day of January 2022.

**(SHRI SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA**

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

**Case of (RAMESH CHANDRA JENA vs LIC OF INDIA. Bhubaneswar)
COMPLAINT REF: NO: BHU-L-2122-0379
AWARD NO: BHU-L-2021-2022- 0144**

1.	Name , Age at entry & Address of the Complainant	Mr.Ramesh Chandra Jena, 53 years SamparkVihar, Lane-1, Patia Bhubaneswar
2.	Policy No: Type of Policy	587785311 Life -Jeevan Saral

	Duration of policy/Policy period	06.09.2021/ 10 years
3.	Name of the insured Name of the policyholder	Ramesh Chandra Jena Ramesh Chandra Jena
4.	Name of the insurer	Life Insurance Corporation of India, Bhubaneswar Division.
5.	Date of Repudiation	N.A
6.	Reason for repudiation	N.A
7.	Date of admission of the Complaint	25.11.2021
8.	Nature of complaint	Less settlement of maturity value
9.	Amount of Claim	703660/-
10.	Date of Partial Settlement	5,46,340/- paid on 06.09.2021
11.	Amount of relief sought	Rs.703660/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	Rule 13 of IO Rules
13.	Date of hearing/place	13.01.2022/ Bhubaneswar
14.	Representation at the hearing	
	a) For the Complainant	Ramesh Chandra Jena
	b) For the insurer	MrR.K.Mishra ,Manager, Claims
15.	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16.	Date of Award/Order	13.01.2022

17) Brief Facts of the Case- Ramesh Chandra Jena (herein after referred to as the complainant) had filed a complaint against LIC of India, Bhubaneswar Division (herein after referred to as the respondent Insurance company) alleging very low maturity benefit payment under policy no.587785311. The complaint falls within the scope of Insurance Ombudsman Rules,2017 and so it was registered.

18) Cause of complaint: Maturity benefit is very low.

Complainant's argument : Complainant argued that the above said Jeevan-Saral policy bearing no.587785311 with Quarterly premium of Rs.15312.00 was purchased from the present insurer on 26.09.2011. At that particular time, he was allured by the Development officer of the Insurer with a promise that the maturity return will be at par with the postal Recurring deposit return. But to his great astonishment he got a meagre amount of Rs.5,46,340/- towards maturity value at the end of the policy period. Even the maturity value Rs.66,140/- was less than the total amount of premium he had paid during the 10 years tenure of the policy. The complainant represented to the grievance officer for reconsideration of the maturity value. On receiving no response from the Insurer, the complainant approached this Forum for redressal.

Insurer's Argument-: The respondent insurer submitted that Sri Ramesh Chandra Jena had taken the policy bearing no. 587785311 under plan -165(Jeevan-Saral) with 10 years term on 06.09.2011. In the policy document it is clearly mentioned that the maturity sum assured

under the policy is 370400/- and death sum assured is 1250,000/-. The maturity payment of Rs.5,46,340/-(Maturity value + Loyalty Addition) was settled as per terms and conditions mentioned in the policy document. The respondent insurer further submitted that this is a high-risk plan where the sum assured payable at maturity differs for each age at entry and term of the policy. In this plan the maturity sum assured depends on age at entry. The higher the age, the lower the value and vice-versa. As the age at entry of the complainant/policyholder was 53 at the time of taking the policy, the maturity sum assured was lower. In light of the above, the respondent insurer submitted for dismissal of the complaint.

19) Reason for Registration of Complaint: -

scope of the Insurance Ombudsman Rules 2017. This is a complaint against less payment in maturity benefit.

20) The following documents were placed for perusal.

- a) Photo copies of policy document.
- b) Copy of representation submitted to the grievance officer.
- c) SCN by the Insurer.

21) Result of hearing with both parties (Observations & Conclusion):- On perusal of all the papers documents submitted and submissions made by both the parties it is found by the Forum that the policy document clearly mentions the plan opted for , age at entry of the life assured, the maturity amount payable and the number of premiums that the policyholder would have to pay. The policy document also clearly mentioned that there was a period of 15 days for the policyholder to return the policy under Free look period and get his policy cancelled, in case the policyholder was not agreeable to any of the terms and conditions of the policy. However, no complaint was received from the customer during the said period which is indicative that the complainant was in agreement with the terms and conditions of the policy. On maturity of the policy, the maturity value and Loyalty addition was credited to the preferred bank account of the complainant as per the terms and conditions mentioned in the policy. The Forum would like to mention that it cannot take into consideration any promise or guarantee given by the agent of the insurer without any valid proof or acknowledgement. Considering these facts, the Forum opined that the complaint is devoid of merits and deserves to be dismissed.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties and the acknowledgement during the course of hearing the complaint is treated as dismissed.

Dated at Bhubaneswar on 13th day of January 2022.

**(SHRI SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN**

FOR THE STATE OF ODISHA

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

Ombudsman: Shri Atul Jerath

Case of Deepak Garg V/S LIC of India

Complaint Ref. No.: CHD-L-029-2122-0541

1.	Name & Address of the Complainant	Dr. Mrs. Deepak Garg , C/O Om Nursing Home, Railway Road, Malerkotla, Punjab-148023
2.	Policy No: Type of Policy Duration of policy/Policy period	162152215/ 15.04.2001 Jeevan Sneha 128-20,
3.	Name of the insured Name of the policyholder	Mrs. Deepak Garg Mrs. Deepak Garg
4.	Name of the insurer	LIC of India
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of receipt of the Complaint	12.07.2021
8.	Nature of complaint	Nonpayment of Loyalty additions on Maturity
9.	Amount of Claim	Rs. 5 lacs
10.	Date of Partial Settlement	22.04.2021- Rs. 238942/-,20.05.2021- Rs.1168506/-, 24.06.2021 – Rs. 378450/-
11.	Amount of relief sought	Balance amount of Rs. 5 lacs
12.	Complaint registered under Rule no. of IO Rules 2017	13(1)(b)- any partial or total repudiation of claims by the life insurers
13.	Date & Place of Hearing	29.12.2021/ online hearing
14.	Representation at the hearing	
	For the Complainant	Dr. Mrs. Deepak Garg, the Complainant
	For the Insurer	Mrs. Purnima Mishra, Manager (CRM) DO Chandigarh
15.	Complaint how disposed	Award under rule 17
16.	Date of disposal	25.01.2022

17. Brief Facts of the case: Dr. Mrs. Deepak Garg (hereinafter, the Complainant) has filed this complaint against LIC of India (hereinafter, the Insurers) alleging nonpayment of Loyalty additions under his policy no. 162152215.

18. Cause of Complaint:

a) Complainant's argument: The Complainant has stated that policy bearing no. 162152215 matured for payment on 15.04.2021 and she has filed the complaint with the local and higher offices of the LIC of India for nonpayment Loyalty additions while settling the Maturity claim under this policy. They replied her vide letter dated 22.07.2021 and given only the details of the paid amount but the dates of the transactions have not been mentioned and her loyalty addition has been rejected by stating that it shall not be given as per the terms and conditions of the policy. The complainant has stated that on the policy

brochure it is mentioned regarding Loyalty Addition “If the policy is full force the policy will be eligible for loyalty addition on the date of maturity” and nothing is written that if a policy holder wants to defer his survival benefit with Life Insurance Corporation of India, as per the unique features of the plan, that the policyholder will not be entitled to get loyalty addition. She is regularly following up with the Insurance Company but they are not giving any suitable reply. Hence feeling aggrieved with the Insurance Company, she has approached this forum to seek relief.

b) Insurers’ argument: The Insurers have, vide SCN dated 27.10.2021 stated that the policy bearing No. 162152215 was issued on 15.04.2001 in the name of Dr. Mrs. Deepak Garg. The details of payment made to the complainant policyholder are as under: -

*SB of Rs. 100000/- due on 04/2006 paid on 20.05.2021 and reinvestment interest due from 04/2006 to 24.06.2021 amounting to Rs. 378450/- paid on 24.06.2021.

*SB of Rs. 100000/- due 04/2011 paid on 22.04.2021 amounting Rs.283942/- along with reinvestment interest.

*SB of Rs. 100000/- due 04/2016 paid on 20.05.2021 amounting Rs.168506/- along with reinvestment interest.

*Maturity Claim Rs. 900000/- along with guaranteed addition paid on 22.05.2021.

The Insurers has further stated that as per policy bond “this policy may be eligible for payment of Loyalty Addition at such rate and on such terms as may be declared by the Corporation “. As per LIC terms Loyalty addition is not payable on date of maturity if policy holder has deferred any one or all the survival benefit claim by way of re-investment during the policy term. They requested for closure of the complaint.

19. Reason for Registration of Complaint: Nonpayment of Loyalty additions on Maturity.

20. The following documents were placed for perusal:

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

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

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

During the hearing the complainant reiterated that she is entitled to loyalty addition and no where it is mentioned that if she had opted for deferment of survival benefits or reinvested the same, she will not be eligible for the said loyalty addition and hence the complaint.

The insurers reiterated their stand as per their SCN and submitted additional facts vide their mail dated 29th December 2021 attaching there with circular no. 2249/4 ref: Actuarial/ valuation/ 31.03.2020 dated 17.09.2020 to stress on their submissions that the complainant is not entitled for loyalty addition.

On perusal of various documents available in the file including the complaint, SCN of the Insurers, submissions made by both the complainant and the respondent Insurers during online hearing, as well as careful reading of the policy terms as given in the bond, it has been observed that the subject policy was taken by the complainant policyholder in 2001 with

twenty years term for 5 Lakh SA with Guaranteed Addition of Rs.70/- per thousand SA, Loyalty Addition and with an option to reinvest the benefits of survival amounting to 20% of SA payable on 5th, 10th and 15th year with the Insurers with an increase as decided by them from time to time. The complainant accordingly opted for reinvestment of survival benefit as per the insurance plan as and when they became due.

The issue of the complainant is that she has paid the premiums for 20 years under this policy and on maturity the Insurers has not paid her the Loyalty Addition. The Insurers during online hearing and by subsequent correspondences contended that Loyalty addition is not payable under this policy because the complainant policyholder has opted to reinvest the survival benefits payable under this policy. In support of their contention, they submitted the legible copy of the policy bond of Jeevan Sneha Plan and the copy of the valuation results as at 31.03.2020 declared on 17.09.2020 by the Insurers.

This circular gives details of bonus, vested bonus, interim bonus, final additional bonus, loyalty addition etc. payable under different insurance plans including the Jeevan Sneha table 128. The Insurers during the online hearing as well as in their submission also made reference to the policy bond with one stamp endorsement wherein it is stated that "this policy may be eligible for payment of Loyalty Addition at such rate and on such terms as may be declared by the Corporation ". This was the defense offered by them to the complaint.

On going through the Policy Bond of this plan the clauses of Loyalty addition and Option to reinvest of Survival benefits reads as under: -

Clause 2. Loyalty Addition :"If after at least 5 full years premium have been paid in respect of this policy, on the Life Assured surviving the stipulated Date of Maturity or on his earlier death and the provided the policy is in full force on the date of Maturity or on the death , then depending upon the corporations experience with regard to morality , interest rate and expenses in respect of the Insurance business and based on such factors as the sum Assured and the number of premiums paid under the policy the age of Life assured and such other considerations as may be relevant for the purpose this policy may be eligible for payment of Loyalty Addition at such rate and on such terms as may be declared by the Corporation. Provided that the different rates of Loyalty Addition may be declared verifying with the number of years premium paid, age at entry and Sum Assured. Provided further that no Loyalty addition shall become payable in the event of the policy being surrendered or discontinued of being paid up before the Date of Maturity or the date of death of the Life Assured."

Clause 3: "The person having title to the policy shall have an option to receive the Survival Benefit, mentioned in the schedule after any date on which it fall due, in such an event the survival benefits shall become payable the increase in survival benefits shall be decided by the corporation from time to time "

It is a fact that the subject policy was in full force on the date of Maturity and the policyholder opted to receive the Survival Benefits payable as per policy schedule after the dates on which

it falls due, but neither in the clause 2 which explicitly details the loyalty addition terms and conditions nor in any other part of the policy bond it is mentioned that the no Loyalty addition shall become payable to the policyholders who opts to reinvest survival benefits after the due dates.

Neither in their SCN nor in course of online hearing insurer could produce any document or communication from the insurer, any time during the policy tenure, or when the request for deferment of survival benefit was received from the complainant / policyholder to establish that they have informed the complainant, that the loyalty addition would not be payable, in case the policyholder opts for deferment or reinvestment of survival benefit. This is more pertinent in view of the fact that in the policy bond no where it is mentioned that on reinvestment of survival benefit the policyholder will not be entitled to loyalty addition.

Careful reading of the clause 2 in the policy bond, also nowhere states that loyalty addition will not be payable in case the policy holder opts for reinvestment of survival benefit. This clause explicitly mentions that "Provided further that no Loyalty addition shall become payable in the event of the policy being surrendered or discontinued or being paid up before the Date of Maturity or the date of death of the Life Assured. "Thus, the clause clearly states that the loyalty addition will not be payable if the policy is surrendered or discontinued before date of maturity or date of death thereby refuting the contention of the insurer.

The second defense put forward by the insurer about the stamp on the policy bond which states "this policy may be eligible for payment of Loyalty Addition at such rate and on such terms as may be declared by the Corporation", which again is not an acceptable argument. Infact the clause 2 itself details the terms and condition on which the loyalty addition will be paid and states, "Depending upon the corporations experience with regard to morality, interest rate and expenses in respect of the Insurance business and based on such factors as the sum Assured and the number of premiums paid under the policy the age of Life assured and such other considerations as may be relevant for the purpose this policy may be eligible for payment of Loyalty Addition at such rate and on such terms as may be declared by the Corporation"

This implies that looking to the experience of the plan corporation may or may not declare loyalty addition based on various factors and rates and it is left to the insurer based on their policy experience. On the basis of their actuarial valuation including the experience of the insurance plan and factors detailed in the relevant clause, the corporation in the subject case, chooses to declare the loyalty addition on this plan but in the internal circular it was mentioned that if the policyholder had reinvested the survival benefit, they will not be eligible for loyalty addition contrary to policy contract.

Loyalty addition is an explicit clause mentioned in the policy bond stating under what conditions it is not payable as detailed above. In line with principles of natural justice, insurance product construct, insurance principles and for better transparency it is important to lay down under which conditions the loyalty addition is payable and under what circumstances it is not payable. In fact, clause 2 of the policy bond does gives all these details. But the situation or circumstances narrated therein for non-payment of loyalty addition does not include cases where the policyholder chooses to reinvest the survival benefit.

This is an important and critical clause forming part of the insurance contract and cannot be changed by way of internal circular or without sharing this with the policy holder either during the policy tenure or when the insured opted for the said option i.e., for deferment or

reinvestment of survival benefit. And this too will warrant explicit consent of the policy holder for a valid insurance contract.

On going through the above discussions, the Insurers failed to produce any documentary evidence to prove that it was in the knowledge of the policyholder before her opting for deferment of survival benefit or even up the date maturity of this policy, that Loyalty addition is payable only to those policyholders who have not anytime opted for deferment of survival benefit. Had it been brought to her notice she might have taken the decision to defer or not to defer the survival benefits under this policy accordingly.

As, such, the Insurers are directed to pay the Loyalty Addition to the aggrieved policyholder as declared by them under this plan.

Award

Taking into account facts and circumstances of the case and submissions made by both the parties during the course of hearing, the Insurers are directed to pay the Loyalty Addition as declared by the Insurer under this plan to the complainant policyholder in her policy bearing No. 162152215 as stated above.

Hence, the complaint is treated as closed.

22. The attention of the complainant and insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a. According to Rule 17(6), the insurer or the insurance broker, as the case may be, shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman and upload the details in the complaints management system.

b. According to Rule 17(7), the complainant shall be entitled to such interest at a rate per annum as specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman.

(Atul Jerath)
Insurance Ombudsman
25th January , 2022

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

Ombudsman: Shri Atul Jerath

Case of G S Ghuman V/S LIC of India

Complaint Ref. No.: CHD-L-029-2122-0449

1.	Name & Address of the Complainant	Sh. G S Ghuman, 690, Sector 8B, Chandigarh. Mobile No.:9876610690
2.	Policy No: Type of Policy Duration of policy/Policy period	163403427/28.06.2007 LIC' s Jeevan Saral 165-14, SA 100000, Premium Rs. 4804/- Yly
3.	Name of the insured Name of the policyholder	G S Ghuman G S Ghuman
4.	Name of the insurer	LIC of India
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of receipt of the Complaint	30.06.2021
8.	Nature of complaint	Less payment of Maturity Value
9.	Amount of Claim	Balance amount of Rs.60000/-
10.	Date of Partial Settlement	Rs. 41356/- 28.06.2021
11.	Amount of relief sought	Balance amount of Rs.60000/-
12.	Complaint registered under Rule no. of IO Rules 2017	13(1)(b)- any partial or total repudiation of claims by the life insurers
13.	Date & Place of Hearing	29.12.2021/ online hearing
14.	Representation at the hearing	
	For the Complainant	Sh. G S Ghuman, the Complainant
	For the Insurer	Mrs. Purnima Mishra, Manager (CRM) CHD
15.	Complaint how disposed	Award under rule 17
16.	Date of disposal	29.12.2021

17. Brief Facts of the case: Sh. G S Ghuman (hereinafter, the Complainant) has filed this complaint against LIC of India (hereinafter, the Insurers) alleging less payment of Maturity Value under his policies no. 163403427.

18. Cause of Complaint:

a) Complainant's argument: The Complainant has stated that he had taken the subject policy in 2007 through an agent who told him that on maturity he shall get Rs. 100000/- . He alleged that the Insurers vide letter dated 05.01.2019 informed him that due to typographical error, the maturity amount has been shown Rs. 1 Lac in the policy document, whereas it should have been Rs. 28920/-. The complainant stated that it looks him ridiculous because after paying Rs. 67256/- over a period of 15 years who shall buy the policy which promises 60 % depreciation on the paid amount. He approached the higher officers of the Insurers for this loss/ discrepancy before the date of maturity but nobody replied him. He is regularly following up with the higher officers of the Insurance Company for this loss / discrepancy but they are not giving any suitable reply. Hence feeling aggrieved with the Insurance Company he has approached this forum to seek relief.

b) Insurers' argument: The Insurers have, vide SCN dated 27.12.2021 stated that the Policy bearing No. 163403427 was issued on 16.07.2007 as per proposal form received from Capt. G S Ghuman for SA 100000/- under Jeevan Saral Policy and they had informed the policyholder vide letter dated 25.09.2020 regarding typographical error and correct schedule of policy provided and the same was mentioned by him in his complainant. The Insurers further stated that there was printing mistake in the Jeevan Saral Policy issued by them and when it came to notice same was informed to the policyholders. The subject policy matured on 28.06.2021 and maturity payment of Rs. 41356/- (Rs. 28920/- Mty SA + Loyalty Addition Rs. 12436/-) has been paid on 28.06.2021. The Insurers have informed that as per policy conditions only the maturity sum assured with loyalty addition is payable under this plan and it has been mentioned in the policy bond and revised maturity sum assured was informed vide their letter dated 25.09.2020. The Insurers submitted that Jeevan Saral Policy is a high risk plan, death Sum Assured under the said policy was Rs. 100000/- and the maturity payment has been made correctly. They requested for closure of the complaint.

19. Reason for Registration of Complaint: Wrong payment of Maturity Value.

20. The following documents were placed for perusal:

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

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

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

On perusal of various documents available in the file including the complaint, SCN of the Insurers and submissions made by both the complainant and the respondent Insurers during online hearing, it has been observed that the complainant had taken a Life Insurance policy on 28.06.2007 for 14 years term and after paying the annual premium of Rs. 4804/- for 11 years he received the letter dated 05.01.2019 from the Insurers that maturity sum assured was incorrectly typed as Rs. 100000/- instead of Rs. 28920/- in the policy bond. The complainant policyholder immediately lodged his protest with the insurer for this correction at the fag end of the policy but the Insurers paid the revised maturity sum assured Rs. 28920/- along with loyalty additions of Rs. 12436/- to him on 28.06.2021. Hence this complaint.

The Insurers reinstated the facts given in their SCN and stated there was a printing mistake in the Jeevan Saral Policy and when it came into notice it was informed to the complainant policyholder vide their letters dated 05.01.2019 and 25.09.2019 regarding this typographical error and the revised schedule of benefits was also sent to him. The Insurers further stated that after the issuance of this policy the policyholder never approached regarding any error in the policy bond. The Insurers has also submitted the order copy of Hon,ble Karnatka State Consumer Disputes Redressal Commission , Bangalore dated 01.03.2019 to endorse their submissions in this case.

It is a fact that the maturity sum assured is mentioned Rs. 100000/- in the policy document issued in 2007 and the printing mistake came into notice of the Insurers in 2019 when the complainant policyholder had already paid the 11 yearly premiums under this policy. Had it been explained to him before the issuance of this policy he would never have opted for taking

this policy or he could take the decision to continue or discontinue the policy within free look period. The contention of the Insurers that the complainant policyholder never approached regarding any error in the policy bond after receipt of the policy bond is not tenable as he has received the policy bond mentioning the correct maturity sum assured as it was told to him by the agent of the Insurers at the time of selling this policy. The order dated 13.02.2020 of the Hon,ble NCDRC, New Delhi in RP No. 2655 of 2019 on similar facts also supersedes the order dated 01.03.2019 of the Karnataka SCDRC submitted by the respondent Insurers and is thus in favor of the complainant policyholder.

In view of the above discussions, the complaint is allowed and the Insurers are directed to settle the maturity claim under the policy bearing no. 163403427 as per the policy bond originally issued to the policy holder and pay the balance amount to him within 30 days from the date of receipt of this order.

Award

Taking into account facts and circumstances of the case and submissions made by both the parties during the course of hearing, the Insures are directed to settle the maturity claim under the policy bearing no. 163403427 as per the policy bond originally issued to the policy holder and pay the balance amount to him as stated above.
Hence, the complaint is treated as closed.

22. The attention of the complainant and insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a. According to Rule 17(6), the insurer or the insurance broker, as the case may be, shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman and upload the details in the complaints management system.

b. According to Rule 17(7), the complainant shall be entitled to such interest at a rate per annum as specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman.

(Atul Jerath)
Insurance Ombudsman
05th January, 2021

**Proceedings of
THE INSURANCE OMBUDSMAN
KERALA, LAKSHADWEEP & MAHE**
[Under Rule No.13 1(b) Read with Rule 14 of the Insurance Ombudsman Rules, 2017]
**Present: Mr Girish Radhakrishnan
Insurance Ombudsman**
Complaint No KOC-L-019-2122-0246
Complainant : Dr. Damien Antony Nedunilathu
Respondent Insurer :HDFC Standard Life Insurance Company Ltd.

AWARD

1.	Address of the Complainant	:	XV/265-A Nedunilath House Bonnie Nagar VKC P O Thevakkal Ernakulam 682021
2.	Policy Number	:	14614292
3.	Name of the Insured	:	Dr. Damien Antony nedunilathu
4.	Type of Policy	:	LIFE
5.	Date of receipt of Complaint	:	22.09.2021
6.	Nature of complaint	:	Short fall in maturity claim
7.	Date of hearing	:	10.12.2021
8.	Party present at the Hearing for the Complainant	:	Dr. Damien Antony nedunilathu
9.	Party present at the Hearing for the Insurer	:	Mr. Vinay G

Award No. IO/KOC/A/LI/0141/2021-22

This is a complaint filed under Rule 13(1)b read with Rule 14 of the Insurance Ombudsman Rules, 2017. The complaint alleges short payment of a maturity claim under a Life (ULIP) policy issued by the Respondent Insurer. The Complainant, Mr. Damien Antony Nedunilathu is the policyholder.

1. Complainants' Averments

The averments, contentions and submissions in the complaint are summarized as follows:

- (1) The financial consultant of the Respondent Insurers approached the Complainant for an investment assuring double the payment invested in 10years.
- (2) A HDFC SL Crest policy no 14614292 was issued on 22.9.2011 and he remitted premium of Rs. 1 Lakh annually for 5 years.
- (3) He was given to understand that the amount on maturity should be 10lakh but he was intimated in 2021 that the maturity amount was only Rs700,710/-.
- (4) The scheme was opted for since it's a traditional policy and the illustration given by the RI representative highlighted the Rs. 10 lakh maturity amount.
- (5) The policy was introduced by bank officials but policy is issued by Life Insurer. The product was wrongly sold by the bank officials deceiving the Complainant by issuing a unit linked policy and further, fund management charges are deducted.

- (6) The complaint was taken up at all levels of grievance cell with the RI but did not get a positive response hence approach this forum for justice.

2. Respondent Insurer's Contentions

The Respondent Insurer (RI) entered appearance and filed a Self Contained Note (SCN). The averments, contentions and submissions in the SCN are summarized as under:-

- (1) The Complainant had availed the HDFC SL Crest-ULIP Insurance Policy bearing No.14614292 from the RI incepting from 22nd September 2011. The policy was issued subject to terms and conditions as mentioned therein. The Complainant had to pay premium of Rs.1,00,000/- annually for the premium paying term of five years, as the policy had a tenure of ten years.
- (2) Complainant had opted for a market linked policy and had invested in highest NAV guarantee Fund (100%), as the policy was issued subject to market risk and the investment risk was to be borne by the respective policy holders.
- (3) The policy value depends on the unit price of the fund multiplied by the number of fund units in the Complainant's account. As the unit price depends on the market conditions and the performance of the fund during the tenure of the policy, as on the date of maturity of the policy the risk would cease and fund value as on that date would be paid. The relevant policy term is reproduced below:

General

- *Your policy is a regular premium unit linked life insurance policy. Being a unit linked policy; your policy will participate in the investment performance of the funds of the HDFC std. Life Insurance Co. Ltd., chosen by you, to the extent of the allotted units. Your policy does not in any way give you any right whatsoever in any share in the profits or surplus of the business of the Company by whatever name called.*
 - *ALL UNIT LINKED POLICIES ARE DIFFERENT FROM TRADITIONAL INSURANCE POLICIES AND ARE SUBJECT TO DIFFERENT RISK FACTORS . IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER.*
- (4) The fund value as on maturity date (i.e. 22nd September 2021) was Rs.7,02,724/- .
 - (5) RI sought for KYC and NEFT details from the Complainant for effecting the payment of the said sum, however the Complainant has not submitted these documents till date, as the Complainant claims that he is entitled to Rs.10,00,000/- which is the death benefit as payable under the policy.
 - (6) Therefore the allegations made by the Complainant are false, baseless and untenable, as RI have already offered to pay the benefits as envisaged under the policy document and therefore the claim of the Complainant for a higher sum, i.e. the death benefit, is untenable. Hon'ble Ombudsman may be pleased to dismiss this complaint and thus render justice.

3. I heard the Complainant and the Respondent Insurer at a Hearing on 10.12.2021.

The Complainant reiterated his averments and submissions detailed in his complaint. He would have it that the policy was sold to him assuring 10 lakh at maturity. The policy was taken because it was introduced to him as a Guaranteed Traditional Product and not a market based policy. It was assured that he will get double the amount invested. A

benefit illustration was also given to him. All his family members have accounts with HDFC Bank and the bank officials contacted him for the policy. Now he feels that he is deceived and the product was wrongly sold to him by the bank officials.

The Respondent Insurer completely denied all the allegations of the Complainant and also reiterated their submissions made in the SCN. The policy issued is a unit linked product. The peculiarity of such a unit linked product is described clearly in the policy document given to the Complainant. The maturity value of the policy depends on the unit price of the fund multiplied by the number of fund units in the account. The fund portfolios are managed by the fund managers and structured in such a way to give good returns.

The fund value on the maturity is Rs.7,02,724/-which is payable but the Complainant mistook the death sum assured as the maturity value and is demanding that amount which is not payable.

4. Having heard both the sides and having perused all the documents submitted in detail, I find as under:-
- (a) It is observed that the Complainant had purchased a Unit Linked policy styled HDFC Crest policy issued in 2011. The Complainant paid premium of Rs.1,00,000/- annually for the full premium paying term of five years; the policy matures at the end of a lock-in period of ten years, ie, on 22.9.2021.
 - (b) The policy document was given to the Complainant. The policy terms and conditions clearly describe the nature of the policy and the benefits thereof. The Schedule of the policy is seen to include a section titled "Schedule of Benefits" wherein the Maturity Benefit is shown as "Unit Fund Value" and the Death Benefit is shown as Rs. 1,000,000. The "Standard Policy Provisions" also explain, *inter alia*, that the policy is a Unit Linked Life Insurance Policy and is subject to investment market risks and that the investment risk is borne by the policy holder. The policy also carries a "free look period" and I note that the policyholder is expressly asked vide a covering letter (in this case a letter dated 23rd September 2011) to examine the policy and if not agreeable, to return the same and ask for cancellation.
 - (c) That the Complainant has not raised any objection to the policy terms and conditions until the time of maturity, that he has carried out various transactions during the term of the policy, completely erode the validity of his complaint of having been the victim of mis-selling especially when viewed in the light of the fact that he is not an uneducated or unaware person.
 - (d) To iterate again for the sake of clarity, the policy is seen to have been properly issued on the basis of a signed proposal from the Complainant in 2011; the policy document is seen to have been duly conveyed to the Complainant; the policy document is seen to be clearly worded with no ambiguities apparent; the policy would pay a "death benefit" – if the policyholder were to die before maturity of the policy – of Rs. 10 Lakh and would pay a "maturity benefit" consisting of the "fund value" (the result of the investment efforts made by the insurer during the policy period) to the policyholder at the time of maturity of the policy in September 2021.
 - (e) I therefore find nothing objectionable in the actions of the RI and am of the view that the Complainant's case has no basis. Found accordingly.

5. Award

In the result, this Award is passed, upholding the decision of the Respondent Insurer and dismissing the complaint. The Respondent Insurer shall pay the maturity benefit under the policy to the Complainant upon receipt of the required KYC and bank account details from him. No cost.

Dated this the 31st day of January, 2022

Sd/-
Girish Radhakrishnan
INSURANCE OMBUDSMAN

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

Ombudsman Name: Shri P.K.RATH
CASEOF COMPLAINANT–MR. PALLAB KUMAR SEAL
VS
RESPONDENT: HDFC STAND. LIFE INS. CO. LTD
COMPLAINT REF: NO: KOL-L-009-2122-0970
AWARD NO:IO/KOL/A/LI/0744 /2021-2022

1.	Name &Address ofThe Complainant	MR. PALLAB KUMAR SEAL Flat No.G-4/4, Labony Estate, Salt Lake City, Kolkata – 700064. 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
	11284635				19.09.2007	33333	14	14
3.	Name of insured	MR. PALLAB KUMAR SEAL						
4.	Name of the insurer	HDFC STAND. LIFE INS. CO. LTD.						
5.	Date of receipt of the Complaint	14-12-2021						
6.	Nature of Complaint	Maturity payment under the policy paid less.						
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(b)						
11.	Date of hearing Place of hearing	19.01-2022 Kolkata						
12.	Representation at the hearing							
	a)For the Complainant	MR. PALLAB KUMAR SEAL						
	b)For the Insurer	MR. SUMIT SAHA						
13.	Complaint how disposed	By conducting online hearing						
14.	Date of Award	27-JAN-2022						

Brief Facts of the Case :

1. The policy was issued under ULIP on 19.09.2007 with 14 years term and accordingly the policy matured on 19.09.2021.
2. As per terms and conditions the maturity value will be the fund value (total no. of units X unit price) as on the date of maturity. As per terms and conditions of the policy 1/3rd of the fund value will be payable in the hands of the life assured and balance amount to be utilised to purchase one pension plan to provide annuity to the said life assured.
3. Accordingly the insurer paid INR 435156.48 towards payment of 1/3rd of value to the life assured and rest amount of INR 8,70,314/- utilised to purchase one pension policy as per NAV 275.90060 dt. 20.09.2021, as 19.09.2021 was a nonworking day, Sunday.
4. Complainant alleged that NAV should be counted for immediate previous working day before date of maturity i.e. on 17.09.2021 and not 20.09.2021. On 17.09.2021 NAV was INR 278.5471 hence he suffered a less payment for 12522/-.
5. As per SCN received from the insurer they have clarified that payment has been made as per terms and conditions of the policy and nothing more is payable.

Contention of the complainant :

The complainant alleged that since his policy got matured on 19.09.2021 and 19.09.2021 being Sunday, the NAV should be counted for the previous working day i.e., 17.09.2021 but the insurer counted the NAV as on 20.09.2021 and settled the maturity value under the policy. He also submitted that on 17.09.2021 NAV was INR 278.5471 and on 20.09.2021 NAV was 275.90060 so he suffered a less payment of INR 12522/- which should be paid to him. Lodged complaint to the insurer on 01.10.2021 and got clarification from the insurer but not satisfied. Being aggrieved appealed before this office for redressal of his case.

Contention of the Respondent :

As per SCN received from the insurer they have clarified that the Maturity Value payment has been made as per terms and conditions of the policy and as per NAV dt. 20.09.2021, as per IRDA guidelines and nothing more is payable. So the complaint may please be treated as closed.

Observation and conclusions :

It is observed that the date of Maturity of policy was on 19.09.2021, as per policy bond issued by the insurer and since 19.09.2021 was Sunday, non working day, next date i.e. 20th September, should be taken into consideration for NAV under the policy, as per rules. Therefore, Maturity Value correctly paid under the policy and so nothing more is payable as per terms and conditions of the policy.

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 policy matured on 19.09.2021 and since 19.09.2021 was a Sunday, next date i.e., 20.09.2021 very correctly taken into consideration for NAV under the

policy by the insurer, as per rules. Therefore, Maturity Value correctly paid under the policy and nothing more is payable as per terms and conditions of the policy. Hence the complaint is dismissed without any relief to the complainant.

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

Dated at Kolkata on 27thDay of Jan., 2022

P. K. RATH
INSURANCE OMBUDSMAN

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

Ombudsman Name: SHRI P.K.RATH
CASEOF COMPLAINANT– MR. ARUP BORAL FOR
THE BORAL UNION CO-OPERATIVE BANK LTD.

VS

RESPONDENT: L.I.C. OF INDIA, KMDO-II
COMPLAINT REF: NO: KOL-L-029-2122-
0884

AWARD NO:IO/KOL/A/LI/0776/2021-2022

1.	Name &Address of The Complainant	MR. ARUP BORAL for B.U. CO-OP. Bank Ltd. Act. Chief Executive, The Boral Union Co- op. Bank Ltd., Samabay Bhavan, Boral, Kol - 700154
2.	Type Of Policy: Life / Health / General :LIFE Policy Details:	
	Policy Number	Sum Assured
	From Date	To Date
	DOC	Premium
	Policy Term	Paying Term
	412314879	100000
		28.07.1996
		5992
		20
		20
3.	Name of insured	MR. DILIP DAS GUPTA
4.	Name of the insurer	L.I.C. OF INDIA, KMDO-II
5.	Date of receipt of the Complaint	23-11-2021
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	05.01-2022 Kolkata

12.	Representation at the hearing	
	a)For the Complainant	ARUP BORAL for Boral Union Co-op. Bank Ltd.
	b)For the Insurer	MR. DEBAJYOTI BISWAS
13.	Complaint how disposed	By conducting online hearing
14.	Date of Award	28-JAN-2022

Brief Facts of the Case :

1. The policy in question was absolutely assigned in favour of The Boral Union Co-operative Bank Ltd. on 20.08.1998 vide Regn. No. 2088 at Jadavpur Branch. The Life Assured under the policy took some loan from the said Co-op Bank and hence the policy kept with the said Co-op. Bank. Policy got matured on 28.07.2016 and the said Co-op. submitted claim form on 12.09.2016 for getting the Maturity Value under the policy but till date no Maturity Value settled under the policy.

2. As per SCN received from the insurer, they have clarified that the policy was re-assigned on 17.07.2014. The Life Assured expired on 06.08.2013 and death claim settled in favour of the nominee, Manju Das Gupta, on 19.07.2014 vide UTR No. 4441U14200012101.

Contention of the complainant : Mr. Arup Bera on behalf of The Boral Union Co-operative Bank Ltd. submitted the claim forms for getting Maturity Value under the policy as Absolute Assignee for grant of some amount of loan to the Life Assured, Mr. Dilip Das Gupta, under the policy. But till date no Maturity Value under the policy yet been settled. Lodged complaint to the insurer on 08.07.2019, 20.08.2019 and 20.01.2020 but no response received from the insurer. Being aggrieved appealed before this office for redressal of the case.

Contention of the Respondent : As per SCN received from the insurer, they have clarified that the concerned policy was re-assigned on 17.07.2014. The life Assured, Dilip Das Gupta expired on 06.08.2013 and the Death Claim settled in favour of the nominee under the policy, Manju Das Gupta for an amount of Rs. 192308/- on 19.07.2014 vide UTR No. 4441U14200012101. So nothing is payable under the policy.

Observation and conclusions : It is observed that the insurer settled the Death Claim under the policy in favour of the Nominee under the policy. But as per record so far we have received it is evident that

1. the policy was assigned in favour of the Boral Union Co-operative Bank Ltd. vide Registration No. 2088 dt. 20.08.1998 and the Original Policy Bond was with them which they produced along with other necessary papers on maturity. How was the policy Re-assigned?
2. Policy was allegedly re-assigned in favour of the policyholder/L.A. after death of the Life Assured under the policy. How was it possible?
3. Allegedly reassigned and claim paid within 2 days, as if in a hurry.

4. The L.A. under the policy expired on 06.08.2013, the subject policy Re-assigned on 17.07.2014 and Death Claim under the policy settled on 18.07.2014 in favour of Nominee under the policy.

5. The insurer could not produce any documentary evidence in support for consideration of reassignment of the policy.

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 records, it is observed that the policy was assigned in favour of Boral Union Co-operative Bank Ltd and original policy bond submitted along with other necessary papers on maturity to get the maturity value under the policy. It is also observed that the life assured under the policy expired on 06.08.2013 and the insurer allegedly reassigned the policy and settled the death benefit in favour of the nominee under the policy on 18.07.2014. Considering all these there arises doubt regarding whole process, more so, when the insurer failed to submit any document. In view of the above facts, I am of opinion that legally the Insurer can not deny the Assignee, Boral Union Co-operative Bank Ltd., their rightful claim. Therefore, the insurer is directed to pay the eligible amount to the concerned Assignee, Boral Union Co-operative Bank Ltd. without further delay along with interest for delayed period as per Ombudsman Rule. 2017 for the period from date of Maturity to date of settlement of the case with an intimation to this office. Hence, the complaint is disposed of.

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

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

Dated at Kolkata on 28th Day of Jan., 2022

SHRI P K RATH
INSURANCE OMBUDSMAN

PROCEEDINGS BEFORE - THE INSURANCE OMBUDSMAN, LUCKNOW
(UNDER RULE NO: 16(1)/17 OF THE INSURANCE OMBUDSMAN RULE 2017)

Mr. Banke Lal Sharma.....Complainant

V/s

SBI Life Ins. Co. Ltd..... Respondent

COMPLAINT NO: LCK-L-041-2122-0522

Order No.

IO/LCK/A/LI/0283/2021-22

1.	Name & Address of the Complainant	Mr. Banke Lal Sharma Vill. & Post Bahuaas, PO Singhadi Block Motichak, Kushinagar, UP
2.	Policy No: Type of Policy Duration of policy/DOC/Revival	22001182003 SBI Life Annuity Plus 17.10.2014
3.	Name of the life insured	Mr. Banke Lal Sharma

	Name of the policyholder	Mr. Banke Lal Sharma
4.	Name of the insurer	SBI Life Ins. Co. Ltd.
5.	Date of Repudiation/Rejection	-
6.	Reason for repudiation/Rejection	-
7.	Date of receipt of the Complaint	20.12.2021
8.	Nature of complaint	Maturity amount not paid
9.	Amount of Claim	
10.	Date of Partial Settlement	---
11.	Amount of relief sought	---
12.	Complaint registered under Rule	Rule No. 13(1)(d) of Ins. Ombudsman Rule 2017
13.	Date of hearing/place	On 31.01.2022, 11.30 at Lucknow
14.	Representation at the hearing	
	c) For the Complainant	Banke Lal Sharma
	d) For the insurer	Mohd. Tarique Khan
15.	Complaint how disposed	Award
16.	Date of Award/Order	31.01.2022

17. Mr. Banke Lal Sharma (Complainant) has filed a complaint against SBI Life Ins. Co. Ltd. (Respondent) alleging nonpayment of maturity.

Brief Facts of the Case: -

18. Mr. Banke Lal Sharma has filed a complaint on 20.12.2021 before this Forum alleging nonpayment of maturity of his policy by SBI Life Insurance Co. Ltd. As per complainant, he is poor and labour class. In 2014 he purchased insurance policy from SBI for term of 5 year. He is receiving Rs. 1200/= per month in his bank account. After maturity of his policy he approached RIC to get his policy's maturity amount but they misbehaved with him. He approached RIC, but not satisfied with their reply. Being aggrieved, the complainant approached this forum for the redressal of his grievance.

COMPLAINT NO: LCK-L-041-2122-0522

Order No.

IO/LCK/A/LI/0283/2021-22

In their SCN/Reply :-

19. In their SCN/written reply, the RIC has stated that SBI Life Annuity Plus policy was issued to the complainant on 30.11.2014 and date of first annuity payment as 31.12.2014 and subsequent annuity payments becoming due last day of every month. The company received a duly filled and signed proposal form in the name of Mr. Bankelal Sharma alongwith single premium amount of Rs. 1,50,000/=. The original policy document was dispatched to the complainant on 11.12.2014 via speed post. The complainant did not opt for free-look cancellation. The product has been approved by the IRDAI. The annuity option issued to the complainant was Lifetime Income with certain period of 5 years as opted by him in the proposal form. The company has been releasing the annuities regularly in accordance with the annuity option. The company received complaints vide letter dated 14.07.2021 and 23.08.2021 and the same was duly replied. The company shall pay the annuities as long as the complainant is alive or for the period of 5 years from the date of commencement of the policy if he dies before the completion of 5 years. There is no

provision to cancel the policy or change in annuity option beyond the free-look period and demand of the complainant is untenable as per the terms and conditions of the policy. There is no provision for refund of capital amount or withdrawal of the premium at any point of time. There is no deficiency on the part of the company. The company has paid the monthly annuity from December 2014 onwards and will continue to pay future payments as well. All other allegations are denied in toto. The demand to cancel the policy and refund the premium is not maintainable.

20. The complainant has filed a complaint letter, Ann VIA and correspondence with respondent while respondent has filed SCN to consider this case as closed/resolved in favor of RIC.

21. I have heard the complainant through videoconferencing. I have also heard the respondent representative through videoconferencing and perused the record.

COMPLAINT NO: LCK-L-041-2122-0522

Order No.

IO/LCK/A/LI/0283/2021-22

Findings:-

22. Complainant has submitted the complaint that his premium amount should be refunded to him as he is an old person. Policy in question was issued on 30.11.2014. It was "SBI annuity plus policy." First annuity was paid on 31.12.2014 since then annuity is being regularly paid. As per point no. 6.6.1 surrender facility is not available in this policy.

23. Since the policy could not be surrendered and annuity is regularly paid as per the terms and conditions of the policy bond. Complaint lacks merit and is liable to be dismissed.

Order:-

24. Complaint is dismissed.

25. Let the copy of this award be given to both the parties.

Date: 31.01.2022

Place: Lucknow

**Justice (Retd.) Anil Kumar Srivastava
(Insurance Ombudsman)**

PROCEEDINGS BEFORE - THE INSURANCE OMBUDSMAN, LUCKNOW
(UNDER RULE NO: 16(1)/17 OF THE INSURANCE OMBUDSMAN RULE 2017)

Mr. Anupam Srivastava.....Complainant

V/s

SBI Life Ins. Co. Ltd..... Respondent

COMPLAINT NO: LCK-L-041-2122-0589

Order No.

IO/LCK/A/LI/0284/2021-22

1.	Name & Address of the Complainant	Mr. Anupam Srivastava 551 K/375 G, Azad Nagar Alambagh, Lucknow
2.	Policy No: Type of Policy Duration of policy/DOC/Revival	22716499208 SBI Life Annuity Plus 11.03.2021
3.	Name of the life insured Name of the policyholder	Mr. Anupam Srivastava Mr. Anupam Srivastava
4.	Name of the insurer	SBI Life Ins. Co. Ltd.
5.	Date of Repudiation/Rejection	21.10.2021
6.	Reason for repudiation/Rejection	Beyond free-look
7.	Date of receipt of the Complaint	03.11.2021
8.	Nature of complaint	Maturity amount not paid
9.	Amount of Claim	
10.	Date of Partial Settlement	---
11.	Amount of relief sought	---
12.	Complaint registered under Rule	Rule No. 13(1)(d) of Ins. Ombudsman Rule 2017
13.	Date of hearing/place	On 31.01.2022, 11.45 at Lucknow
14.	Representation at the hearing	
	a) For the Complainant	Mr. V. P Srivastav (Complainant's Father)
	b) For the insurer	Tarique Khan
15.	Complaint how disposed	Award
16.	Date of Award/Order	31.01.2022

17. Mr. Anupam Srivastava (Complainant) has filed a complaint against SBI Life Ins. Co. Ltd. (Respondent) alleging nonpayment of maturity.

Brief Facts of the Case: -

18. Mr. Anupam Srivastava has filed a complaint on 03.11.2021 before this Forum alleging nonpayment of maturity of his policy by SBI Life Insurance Co. Ltd. As per complainant, 5 years ago, employee of state bank Mr. Kailash Yadav approached him to take insurance policy from SBI. He sought his signature in blank form and submitted for pension plan. When he came to know about pension plan he contacted Mr. Yadav and raised his objection. Mr. Yadav allured him that after 5 years his total money will be refunded. After that when money was not refunded by them he met Branch Manager of SBI Life, Lucknow Mr. Sharma who assured to refund all his money and taken his signature in few forms and issued him Annuity Plus policy without giving him any details. Policy was issued to him on 11.03.2021

and he gave his request for cancellation of policy on 22.03.2021 at branch office of SBI Life. His request was rejected by them which was within free-look period. Being aggrieved, the complainant approached this forum for the redressal of his grievance.

COMPLAINT NO: LCK-L-041-2122-0589

Order No.

IO/LCK/A/LI/0284/2021-22

Brief Facts Of the Case: -

19. In their SCN/written reply, the RIC has stated that the complainant had initially applied for SBI Life Retire Smart policy with date of commencement 25.03.2014 and paid initial premium and renewal premium till 25.03.2018. The renewal premium due on 25.03.2019 was not received by the company and policy fund value went into policy discounted fund. On completion of lock-in period surrender request was received from the complainant on 28.02.2021. On receipt of duly filled and signed proposal form, the company has issued the annuity policy with 100% fund transfer from his previous policy no.1H000258010. Total premium amount is mentioned as 67% i.e. Rs. 3,18,442/- of total fund value. The company is ready to refund the balance 1/3rd amount of the total fund value to the complainant. Under SBI Life Retire Smart policy, at the time of maturity/surrender, policy holder does not have any other option except taking the proceeds in the form of an annuity. In the instant case, the complainant was issued annuity policy no. 22716499208 on surrender of policy no.1H000258010. There is no free-look cancellation option available to the complainant under policy no.22716499208. The complaint is not tenable. If the policy holder is not satisfied with policy no.1H000258010, he could have approached the company within free-look cancellation period. All the products are duly approved by the IRDAI to ensure that the customer's interests are protected. The complainant is an educated person. The allegations made by the complainant that the blank proposal forms were signed by him is denied. The company has received complaint dated 06.09.2021 and duly replied vide letter dated 21.10.2021. The company has paid the monthly annuities under the policy no.22716499208 on from April 2021 onwards and will continue to pay the same. On issuance of annuity policy, the complainant does not have an option to cancel the said policy under free-look cancellation option hence demand of the complainant to cancel the policy and refund the premium is not tenable. The SBI Life Ins. Co. Ltd. hereby denies all the allegations made in the complaint against the company and action of the company is strictly as per the terms and conditions of the policy.

20. The complainant has filed a complaint letter, Ann VIA and correspondence with respondent while respondent has filed SCN to consider this case as closed/resolved in favor of RIC.

21. I have heard the complainant through videoconferencing. I have also heard the respondent representative through videoconferencing and perused the record.

COMPLAINT NO: LCK-L-041-2122-0589

Order No.

IO/LCK/A/LI/0284/2021-22

Findings:-

22. At the very outset respondents submits that they are prepared to make the payment of 1/3rd amount of the fund value to the complainant. For rest of the amount annuity shall be payable as per the condition no. 6.5.2.4 and 6.5.2.5 which are reproduced below:-

“6.5.2.4 You can utilize your entire fund value to purchase an immediate annuity from us, at the then prevailing rate.”

6.5.2.5 Alternatively, you can choose to commute a part of the amount, to the extent allowed as per the relevant statutes prevailing at that time and purchase an immediate annuity from us for the balance amount. Under the current Rules, up to a third of the total amount can be commuted.”

23. Complainant also agreed for the same.

Order:-

24. Complaint is allowed. Respondents are directed to make the payment of 1/3rd amount of the fund value to the complainant. For rest of the amount annuity shall be payable as per the condition no. 6.5.2.4 and 6.5.2.5.

25. Let the copy of this award be given to both the parties.

Date: 31.01.2022

Place: Lucknow

**Justice (Retd.) Anil Kumar Srivastava
(Insurance Ombudsman)**

**PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE
(STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)
UNDER SECTION 16(1)/17 OF THE INSURANCE OMBUDSMAN RULES-2017
OMBUDSMAN–VINAY SAH
CASE OF Mrs. Meena Ashok GajjarV/S Reliance Nippon Life Insurance Co. Ltd.
COMPLAINT NO: PUN-L-036-2122-0131
Award No IO/PUN/A/LI/ /2021-22**

1	Name & Address of Complainant	Mrs. Meena Ashok Gajjar, Chakan, Pune
2	Policy No. DOC P & T Premium Date of Maturity Sum Assured	18481087 09.02.2011 10-10 Rs. 45000/- 09.02.2021 Rs. 295000/-
3.	Name of LA	Mrs. Meena Gajjar
4.	Name of Insurer	Reliance Nippon Life Ins. Co. Ltd.
5.	Nature of Complainant	Inadequate maturity benefit received
6.	Reason for Rejection	Maturity benefit settled as per terms and conditions of policy
7.	Dt of receipt of complaint to OIO	07.04.2021

An online hearing was held through video conference on 11.10.2021, wherein, Mrs. Meena Gajjar (hereinafter referred to as the complainant) and Ms. Anubha Gupta, representative of Reliance Nippon Life Ins. Co. Ltd. (Hereinafter referred to as the RI- Respondent Insurer) reiterated their earlier submissions.

1. Contentions of the complainant: -

- The complainant has stated that she had purchased the subject policy from the RI in the year 2011 and had paid regular premiums for full term i.e. 10 years.
- The complainant has claimed that she was promised 7% to 8% returns on her investment after ten year term.
- The complainant has claimed that an amount of Rs.486750/- has been credited to the account in February 2021, without any intimation to her.
- The complainant is of the opinion that the total benefit received should be at least Rs.150000/- to Rs.200000/- over and above the total amount of premium invested by her.
- The complainant had approached the RI with the complaint of less maturity benefit and asked for the details of benefit paid to her but was not satisfied with their response.
- Hence the complainant has approached the Forum for redressal.

2. Contentions of the RI: -

- After going through the key benefits and terms of the products the complainant chose to avail the said policy of the RI on crystal clear terms and conditions of the policy as envisaged in the policy application cum proposal forms which were duly signed and submitted by the complainant to the RI for availing the subject policy.
- Further, regarding, the calculations towards the maturity benefit, the same are as given below:

Maturity Benefit: On survival of the life assured for the entire policy term, we guarantee to pay a sum of the following amounts, provided the policy is in force and all due premiums have been paid: 1)Basic sum assured, 2)Accrued Guaranteed Loyalty Additions and 3) Guaranteed Maturity Addition. The policy terminates on payment of maturity benefit.

Guaranteed Maturity Addition: Guaranteed Maturity Addition, as a percentage of the Basic sum assured will be payable, provided all due premiums have been paid in full and the policy is in force at the time of maturity.

Guaranteed Maturity Addition depends on the policy term chosen.

*Guaranteed Maturity Addition= 1%*Policy Term*Basic Sum Assured*

Guaranteed Loyalty Additions: Guaranteed Loyalty Additions will get added to the sum assured at the end of each policy year. Guaranteed Loyalty Additions will be payable on death of the life assured or on surrender or maturity of the policy, whichever is earlier.

Guaranteed Loyalty Additions (in the Xth year) = 1% X *Basic Sum Assured (Where X corresponds to the year of premium payment)*

- The maturity payout of Rs. 486750.87/-(Rupees Four Lac Eighty Six Thousand Seven Hundred Fifty and Paise Eighty Seven Only) has been processed appropriately.

Maturity benefit breakup	Amount (In Rs.)
Basic sum assured	295000.00/-
Accrued Guaranteed Loyalty Additions	162250.00/- (1%* Year of premium payment *Basic Sum Assured)
Guaranteed Maturity Addition	29500.00/- (1%* Policy Term *Basic Sum Assured)
Total	486750.00/-

- The complainant is 52 years of age and has been covered continuously for 10 years.
- The complainant has filed a complaint before the RI on 09.03.2021. RI responded to the complaint vide email dated 13.03.2021, explaining the benefits received.
- During the hearing the representative of RI explained that the Basic sum assured Guaranteed Loyalty addition and Guaranteed Maturity Addition amounts are mentioned in the Benefit Illustration.

3. Observations and conclusions:

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

1. The Forum observes that the complainant has paid the premiums regularly and was expecting higher returns on her investment but the complainant has overlooked the fact that her life had been fully covered to the extent of the sum assured and acquired benefits for the period she has paid premiums.
2. The forum observes that the detailed benefits payable under the policy is clearly mentioned in the policy schedule.
3. If the complainant was not satisfied with the terms and conditions of the policy, she should have availed the option of cancelling the said policy during the Free Look Period.

The complainant should realize that an investment in insurance policy cannot be compared to other investment products in respect of returns, as other investments do not necessarily include death risk cover. The forum opines that the RI has settled the maturity benefit under the policy as per terms and conditions of the policy contract and there is no deviation.

The forum awards as follows:

AWARD

Taking in to account the facts and circumstances of the case and submissions made by both the parties, the Forum finds that the maturity benefits were rightly settled by RI as per terms and conditions of the policy no. 18481087 and intervention by the Forum is not required.

As such the complaint is dismissed.

Dated at Pune, on 31.01.2022

**VINAY SAH
INSURANCE OMBUDSMAN,
PUNE**

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE
 (STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)
 UNDER SECTION 16(1)/17 OF THE INSURANCE OMBUDSMAN RULES-2017
OMBUDSMAN–VINAY SAH
CASE OF Mr. Shripad MalodeV/S Life Insurance Corporation of India.
COMPLAINT NO: PUN-L-029-2122-0291
Award No : IO/PUN/A/LI/ /2021-22

1	Name & Address of Complainant	Mr. PurnajiMalode, Beed
2	Policy No. DOC Plan PPT Due date of last premium SA	984417674 28.04.2006 178 15Y 28.04.2020 Rs. 100000/-
3.	Premium Mode	Rs. 6997/- Yearly
4.	Name of LA Proposer	Mr Shripad PurnajiMalode Mr. PurnajiMalode
5	Name of Insurer	Life Insurance Corporation of India
6	Nature of Complainant	Last premium not accepted leading to inadequate maturity benefit.
7	Date of Complaint to RI Date of Reply by RI	10.05.2021 16.05.2021
8	Reason for Rejection	Premium not accepted and Maturity benefit settled as per terms and conditions of policy
9	Dt of receipt of complaint to OIO	09.07.2021

An online hearing was held through video conference on 17.11.2021, wherein, Mr. Shripad Malode, son of Mr. PurnajiMalode(hereafter referred to as the complainant), Mr. Pravin Bobade, Brother in law of Mr. Shripad and Ms. Darshana Suradkar, representative of LIC of India (hereafter referred to as the RI-Respondent Insurer) reiterated their earlier submissions.

Contentions of the complainant: -

- The complainant has stated that the subject policy was purchased on his life and the life of his son, Mast. Shripad, from the RI in the year 2006 with accumulation period of 15 years & policy term as 97 years. The complainant had paid premiums regularly till 2020 i.e. for 14 years.
- The complainant has stated that due to lockdown and medical emergency, he could not pay the last premium due on 28.04.2020.
- The policy was due for survival benefit at the end of accumulation period i.e on 28.04.2021. The complainant has further claimed that he was informed orally by the RI that the last premium if not received by RI, would be deducted from the survival benefit.
- The complainant approached RI on 10.05.2021 with the request to pay the survival benefit amount after deducting the last unpaid premium due on 28.04.2020.
- The request of the complainant was not denied by RI due to applicable terms and conditions of the policy.
- As the complainant did not satisfy with the reply from the insurer, he has chosen to approach the forum for relief.

Contentions of the RI: -

- The complainant, Sri Purnaji Malode had availed LIC Jeevan Tarang Policy (Whole life cum Money back plan) no. 984417674 on the life of Mr. Shripad Malode in 04.2006 for 15 years accumulation period and the same was due for Survival Benefit in 04.2021.
- The premiums under the subject policy were received up to 04/2020 but due to non receipt of further premium due 04.2020 the policy was resulted into Reduced Paid up status.
- RI further stated that in pandemic situation, RI had allowed the policyholder additional grace period of 30 days for paying the premium which were due in March/April 2020.
- The premium under the subject policy was due in 04.2020 which remained unpaid till the end of accumulation period i.e upto 28.04.2021.
- As the policy became reduced paid up at the end of accumulation period, no survival benefit would be payable as per terms and conditions. The amount equal to reduced paid up Sum assured along with vested bonuses is payable at the end of accumulation period.
- The RI has received the request from the complainant on 10.05.2021 to deduct the last premium from the amount due for survival benefit and the benefit should be paid to him accordingly.
- As the complainant approached after the end of accumulation period i.e. 28.04.2021, the RI could not initiate his request as per policy conditions. The complainant was informed the same on 16.05.2021 and asked to submit the claim requirements for claim settlement.

Observations and conclusions:

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

- The complainant has purchased the subject policy on the life of his son in April 2006 with Yearly premium. He had paid the premiums up to 04.2020 and could not pay the further premium due 04.2020 due to lockdown in pandemic situation and medical emergency.
- It is observed by the forum that, 30 days grace period in addition to the normal grace period was given for the premium payments where the premiums were due in March 2020 and April 2020. However, the complainant failed to pay the premium in this period also.
- It is observed that as the premium due on 28.04.2020 was not received by RI during the grace period and till the end of the accumulation period i.e upto 28.04.2021, the policy remained in Reduced paid up condition.
- Hence as per following policy conditions no survival benefit would be payable under the policy:-

Policy condition 3 -Non forfeiture Regulations:

“No survival benefit will be payable for a reduced paid up policy. Provided the Life Assured is then alive, the vested bonuses and the reduced paid up sum assured shall be payable at the end of the accumulation period.”

- In the instant case the complainant approached RI for paying the last premium after accumulation period gets over. Hence the RI could not accept premium as per terms and conditions. RI has conveyed that the amount would be payable under policy as per policy conditions and asked to submit the applicable requirement to them.

- During the hearing the representative of RI has informed that the claim was settled under the subject policy on 14.10.2021.
- The forum observed that RI has acted rightly in terms of the benefits to be paid to the life assured under the policy which is in reduced paid up status and there is no deviation.

The forum awards as follows:

AWARD
Taking in to account the facts and circumstances of the case and submissions made by both the parties, the Forum finds no substance in the complaint.
As such the complaint is dismissed.

Dated at Pune, on 31.01.2022

VINAY SAH
INSURANCE OMBUDSMAN, PUNE

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE
(STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)
UNDER SECTION 16(1)/17 OF THE INSURANCE OMBUDSMAN RULES-2017
OMBUDSMAN-VINAY SAH
CASE OF Mr.ShrirangDhamalV/S Life Insurance Corporation of India.
COMPLAINT NO: PUN-L-029-2122-0241
Award No IO/PUN/A/LI/ /2021-22

1	Name & Address of Complainant	Mr. Shrirang Shankar Dhamal, Pune
2	Policy No. DOC P & T Date of Maturity Sum Assured	956660960 28.10.2009 14-11 28.10.2020 Rs. 105000/-
3.	Premium Mode	Rs. 10864/- Yearly
4.	Name of LA	Mr. Shrirang S Dhamal
5	Name of Insurer	Life Insurance Corporation of India
6	Nature of Complainant	Inadequate maturity benefit received
7	Reason for Rejection	Maturity benefit settled as per terms and conditions of policy
8	Dt of receipt of complaint to OIO	24.06.2021

An online hearing was held through video conference on 25.10.2021, wherein, Mr. Shrirang Dhamal (hereafter referred to as the complainant) and Ms. Jayashree Deosthali, representative of LIC of India (hereafter referred to as the RI-Respondent Insurer) reiterated their earlier submissions.

1. Contentions of the complainant: -

- The complainant has stated that he had purchased the subject policy from the RI in the year 2009 and had paid regular premiums for 11 years as per the schedule of the policy amounting to a total of around Rs.119504/-
- The policy matured in Oct. 2020 and the complainant received an amount of Rs.149940/- against the maturity benefit.
- The complainant is of the opinion that the maturity benefit is less as compared to the number of years and the premium amount invested by him.
- The main contention of the complainant as submitted in his complaint is that the basic amount should be the amount of actual premium paid i.e 119504/- and not the basic Sum assured.
- The complainant further stated that while opting for the policy, he was assured by the agent that he would receive the amount of Rs. 177000/- as on maturity. Hence he should get the refund of Rs. 27060/- (amount assured by agent 177000 - Maturity amt received 149940) and bonus on the promised maturity amount.
- The complainant has approached the RI on 10.11.2020 & 15.12.2020 with an appeal to settle his claim suitably along with refund of the excess premium paid by him.
- According to the complainant has not received any reply from the insurer, thereafter he has chosen to approach the forum for relief.

2. Contentions of the RI: -

- The complainant had availed LIC Endowment policy no.956660960 in 10.2009 at the age of 53 years and the same was matured in 10.2020. RI has stated that at higher age risk is high and with short term the premium is also on the higher side. RI has further clarified that premium differs with age but benefit does not depend on age.
- The complainant has raised the issue of fewer amounts received as maturity benefit.
- The maturity benefit is clearly mentioned in the policy document as Benefit surviving on maturity will be total of Sum assured and Vested Bonus. Vested bonus is declared annually by LIC.
- The RI has settled the maturity benefit correctly in accordance with the terms and conditions of the policy. The details are as given below:

Sum Assured:Rs.105000/-

Vested Bonus:Rs. 40950/-

Interim Bonus:Rs. 3990/-

Total Rs.149940/-

During the hearing also the representative of RI explained regarding the calculation as to how the maturity benefit had been arrived at as per terms and conditions but the complainant claimed that he had received less maturity benefit.

3. Observations and conclusions:

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

- The complainant has paid the premiums regularly and was expecting higher returns on his investment but the complainant has overlooked the fact that his life had been fully covered to the extent of the sum assured and acquired benefits for the period he has paid premiums. Also he has availed policy at higher age and premium increases with higher risk at higher age.

- The basic sum-assured is clearly mentioned in the policy bond. The complainant is expected to be prudent to go through the policy document and if he was not satisfied with the Basic Sum assured as per his expectation, he should have approached the RI immediately.
- Also forum also notes that premium is based on various factors like age, mortality charges, type of policy, term, premium paying term, cover amount etc. The RI has rightly calculated the total maturity benefit amount and also explained the same during the hearing
- RI had sent a forwarding letter dated 19.09.2020 to the complainant towards beak up of maturity value under the policy.

The investment in insurance policy cannot be compared to other investment products in respect of returns, as other investments do not necessarily include death risk cover. The forum opines that the RI has settled the maturity benefit correctly under the policy as per terms and conditions of the policy contract and there is no deviation.

The forum awards as follows:

AWARD

Taking in to account the facts and circumstances of the case and submissions made by both the parties, the Forum finds that the maturity benefits were settled correctly by RI as per terms and conditions under the policy no.956660960 and no intervention by the Forum is required.

As such the complaint is dismissed.

Dated at Pune, on 27.01.2022

**VINAY SAH
INSURANCE OMBUDSMAN,
PUNE**