PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF ASSAM MEGHALAYA, MANIPUR, MIZORAM, ARUNACHAL PRADESH, NAGALAND AND TRIPURA
(UNDER RULE NO: 16(1)/17 of THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SHRI SOMNATH GHOSH
CASE OF GANESH SAHA V/S LIFE INSURANCE CORPORATION OF INDIA
COMPLAINT REF: NO: 1) GUW-L-029-2223-0052
AWARD NO: IO/GUW/A/LI/ /2022-2023

.	**Name & Address of the Complainant**	**Mr. Ganesh Saha** **C/O Pratap Chandra Kalita** Behind Game Village, Vill Baikunthapur P.O. Basistha Chariali ,Guwahati ,Assam-781091 M-8011982842
2.	**Policy No:** **Policy Type/Duration/Period**	**482502164** **20 Years Money Back** **DOC. 28.01.2002 SA 50,000,**
3.	**Name of the Insured/LA** **Name of the proposer**	Mr .Ganesh Saha Self
4.	**Name of the insurer**	**Life Insurance Corporation of India, Guwahati**
5.	**Date of Repudiation**	N/A
6.	**Reason for repudiation**	N/A
7.	**Date of receipt of the Complaint**	20-05-2022
8.	**Nature of complaint**	Non receipt of S.B amount
9.	**Amount of Claim**	Not known
10.	**Date of Partial Settlement**	Nil
11.	**Amount of relief sought**	Unpaid Survival benefits
12.	**Complaint registered under IOR,2017**	13(1)(f)
13.	**Date of hearing/place**	09.06.2022 and 27.06.2022 and 06.07.2022 At,O/O Insurance Ombudsman,Guwahati
14.	**Representation at the hearing**	
	• **For the Complainant**	**Absent**
	• **For the insurer**	**Mr.Khagen Pawe & Paresh Kumar Das (Personal appearance)**
15	**Complaint how disposed**	BY CONDUCTING HEARING
16	**Date of Award/Order**	06..07.2022

17) Brief Facts of the Case:

Life Insurance Corporation of India.

Pol No	*L.A.*	*DOC*	*SA&Plan*	*Date of maturity*	*Amt of SB*	*Policy issue Branch*	*Remarks*
482502164	Ganesh Saha	28.01.2002	50,000 75/20/20	28.01.2022	*10,000*	GBO-1	

The complainant had lodged complaint against the insurer on the following points:-

i) The complainant stated that above money back policy was purchased by him in 28.01.2002 for 20 years from LICI, Guwahati Branch No1..

ii) The complainant further states that he was eligible to money back from LICI in March 2012 and 2017. He visited office several times. He was handed over the cheque for Rs 10,000 for the SB due on 28.01.2012 and he was informed that his SB due 28.01.2017 was paid through NEFT.

iii) Accordingly he verified his account but amount of SB due 2017 was not credited to his account. He brought the matter to the Branch but he did not get proper response from them.

iv) He had prayed before the Hon'ble Ombudsman to be sympathetic on him and kindly interfere in settling the matter.

18) Cause of Complaint: Due to delay in settlement of survival benefits..

- **Complainant's argument:** In point No. 17 it is mentioned categorically.

- **Insurers' argument:** As per SCN received from the insurer:-

a) That the S.B due 28.01.2007 was paid vide cheque No 0852693 dated 28.01.2007. S.B due 28.01.2012 was also paid vide cheque no 0031301 dated 28.01.2012. S.B due 28.01.2017 was paid through NEFT in to the account No 4651000100002528 attached to Punjab National Bank, G.S. Road Branch, Bhangagarh.

b) That it has come to their notice that S.B due 01/2017 paid through NEFT, but not credited to the complainant's Bank account. The representative of the Insurer personally visited Punjab National Bank on 25.05.2021 and verified and confirmed that the accounts details not belongs to Mr. Ganesh Saha and accordingly they have requested the Bank authority vide their letter dated 24.05.2022 to

Insurance Ombudsman Guwahati

recover the amount from the account holder to whom payment was made wrongly.. The Insurer was also requested to provide them full address and contact No of account holder but the same was not intimated by Bank till date.

c) The Insurer also stated that they have referred the matter to their Divisional authority on 24.05.2022 for due approval for payment of S.B due in 28.01.2017..

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

Policy servicing related grievances. – *13 (1)(f)*

20) The following documents were placed for perusal.

I) Complaint letter ii) P – form & Copy of Policy Bond

iii) Copy of letter addressed to Insure iv) SCN

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

The Final hearing was scheduled on 06.07.2022 through Go TO Meeting app. and both parties were informed accordingly in advance. . The complainant was also absent without any intimation to this forum and the representative of the insurer Mr. Khagen Pawe and Mr. Paresh Kumar Das attended the hearing.

OBSERVATIONS /RECOMMENDATIONS

The Complaint was lodged by the Complainant stating that he had not received the Money Back mounts of Rs 10000 each under the terms of the Policy for the years 2012 and 2017.He had appealed for payment of the same along with interest for the delay payment. The Complainant however remained absent during both days of the Hearing despite prior intimation. Hence the Hearing had to be concluded ex-parte basis.

The representative of the Respondent Insurer stated that the amount of Rs 10000 for 2012 has already been paid in time and credited on 15.02.12. The requisite confirmation for the payment as obtained from the banker of the Complainant has been submitted to substantiate such claim. The payment for 2017 was not received by the Complainant due to inadvertence and has been made on current date as on 08.06.22. Hence the necessary compliance has been done.

This Forum has perused the documents and noted the compliances on the part of the Respondent Insurer. In spite of given opportunities of two Hearing dates, the Complainant had failed to appear for the Hearing. However the Complainant has suffered due to the inordinate delay in receiving such payment

AWARD

In view of all the above, the Respondent Insurer is hereby Directed to compensate for the delayed payment of the instalment for 2017 by paying a pro-rata Interest @ 6.5% on the amount of Rs 10000 for the period of delay payment which is 28.01.2017 to 08.06.2022, both days inclusive.

Hence, the complaint is treated as disposed of.

22) 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 award and shall intimate the compliance to the Ombudsman.

It is particularly informed that in case the award is not agreeable to the complainant, it would be open for him/her, if he or she so decides to move any other forum/Court as he/she may consider appropriate under the Law of Land against the insurer

Dated at Guwahati, the 6th day of July 2022

Somnath Ghosh
INSURANCE OMBUDSMAN

Copy to: 1) Complainant: Mr. Ganesh Saha

2) Ins. Company: Life Insurance Corporation of India. Guwahati

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, AHMEDABAD
State of Gujarat and Union Territories of Dadra and Nagar Haveli and Daman & Diu
(Under Rule No: 16 / 17 of The Insurance Ombudsman Rules, 2017)
Case of: Mr. Dhirkumar A Chavla V/S Bajaj Alliamz Life Insu. Co. Ltd.
Complaint Ref No. : AHD-L-006-2223-0072

1	Name & Address of the Complainant	Mr. Dhirkumar A Chavla, 50/C, Divaya Jyoti Society, Akashwani Makarpura Road, Baroda-390009, Gujrat
2	Policy Nos: Type of Policy D.O.C./ Term-PPT Term:	0418743926 Guaranteed Income Life Insu. Plan 30/09/2020 - Term - 22 yrs. PPT-10 yrs.
3	Name of the insured Name of the policy holder	Miss Mahanya Dhir Chawla Mr. Dhir A. Chawla
4	Name of the insurer	Bajaj Allianz Life Insu. Co. Ltd.
5	Date of Repudiation	23/12/2020
6	Reason of repudiation	Apply cancellation after the free look period
7	Date of receipt of complaint	06/09/2021
8	Nature of complaint	Misselling
9	Amount of claim	Rs.440382/-
10	Date of partial settlement	N.A
11	Amount of relief sought	Rs.440382/-
12	Complaint registered under Rule No.	13 (1) (d) of the IO Rules, 2017.
13	Date of hearing/mode	12/05/2022 /Video Hearing /Ahmedabad
14	Representation at the hearing: For the Complainant For the Insurer	 Mr.Dhir A Chavla Ms. Arvinda M
15	Complaint how disposed	Award
16	Date of Award	13/07/2022

छठी मंज़िल, जीवन प्रकाश बिल्डिंग, रिलीफ रोड, अहमदाबाद - 380001. दूरभाष : 079-25501201/02, ई-मेल: bimalokpal.ahmedabad@cioins.co.in
6th Floor, Jeevan Prakash Building, Relief Road, Ahmedabad-380001. Tel.: 079-25501201/02, E-mail: bimalokpal.ahmedabad@cioins.co.in

17 Brief facts of the case:

The Insured was cover under life insurance policy no - 0418743926 issued by Bajaj Allianz Life Insu. Co.Ltd. with premium paying term of 22 years and annual premium Rs.440382/-. The Complainant vide his complaint dated 03/09/2021 submitted that this policy was sold him on assurance of regular income from the date of payment of first premium, later on he came to know that this regular income will start after premium paying term. Agent gave him Yly mode instead of Single premium plan. When he realizes the fraud, he made a request to the insurer to cancel the policy and refund the premium paid by him, which was declined by the insurer. Aggrieved by this, the complainant approached this Forum. .

18 Argument's during the Hearing:-

Complainant"s argument:

The complainant stated in his complaint dated 03/09/2021 that he was sold a life insurance policy with premium paying term of 22 years with annual mode of payment for Rs.440382/-.He purchased A Guaranteed Income Life Insurance Plan, policy no-0418743926. When he realizes the fraud, he applied for cancellation of the policy on 03/09/2021. But the respondent company has not responded his request. He approached this forum for justice.

Insurer"s argument:

The representative of insurance company stated that the Insurance Company was in receipt of duly signed proposal form along with other required documents and policy was issued on 30/09/2020 accordingly. The original policy document was dispatched to the insured's address on 06/10/2020 vide complaintant" registered mail. The request for cancellation of the insurance policy from the complainant was received on 01/12/2020. Which was refused as request was received after about 2.5 months from the expiry of free look period, and was informed to the L.A. vide letter dtd. 23/12/2020. Therefore, the insurance company could not find any ground to accept the request for cancellation of the policy & refund of the premium.

Moreover, LA has received Survival Benefit amount of Rs. 80219/- on 27/09/2021 as per policy terms and conditions.

19 Result of personal hearing with both parties (Observation & Conclusion):

Based on the submission of the parties and the material made available to this Forum, the following points emerge which are pertinent to decide the case: -

The Insured was covered under life insurance policy with premium paying term of 22 years with annual mode of payment for Rs.440382/-. of Bajaj Allianz Life Insu. Co. Ltd.

He wanted to purchase single premium policy with regular income from the date of payment of first premium, but later on he came to know that the agent had misguided him and his regular income will start after premium paying term of 10 years, so he applied for cancellation of policy and demanded refund of premium of Rs.440382/-

The representative of insurance company stated that on the basis of duly signed proposal form, along with other required documents, the policy was issued to the complainant on 06/10/2020, which was delivered to complainant on 06/10/2020.

The representative of insurance company stated that the request for cancellation of the insurance policy from the complainant was received on 01/12/2020, which was refused on the ground of receipt of the request after almost 2.5 months from the expiry of free look period. LA has received Survival Benefit amount of Rs. 80219/- on 27/09/2021 as per policy terms and conditions.

The complainant failed to submit any documentary or audio/ video proof of the conversation with the intermediary agent regarding alleged false promises, through which the sale of the subject policy was initiated. Moreover, LA has received Survival Benefit amount of Rs. 80219/- on 27/09/2021 as per policy terms and conditions.

Therefore, it cannot be ascertained that any fraudulent act was done on part of the representative of the respondent, towards sale of the said policy. Accordingly, this Forum has no other option than to believe that the subject complaint is not a case of Mis-Sale.

Having said that, this forum has evaluated the arguments of both the sides and has come to the conclusion that the insured on his part failed to raise the issue before the respondent insurer within the prescribed time frame as fixed by the Regulator but complaint was made within reasonable period 2 ½ month.

However, to strike the balance and administration of fair justice, this forum finds it proper to get the impugned policy converted into a single premium policy by using the premium amount already paid by the insured after deducting Survival Benefit amount of Rs. 80219/-

In view of the forgoing facts, the forum directs the respondent insurer to convert the policy in to a single premium policy afresh to be issued in name of the Life assured.

The complainant is directed to comply with requirements of respondent.

The complaint is disposed off accordingly.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of the hearing, the Respondent is hereby directed to cancel the impugned policy No. 0418743926 of the Complainant and convert it to single premium policy after deducting Survival Benefit amount of Rs. 80219/- without free look period to be issued in the name of the Life assured in full and final settlement.

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

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

According to Rule 17(8) of Insurance Ombudsman Rules, 2017, 'The award of Insurance Ombudsman shall be binding on the insurers.'

Dated at Ahmadabad, on 13th July 2022.

Kuldip Singh
Insurance Ombudsman

AHD-L-006-2223-0072

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, Kolkata
(States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands)
(UNDER RULE NO.16/17 OF THE INSURANCE OMBUDSMAN RULES, 2017)
Ombudsman Name: SHRI P.K. RATH
CASE OF COMPLAINANT– LAXMI DEBI
VS
RESPONDENT: LIFE INSURANCE CORPORATION OF INDIA (KMDO-1)
COMPLAINT REF: NO: KOL-L-029-2223-0249
AWARD NO:IO/KOL/A/LI/ /2022-2023

<table>
<tr><td>1.</td><td>Name & Address Of The Complainant</td><td colspan="8">LAXMI DEBI
H/No. 53, BL/No.22,
Old Mulajor Road, PO-Kankinara,
North 24 Paraganas, WB – 743 126.
Mobile No. 62917 52601</td></tr>
<tr><td>2.</td><td colspan="9">Type Of Policy: Life (With Profit Endowment Plan)
Policy Details: LIC's New Bima Gold
<table>
<tr><th>Policy Number</th><th>Sum Assured</th><th>From Date</th><th>To Date</th><th>DOC</th><th>Premium</th><th>Policy Term</th><th>Paying Term</th></tr>
<tr><td>xxxxx1698</td><td>50,000</td><td>31-Dec-2013</td><td>28-Nov-2029</td><td>28-Nov-2013</td><td>728.00</td><td>16/Quarterly</td><td>16</td></tr>
</table></td></tr>
<tr><td>3.</td><td>Name of insured</td><td colspan="8">Laxmi Debi</td></tr>
<tr><td>4.</td><td>Name of the insurer</td><td colspan="8">Life Insurance Corporation of India (KMDO-1)</td></tr>
<tr><td>5.</td><td>Date of receipt of the Complaint</td><td colspan="8">30-May-2022</td></tr>
<tr><td>6.</td><td>Nature of Complaint</td><td colspan="8">Delay in settlement of survival benefit</td></tr>
<tr><td>7.</td><td>Amount of Claim</td><td colspan="8">Rs. 7,500/-</td></tr>
<tr><td>8.</td><td>Date of Partial Settlement</td><td colspan="8">Not Applicable</td></tr>
<tr><td>9.</td><td>Amount of relief sought</td><td colspan="8">Survival Benefit of Rs.7,500/- with interest as per Annex-VI-A</td></tr>
<tr><td>10.</td><td>Complaint registered under Insurance Ombudsman Rules 2017</td><td colspan="8">Rule 13(1)(a) — delay in settlement of claim</td></tr>
<tr><td>11.</td><td>Date of hearing
Place of hearing</td><td colspan="8">12-Jul-2022
Online hearing from Kolkata Office</td></tr>
<tr><td>12.</td><td>Representation at the hearing</td><td colspan="8"></td></tr>
<tr><td></td><td>a)For the Complainant</td><td colspan="8">Ms. Laxmi Debi</td></tr>
<tr><td></td><td>b)For the Insurer</td><td colspan="8">Ms. Asima Biswas</td></tr>
<tr><td>13.</td><td>Complaint how disposed</td><td colspan="8">By conducting online hearing</td></tr>
<tr><td>14.</td><td>Date of Award</td><td colspan="8">15-Jul-2022</td></tr>
</table>

Brief Facts of the Case:

i) Ms. Laxmi Debi, the Complainant, purchased one New Bima Gold policy bearing no. xxxxx1698 on her own life from Life Insurance Corporation of India, at City Branch Office- 20 under KMDO-1, on 31.12.2013 with quarterly premium of Rs.728/-.

ii) The Complainant received the 1st Survival Benefit of Rs.7,500/- due under the policy on 28.11.2017 in her Punjab National Bank savings A/c. No. xxxxxxx9729 of Kankinara Branch. But she allegedly did not receive the 2nd Survival Benefit due on 28.11.2021.
iii) She brought the matter under the notice of the Branch Authority of CBO-20, KMDO-1 of the Insurer through a letter dated 24.01.2022 but the they remained unresponsive to her claim.
iv) The Complainant approached the office of the Insurance Ombudsman on 30.05.2022 for settlement of survival benefit due on 28.11.2021 under the subject policy with interest.

Contention of the complainant:

i) That the policy was purchased by the Complainant on 28.11.2013 and she received the 1st survival benefit of Rs.7,500/- due on 28.11.2017 in her PNB savings bank a/c no. xxxxxxxx9729 of Kankinara Branch.
ii) That the Insurance Company did not settle the 2nd survival benefit due on 28.11.2021 in the said bank account due to reasons unknown to her.
iii) That she brought the matter to the notice of the Branch Authority of the Insurer through a letter on 24.01.2022 but the Insurance Company did not pay heed to her concern.
iv) That the branch officials verbally claimed that the payment has already been made to a different bank account. The whole matter seems to be a fraud case to her.
v) That she is pleading for immediate settlement of survival benefit of Rs.7,500/- of this policy due on 28.11.2021 with interest on delayed payment.

Ms. Laxmi Debi, the Complainant, attended the online hearing from Office of the Insurance Ombudsman, Kolkata, on 12.07.2022. She insisted that the survival benefit due on 28.11.2021 has not been paid by the insurer as yet. So the same should be paid immediately with interest.

Contention of the Respondent:

The contention of the Insurance Company as per their Self-Contained Note (SCN) dated 11.07.2022 is as follows:
i) That on scrutinizing the matter, it has been revealed that Laxmi Debi, the original life Assured, received the Survival Benefit (SB) due on 28.11.2017 for Rs.7,500/- in her Bank A/c of Punjab national bank (IFSC-PUNB0164500 and A/c No.xxxxxxxxx9729), but the SB due on 28.11.2021 for Rs.7,500/- has been credited to State Bank of India (IFSC SBIN0001883 and A/c No. xxxxxxxx6206) which belongs to Laxmi Shaw. The NEFT was changed from PNB to SBI at Naihati Branch on 30.11.2017.
ii) That the Branch Office (CBO-20) has sent a mail to SBI, Kankinara on 04.07.2022 and the Bank has informed vide mail dated 06.07.2022 & 11.07.2022 that the above said A/c No. has balance of Rs.251.30/- and they have put a hold in this A/c.
iii) That the Branch has contacted the second person and she agreed to repay the amount over telephone. She has also agreed to visit the Branch on 12.07.2022.
iv) That since the payment for SB due on 28.11.2021 has been credited to a wrong person's account and the original policyholder is not responsible for this, the insurer is in the process of payment of SB claim due on 28.11.2021 for Rs.7,500/- to the original policyholder and recover the amount from Laxmi Shaw, the wrong person.

Ms. Asima Biswas represented Life Insurance Corporation of India (KMDO-1) in the online hearing. She admitted that the payment was made to a wrong person by mistake. She assured that the amount will be paid to the Complainant within 2/3 days.

Observation and conclusions:

i) According to the terms and conditions of the policy survival benefits @15% of the sum assured is payable to the life assured at the end of 4th, 8th and 12th policy year.
ii) The 1st survival benefit of Rs.7,500/- due on 28.11.2017 was received by the Complainant in her bank account in due time.
ii) The Complainant allegedly did not receive the 2nd survival benefit of Rs.7,500/- due on 28.11.2021 in the same bank account in which she received the 1st survival benefit.
iii) The Insurance Company in their SCN mentioned that the Bank mandate under this policy was changed from PNB to SBI on 30.11.2017 after the release of SB due on 28.11.2017 which warrants internal investigation on part of the insurer as according to the version of the Complainant she never opted for any change in bank mandate.
iv) However, the Insurance Company has admitted that they had paid the SB amount due on 28.11.2021 under the subject policy to a wrong person and now they are processing the payment of Rs.7,500/- to the original policyholder i.e. the Complainant.

AWARD

Taking into account the facts & circumstances of the case, the submissions made by both the parties during the course of hearing and after going through the documents on record it is observed that the survival benefit due on 28.11.2021 under the subject policy has been paid to a wrong person by the Insurance Company inadvertently but they have not yet arranged to pay the amount to the actual life assured of the policy, the Complainant.
As such, the Insurance Company is directed to pay the survival benefit of Rs.7,500/- due on 28.11.2021 to the Complainant immediately with interest as per Insurance Ombudsman Rules, 2017 for the period from the due date of payment to actual date of payment with an intimation to this office.

Hence the Complaint is treated as disposed of.

The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rule 2017.
As per Rule 17(6) of the said rules the Insurer shall comply with the Award within 30 days of the receipt of the acceptance letter of the Complainant and shall intimate the compliance to the Ombudsman.

Dated at Kolkata on 15th Day of July 2022

P K RATH
INSURANCE OMBUDSMAN

Copy to: 1) Complainant: Ms. Laxmi Debi
2) Company: Life Insurance Corporation of India (KMDO-I)

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, Kolkata
(States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands)
(UNDER RULE NO.16/17 OF THE INSURANCE OMBUDSMAN RULES, 2017)
Ombudsman Name: SHRI P.K. RATH
CASE OF COMPLAINANT– LAXMI DEBI
VS
RESPONDENT: LIFE INSURANCE CORPORATION OF INDIA (KMDO-1)
COMPLAINT REF: NO: KOL-L-029-2223-0249
AWARD NO:IO/KOL/A/LI/ /2022-2023

<table>
<tr><td>1.</td><td>Name & Address Of The Complainant</td><td colspan="8">LAXMI DEBI
H/No. 53, BL/No.22,
Old Mulajor Road, PO-Kankinara,
North 24 Paraganas, WB – 743 126.
Mobile No. 62917 52601</td></tr>
<tr><td>2.</td><td colspan="9">Type Of Policy: Life (With Profit Endowment Plan)
Policy Details: LIC's New Bima Gold
<table>
<tr><th>Policy Number</th><th>Sum Assured</th><th>From Date</th><th>To Date</th><th>DOC</th><th>Premium</th><th>Policy Term</th><th>Paying Term</th></tr>
<tr><td>xxxxx1698</td><td>50,000</td><td>31-Dec-2013</td><td>28-Nov-2029</td><td>28-Nov-2013</td><td>728.00</td><td>16/Quarterly</td><td>16</td></tr>
</table></td></tr>
<tr><td>3.</td><td>Name of insured</td><td colspan="8">Laxmi Debi</td></tr>
<tr><td>4.</td><td>Name of the insurer</td><td colspan="8">Life Insurance Corporation of India (KMDO-1)</td></tr>
<tr><td>5.</td><td>Date of receipt of the Complaint</td><td colspan="8">30-May-2022</td></tr>
<tr><td>6.</td><td>Nature of Complaint</td><td colspan="8">Delay in settlement of survival benefit</td></tr>
<tr><td>7.</td><td>Amount of Claim</td><td colspan="8">Rs. 7,500/-</td></tr>
<tr><td>8.</td><td>Date of Partial Settlement</td><td colspan="8">Not Applicable</td></tr>
<tr><td>9.</td><td>Amount of relief sought</td><td colspan="8">Survival Benefit of Rs.7,500/- with interest as per Annex-VI-A</td></tr>
<tr><td>10.</td><td>Complaint registered under Insurance Ombudsman Rules 2017</td><td colspan="8">Rule 13(1)(a) — delay in settlement of claim</td></tr>
<tr><td>11.</td><td>Date of hearing
Place of hearing</td><td colspan="8">12-Jul-2022
Online hearing from Kolkata Office</td></tr>
<tr><td>12.</td><td>Representation at the hearing</td><td colspan="8"></td></tr>
<tr><td></td><td>a)For the Complainant</td><td colspan="8">Ms. Laxmi Debi</td></tr>
<tr><td></td><td>b)For the Insurer</td><td colspan="8">Ms. Asima Biswas</td></tr>
<tr><td>13.</td><td>Complaint how disposed</td><td colspan="8">By conducting online hearing</td></tr>
<tr><td>14.</td><td>Date of Award</td><td colspan="8">15-Jul-2022</td></tr>
</table>

Brief Facts of the Case:

i) Ms. Laxmi Debi, the Complainant, purchased one New Bima Gold policy bearing no. xxxxx1698 on her own life from Life Insurance Corporation of India, at City Branch Office- 20 under KMDO-1, on 31.12.2013 with quarterly premium of Rs.728/-.

ii) The Complainant received the 1st Survival Benefit of Rs.7,500/- due under the policy on 28.11.2017 in her Punjab National Bank savings A/c. No. xxxxxxx9729 of Kankinara Branch. But she allegedly did not receive the 2nd Survival Benefit due on 28.11.2021.
iii) She brought the matter under the notice of the Branch Authority of CBO-20, KMDO-1 of the Insurer through a letter dated 24.01.2022 but the they remained unresponsive to her claim.
iv) The Complainant approached the office of the Insurance Ombudsman on 30.05.2022 for settlement of survival benefit due on 28.11.2021 under the subject policy with interest.

Contention of the complainant:

i) That the policy was purchased by the Complainant on 28.11.2013 and she received the 1st survival benefit of Rs.7,500/- due on 28.11.2017 in her PNB savings bank a/c no. xxxxxxxx9729 of Kankinara Branch.
ii) That the Insurance Company did not settle the 2nd survival benefit due on 28.11.2021 in the said bank account due to reasons unknown to her.
iii) That she brought the matter to the notice of the Branch Authority of the Insurer through a letter on 24.01.2022 but the Insurance Company did not pay heed to her concern.
iv) That the branch officials verbally claimed that the payment has already been made to a different bank account. The whole matter seems to be a fraud case to her.
v) That she is pleading for immediate settlement of survival benefit of Rs.7,500/- of this policy due on 28.11.2021 with interest on delayed payment.

Ms. Laxmi Debi, the Complainant, attended the online hearing from Office of the Insurance Ombudsman, Kolkata, on 12.07.2022. She insisted that the survival benefit due on 28.11.2021 has not been paid by the insurer as yet. So the same should be paid immediately with interest.

Contention of the Respondent:

The contention of the Insurance Company as per their Self-Contained Note (SCN) dated 11.07.2022 is as follows:
i) That on scrutinizing the matter, it has been revealed that Laxmi Debi, the original life Assured, received the Survival Benefit (SB) due on 28.11.2017 for Rs.7,500/- in her Bank A/c of Punjab national bank (IFSC-PUNB0164500 and A/c No.xxxxxxxxx9729), but the SB due on 28.11.2021 for Rs.7,500/- has been credited to State Bank of India (IFSC SBIN0001883 and A/c No. xxxxxxxx6206) which belongs to Laxmi Shaw. The NEFT was changed from PNB to SBI at Naihati Branch on 30.11.2017.
ii) That the Branch Office (CBO-20) has sent a mail to SBI, Kankinara on 04.07.2022 and the Bank has informed vide mail dated 06.07.2022 & 11.07.2022 that the above said A/c No. has balance of Rs.251.30/- and they have put a hold in this A/c.
iii) That the Branch has contacted the second person and she agreed to repay the amount over telephone. She has also agreed to visit the Branch on 12.07.2022.
iv) That since the payment for SB due on 28.11.2021 has been credited to a wrong person's account and the original policyholder is not responsible for this, the insurer is in the process of payment of SB claim due on 28.11.2021 for Rs.7,500/- to the original policyholder and recover the amount from Laxmi Shaw, the wrong person.

Ms. Asima Biswas represented Life Insurance Corporation of India (KMDO-1) in the online hearing. She admitted that the payment was made to a wrong person by mistake. She assured that the amount will be paid to the Complainant within 2/3 days.

Observation and conclusions:

i) According to the terms and conditions of the policy survival benefits @15% of the sum assured is payable to the life assured at the end of 4th, 8th and 12th policy year.
ii) The 1st survival benefit of Rs.7,500/- due on 28.11.2017 was received by the Complainant in her bank account in due time.
ii) The Complainant allegedly did not receive the 2nd survival benefit of Rs.7,500/- due on 28.11.2021 in the same bank account in which she received the 1st survival benefit.
iii) The Insurance Company in their SCN mentioned that the Bank mandate under this policy was changed from PNB to SBI on 30.11.2017 after the release of SB due on 28.11.2017 which warrants internal investigation on part of the insurer as according to the version of the Complainant she never opted for any change in bank mandate.
iv) However, the Insurance Company has admitted that they had paid the SB amount due on 28.11.2021 under the subject policy to a wrong person and now they are processing the payment of Rs.7,500/- to the original policyholder i.e. the Complainant.

AWARD

Taking into account the facts & circumstances of the case, the submissions made by both the parties during the course of hearing and after going through the documents on record it is observed that the survival benefit due on 28.11.2021 under the subject policy has been paid to a wrong person by the Insurance Company inadvertently but they have not yet arranged to pay the amount to the actual life assured of the policy, the Complainant.
As such, the Insurance Company is directed to pay the survival benefit of Rs.7,500/- due on 28.11.2021 to the Complainant immediately with interest as per Insurance Ombudsman Rules, 2017 for the period from the due date of payment to actual date of payment with an intimation to this office.

Hence the Complaint is treated as disposed of.

The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rule 2017.
As per Rule 17(6) of the said rules the Insurer shall comply with the Award within 30 days of the receipt of the acceptance letter of the Complainant and shall intimate the compliance to the Ombudsman.

Dated at Kolkata on 15th Day of July 2022

P K RATH
INSURANCE OMBUDSMAN

Copy to: 1) Complainant: Ms. Laxmi Debi
2) Company: Life Insurance Corporation of India (KMDO-I)

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN,Kolkata
(StatesofWestBengal,SikkimandUnionTerritoriesofAndaman&NicobarIslands)
(UNDERRULENO.16/17OFTHEINSURANCEOMBUDSMANRULES,2017)
Ombudsman Name:P.K.RATH
CASEOFCOMPLAINANT– Mr. Pankaj Kumar Biswas
VS
RESPONDENT: Life Insurance Corporation of India (KSDO)
COMPLAINT REF: NO: KOL-L-029-2223-0315
AWARD NO:IO/KOL/

1.	**Name &Address OfThe Complainant**	Mr. Pankaj Kumar Biswas S/O Dilip Kumar Biswas Bagula Collegepara (South), P.O. Bagula, Dist. Nadia PIN 741502, WB
2.	**Type Of Policy:** Life **Policy Details:**	

Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term
42xxx5131	50,000/-	28.5.2011	28.5.2027	28.5.2011	Rs. 3108/-	16 years	16 years

3.	**Name of insured**	Mr. Pankaj Kumar Biswas
4.	**Name of the insurer**	LICI (KSDO)
5.	**Date of Repudiation**	NA
6.	**Reason for Repudiation**	NA
7.	**Date of receipt of the Complaint**	15.6.2022
8.	**Nature of Complaint**	Non-payment of Survival Benefit Claim.
9.	**Amount of Claim**	Rs. 7,500/-
10.	**Date of Partial Settlement**	NA
11.	**Amount of relief sought**	Settlement of Survival Benefit Claim.
12.	**Complaint registered under Insurance Ombudsman Rules 2017**	Rule 13(1)(a)
13.	**Date of hearing** **Place of hearing**	27.7.2022 Kolkata
14.	**Representation at the hearing**	
	a)For the Complainant	Mr. Pankaj Kumar Biswas
	b)For the Insurer	Mrs. Pritha Guha
15.	**Complaint how disposed**	By conducting online hearing
16.	**Date of Award**	29.7.2022

17. <u>Brief Facts of the Case</u>: Non-receipt of SB Claim of Rs. 7,500/-, fell due on 28.5.2019.

18. <u>Contention of the complainant:</u>

a) He has been disregarded from the LIC of Kalyani Branch pertaining to the payment of Survival Benefit due on 1.5.2019 in favour of him.

b) The said office claimed that the amount of Rs. 7,500/- was transferred to his account at Bank of India, Bagula, vide UTR No. N250190922451945 but the concerned Bank informed vide their letter dated 24.1.2020 that the amount has not been credited to the beneficiary account no. 42xxxxxxxx0033.

c) He has contacted several times with Kalyani Branch of the LIC but matter has not yet been resolved.

d) He also informed the matter to the Divisional Manager, Customer Zone, KSDO but no reply has been received from them.

e) Moreover, he made a complaint to the ED (CRM, PS) but no satisfactory reply was received from them and it was time killing method.

f) He has requested to resolve the issue at the earliest as a Last Pillar.

19. Contention of the Respondent:

The Policy was assigned in favour of Bank of India, Bagula Branch.

The SB payment of 9/2019 was paid to the Assignee on 7/2019 with the following details-

A/C No. 42xxxxxxxx0033, UTR No. N250190922451945.

Status- Beneficiary Credited

Therefore the question of payment does not arise.

20. Observation and conclusions:

a) From the copy of the Policy document submitted by the complainant it reveals that the Policy was assigned in favour of Bank of India, Bagula Br. On 28.5.2018 and same was reassigned on 30.9.2021 in favour of the Life Assured.

b) As per Policy Schedule, Survival Benefit claim is payable under the policy @15% of the basic Sum Assured at the end of each 4th, 8th and 12th policy year.

c) From a copy of NEFT Payment Enquiry report submitted by the complainant it is revealed that an amount of Rs. 7500/- was paid on 7.9.2019 favouring Bank of India with IFSC – BKID0004294, A/C No. 42xxxxxxxx0033. Payment Status is showing as Beneficiary Account Credited.

d) As per copy of letter of Bank of India, Bagula Branch, dated 24.1.2020, it is seen that the stated amount has not been credited to the account of beneficiary account.

AWARD

Taking into account the facts and circumstances of the case, submissions made by both the parties present during the course of hearing and after going through the documents on record, it is observed that the Survival Benefit Claim of the stated policy was paid by the Insurer through NEFT on 7.9.2019 in the Beneficiary Bank Account No. 42xxxxxxxx0033. But the same has not been credited in the Beneficiary Account, which is confirmed by the Bank of India, Bagula Branch (assignee of the policy).

The Insurer is directed to take up the matter with their NEFT payment designated Banker to get it certified in what account the stated amount has been credited and inform the matter accordingly to the complainant with an intimation to this office.

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.

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

Dated at Kolkata on 29th Day of July, 2022

P K RATH
INSURANCE OMBUDSMAN

Copy to: 1) Complainant: Mr. Pankaj Kumar Biswas
2) Company: Life Insurance Corporation of India (KSDO)

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN,
(States of Tamil Nadu & Puducherry)
(UNDER RULE NO: 17(1) OF THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – Mr. Segar Sampathkumar
Case of: Mrs Sampada Vivek Padhye Vs PNB Met life Insurance Co., Ltd

Ref No: CHN-L-033-2223-0045

Award No: IO/CHN/A/LI/0052/2022-2023

1.	**Name & Address of the Complainant**	**Mrs Sampada Vivek Padhye** **C-4/602, Aqualily, Mahindra World City,** **Chengalpet, Chengalpattu Taluk,** **Kanchipuram Dt.** **Tamil Nadu – 603002**
2.	**Policy No** **Date of Commencement of risk** **Plan** **Sum Assured (SA)** **Instalment Premium/Mode** **Term / Premium paying Term**	**1200900760095** **06.01.2009** **Met Bhavishya – A Flexi Money** **Rs 300,000** **Rs 20,010/Yearly** **20 years / 20Years**
3.	**Name of the Life assured (LA)** **Named Child**	**Ms.Sampada Vivek Padhye** **Mr /Master Shriniket Vivek Padhye (Son)**
4.	**Name of the Insurer**	**PNB Met life Insurance Company Ltd**
5.	**Date of receipt of the complaint**	**13.04.2022**
6.	**Nature of complaint**	**Delay in settlement of claims**
7.	**Amount of (admissible) Claim**	**-**
8.	**Date of Partial Settlement**	**-**
9.	**Amount of relief sought**	**Rs.60,000/-**
10.	**Complaint registered under**	**Rule No.13 (1) (a) of the Insurance Ombudsman Rules, 2017**
11.	**Date of hearing & Place of hearing**	**22-07-2022 Video Conferencing**
12.	**Representation at the hearing**	
	a) For the complainant	**Mrs Sampada Vivek Padhye**
	b) For the Insurer	**Ms.Priya Dwivedi**
13.	**Complaint how disposed**	**By Award**
14.	**Date of Award**	**29.07.2022**

15. Brief Facts of the Case:

Mrs **Sampada Vivek Padhye**, hereinafter - the **complainant /**Life Assured had subscribed for a policy numbered **1200900760095** under the - **Met Bhavishya – A Flexi Money plan** from **PNB Met life Insurance Company Ltd** hereinafter - the **Insurer.**

16. Contention of the complainant:

Complainant stated that the subject policy was taken on 06th January, 2009 with maturity date of 06-01-2029. As per the policy document, the first pay out of Rs.60,000/- was scheduled 8 years prior to the maturity date, i.e. to be received on 06th January, 2021. However, the Insurer has not settled the amount. Hence approached the Insurer in January, 2021 with a request to pay the amount of Rs.60,000/- as the payout is eligible to be paid in January, 2021 as her son is completing 15 years of age. But the Insurer contended that the same would be paid in January, 2022 only.

The Complainant stated that they have waited for one year and again approached the Insurer in January, 2022. The Insurer contended that the payout is eligible to be paid only in January, 2023 and not in January, 2022 without giving any satisfactory reply or justification or document. There were mail correspondences in this regard, but in vain. Hence approached the Insurance Ombudsman.

17. Contention of the Respondent Insurer:

1**.** The allegations and averments in the complaint except those which are specifically admitted hereunder are denied as false and baseless. The complainant has wilfully suppressed the material facts from the knowledge of the Hon'ble Ombudsman. We would like to submit the following for the kind consideration of Hon’ble Ombudsman:

2. That, an insurance policy contains all the terms and conditions applicable to the policy contract and the said terms and conditions governs the relationship between a policyholder and the Insurance Company. These policy terms & conditions are

approved by Insurance Regulatory & Development Authority of India (IRDAI), which is the regulating authority for all insurance companies, operating under its license in India.

3. That the Complainant had submitted duly signed proposal forms bearing number MHD125760924 along with declaration forms. Basis which our product "Met Bhavishya" bearing policy number 00760095 was issued to the Complainant on 06/01/2009 along with payment of Rs. 20,010/- (initial premium). After completely understanding the features, investment risks, charges, benefits, and terms & conditions thereof mentioned in the proposal forms. The copy of the aforesaid Application/Proposal Forms along with declarations are hereby annexed and marked as Annexure- R-1Colly.

A copy of the Policy documents is hereby annexed and marked as Annexure- R-2.

4. That the Grievance of the Complainant is that she has not received the pay-out as per policy terms and conditions since 2021 and Complainant sent an email on 01/30/2022 with the above said grievance. It is pertinent to mention that the Complainant was opted option A 3.11 for her child Name: SHRINIKET VIVEK PADHYE (SON) date of birth 22/01/2007 mentioned in the proposal from page no. 4 at the time of issuance.

As per the Benefit illustration of the product Completion of year is calculated from policy year end means policy issued in 2009 and from end of year 2010 it will complete one year and hence the payment date as per Benefit illustration is coming as 2023 same is already communicated to the Complainant vide email dated 19/02/2022. Copy of the above said email dated 30/01/2022 and response dated 19/02/2022 are hereby annexed and marked as Annexure- R-4 Colly.

As per page 2 of benefit illustration a brief description of the policy clearly states that Met Bhavishya Option A is a guaranteed money back with guaranteed additions that is meant to provide funds for your child's future. The parent is the Life Assured and the named child is the beneficiary under the policy. The team of the policy depends on the age of the child and will mature when the child is 21 years old.

The Insurer sent full details of subject policy, Screenshot of Proposal Form, Screenshot of Benefit illustration: 1 and Screenshot of Benefit illustration: 2.

5. It is to be noted that the present status of the policy is paid up due to non-receipt of the premium which was due on 06/01/2022 hence as per policy clause 13 (1) non-Forfeiture options upon Non-Payment of Premiums which states that A paid-up policy is not entitled to any further regular fixed term payments. Relevant para of the policy documents mentioned below.

13. Non-Forfeiture options upon Non-Payment of Premiums

If all premiums have been paid for at least 3 full years and any subsequent premium is not duly paid, the Owner shall have the following options:

(i) Reduced Paid up Insurance

If the premiums for at least three full years have been paid, then a non-forfeiture benefit will be a reduced paid-up policy ("Reduced Paid-up Insurance"), the amount of Paid-up insurance, which can be purchased by the Guaranteed Surrender Value.

The policy would be entitled only to the reduced paid-up sum on the date of maturity or on earlier death of the life insured. The paid-up policy shall not be allocated any future guaranteed additions. A paid-up policy is not entitled to any further regular fixed term payments. Or

(ii) Instead of continuing with the Policy the same may be surrendered for its Guaranteed Surrender Value. Benefits provided by any riders shall terminate.

6. That it is to be noted that the contract of insurance is an agreement between proposer and the insurance company wherein both the party to the contract accepts to abide by the express terms and conditions of the contract and it is incumbent upon the parties to the contract to discharge their respective part of contractual obligations in performance of the contract. The privilege, terms & conditions are specifically & expressly stipulated and agreed by both the parties for a lawfully concluded contract. Hence, the complainant and the answering opposite party are bound by express terms and conditions of the policy.

7. We would further like to submit that; the subject policy was issued basis the proposal form and other allied documents duly signed and submitted by the complainant to the Company.

Though, the subject policy document was delivered to the complainant, he never raised any concern regarding the subject policy during the free look period.

8. Thus, the Complainant has failed to make out a prima facie case against PNB MetLife. Therefore, the reliefs sought by the Complainant in her complaint are denied as false, unsustainable and without any merits. It is submitted that the Complainant has no ad judicable grievance against PNB MetLife and therefore, failed to set up any grievance for any reliefs as such, hence the complaint filed by the complainant may kindly be dismissed.

9. It is humbly prayed before the Hon'ble Ombudsman to provide a detailed personal hearing before the final order is passed. We also crave the leave of the Hon'ble Ombudsman to file additional written objections with additional evidence in case if any fresh new facts are brought in or alleged during the proceedings.

In reference to aforesaid facts and circumstances, the Company had not violated any terms and conditions of policy and had not done any act which results in deficiency of service.

Hence, it is respectfully prayed before the Hon'ble Ombudsman to dismiss the complaint as false and vexatious.

18. Documents submitted to the Forum:

- Complaint letter dated 02-03-2022 addressed to the Forum
- Annexure VI-A (consent) dated 05-05-2022 submitted by the complainant
- Self-Contained Note (SCN) dated 20-07-2022 of the Insurer
- Proposal form
- Policy schedule no. 1200900760095
- Benefit Illustration dated 07-01-2009
- Correspondence between the complainant & the insurer regarding settlement of payout of the policy.

19. Result of Hearing (Observations & Conclusion):

- During the Hearing the Complainant reiterated what was stated in her complaint that she took the subject policy i.e. PNB Met Bhavishya – A Flexi Money Back with date of commencement 06-01-2009, for a term of 20 years with date of commencement 06-01-2009, Date of Maturity : 06-01-2029 – Face Value Rs.3,00,000.- Named Child/Beneficiary : Master Shriniket Vivek Padhye.

- As per the Policy Schedule under Payout Option-A, 20% of Face Amount is payable 8 years prior to Maturity Date. Accordingly the Complainant has approached the Insurer in January 2021 for settlement of the payout of Rs.60,000/- as mentioned in the Schedule as the beneficiary has attained 15 years of age.

- The Insurer initially contended that the pay out is eligible only in January, 2022. But when the Complainant again approached the Insurer, they changed their stand that the payout is due only in January, 2023 only.

- The Insurer stated that the Complainant was opted Option A for her child Name : Shriniket Vivek Padhye – date of birth 22-01-2007 mentioned in the proposal form page no.4 at the time of issuance.

- The Insurer submitted that as per the Benefit illustration of the product, Completion of year is calculated from policy year end means policy issued in 2009 and from end of year 2010 it will complete one year and hence the payment date as per Benefit illustration is coming as 2023, same is already communicated to the Complainant vide email dated 19/02/2022. Copy of the above said email dated 30/01/2022 and response dated 19/02/2022 .

- The Insurer submitted that the complainant is entitled for benefit from 06-01-2023 onwards. Provided the policyholder pays the premium due for 06-01-2022.

- It is observed from the Schedule of subject Policy document, the benefit is payable 08 (Eight) years prior to Maturity Date. The relevant portion of Schedule is reproduced herein below:

- Payout Option A – Insured Event upon which Benefits Payable:

2. During the Term of the Policy regardless of death of the Named Child or Insured, the following benefits shall be paid out :

a. 8 years prior to Maturity Date -- 20% of Face Amount

The Date of Commencement of Policy is 06-01-2009 and the Policy Term is 20 years and the Maturity Date is 06-01-2029. The Face Value of the Policy is Rs.3,00,000. The Life Assured had chosen Option A for payout at the time of taking the policy.

In view of the above position, the Complainant is eligible for first payout at 20% of Face Value i.e. Rs.60,000/- on 06-01-2021. As the premium for the year 2021 was paid by the Complainant and the subject policy was in force at that time, the complainant is entitled for settlement of Rs.60,000/- on 06-01-2021 itself.

Given the foregoing the contention of the Insurer's decision that the payout is eligible only on 06-01-2023 by quoting the Benefit Illustration is not sustainable in view of the terms and conditions of the subject policy.

AWARD

Considering the facts and circumstances of the case and the submissions made by both the parties, the Forum is of the view that the complainant is entitled for first payout of Rs.60,000/- on 06-01-2021 itself as per the Policy Document of subject Policy Number 1200900760095. Hence, the Insurer is directed to settle Rs.60,000/- to the Complainant with applicable interest in accordance with Rule 17(7) of the Insurance Ombudsman Rules, 2017 read with Regulation 14(ii) of IRDAI (Protection of Policyholders' Interests) Regulations, 2017.

The complaint is therefore, allowed accordingly.

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

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

b) According to Rule 17 (7) of the Insurance Ombudsman Rules, 2017, 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.

c) According to Rule 17(8) of the Insurance Ombudsman Rules, 2017, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Chennai on this 29th day of July, 2022.

Segar Sampathkumar
(INSURANCE OMBUDSMAN)
STATE OF TAMIL NADU & PUDUCHERRY

Copy to:

1. **Mrs Sampada Vivek Padhye**
   C-4/602, Aqualily,
   Mahindra World City,
   Chengalpet 603 002,
   Chengalpattu Taluk, Kanchipuram Dist.,
   Tamil Nadu.

2. **PNB Met Life Insurance Company Ltd.,**
   1st Floor, Techniplex-1, Techniflex complex,
   Off Veer Savarkar Flyover, Goregaon (West),
   MUMBAI-400062,
   Maharashtra.

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN,

(States of Tamil Nadu & Puducherry)

(UNDER RULE NO: 17(1) OF THE INSURANCE OMBUDSMAN RULES, 2017.)

OMBUDSMAN – Mr. Segar Sampathkumar

Mrs. Chitra Umashankar Vs Life Insurance Corporation of India

COMPLAINT REF: NO: CHN-L-029-2223-0035

Award No: IO/CHN/A/LI/0065/2022-2023

1.	**Name & Address of the Complainant**	Mrs Chitra Umasankar 'Mithila' , New No.7, Old No.18, Srinivasapuram, 2nd Street, Korattur Chennai-600076 Contact No: 9710421324 Mail_id: chitranumasankar@gmail.com
2.	**Policy No.** **Date Of Commencement (DOC)** **Mode of payment of premium** **Instalment Premium** **Type of Policy** **Policy Term/Premium Paying term** **Status of the Policy** **Date of Maturity** **Maturity claim settled by the insurer**	716305394 22.10.2001 Yearly ₹ 3807 Jeevan Sneha 20 years/20 years Matured 22.10.2021 Rs 94500
3.	**Name of the Life Assured**	Mrs Chitra Umasankar
4.	**Name of the insurer**	Life Insurance Corporation of India, DO-2, Chennai
5.	**Date of Repudiation**	Not applicable
6.	**Reason for repudiation**	Not applicable
7.	**Date of receipt of the Complaint**	25/03/2022
8.	**Date of registration of the complaint**	12/04/2022
9.	**Date of receipt of Annexure VI-A**	06/05/2022
10.	**Date of receipt of SCN**	25/07/2022
11.	**Nature of complaint**	Delay in settlement of SB due 10/2006
12.	**Amount of Claim (as per policy)**	Rs 10000
13.	**Date of Partial Settlement**	22.10.2021
14.	**Amount of relief sought**	Rs. 10000+Interest & Damages
15.	**Complaint registered under**	Rule No. 13 (1) (a) of the Insurance Ombudsman Rules, 2017
16.	**Date of hearing/** **Place of hearing**	Through Video Conferencing on 28.7.2022
17	**Representation at the hearing**	
	For the complainant	Mrs. Chitra Umashankar
	For the Respondent Insurer	Mrs Anathalakshmi, Manager (Claims)
18.	**Disposal of Complaint**	Award
19.	**Date of Award/Order**	29 .7.2022

20.Facts of the case:

Smt Chitra Umashankar herein after called the **Complainant** obtained a Jeevan Sneha (Plan No 128) Policy bearing No 716305394 from the **Life Insurance Corporation of India**, herein after called the **Insure**r for a sum assured of Rs 50,000 on 22.10.2001 which was specifically designed for Women with attractive benefits. It is a money back policy with 20 years term wherein the survival benefit @20% of Sum assured is payable at the end of 5th, 10th & 15th year and 40% of the sum assured with guaranteed additions @ Rs 70 per 1000 Sum Assured on maturity. As per the special future of this plan, life assured may opt to defer the survival benefit at a later date for which Corporation will pay the increased amount. The Complainant availed the benefits as under;

SB Due on	**SB**	**Due amount**	**Remarks**
10/2006	20%	10,000	Survival Benefit deferred
10/2011	20%	10,000	SB dues paid on due dates
10/2016	20%	10,000	
102021	40% GA	20,000 50*70*20	Maturity value. 20000+70000+*Loyalty Addition Rs 4500*= Rs 94500

It is observed that the Insurer while settling the Maturity claim on 5.10.2021, wrongly paid a loyalty addition of Rs 4500 which is not payable as per their Valuation rules. In the meanwhile, the deferred Survival benefit due of 10/2006 has not yet been paid to the claimant. When the Complainant insisted for its payment, Insurer advised her to repay the loyalty addition of Rs 4500 that was wrongly paid earlier. The Complainant accepted their request and requested them to recover the loyalty addition from the SB deferred payment which is yet to be settled. Hence the complaint.

21.Contention of the Complainant:

While settling the maturity amount in October 2021, deferred SB due of October 2006 for Rs 10000 was omitted by the Insurer for settlement with interest. The payment still remains unsettled even after 4 months. Grievance mail also sent on 31.1.2022 to the Insurer. If SB is reinvested, the money comes into the hands of Insurer only and hence rejection of Loyalty addition was not justified. It is incorrect on the part of the Insurer's request asking her to repay the loyalty bonus paid by them wrongly; However, she had accepted the insurer's version with protest, requested for settlement of reinvested SB with interest after deduction of loyalty addition.

22. Contention of the Insurer:

The Insurer submitted their self contained note dated 25.7.2022 which is briefly reproduced;

They had proceeded with the settlement of the maturity claim due on 22.10.2021 along with the loyalty addition of Rs 4500.Laer it came to their notice that the Survival Benefit of October 2006 was reinvested with them and not settled.

As per the conditions, if any of the survival benefits have been reinvested by a policyholder, then at the time of maturity, Loyalty addition is not payable. In this the Branch had inadvertently paid the loyalty addition of Rs 4500 along with the maturity amount. The Branch could not proceed with the processing of the SB payment due 10/2006 with interest as the master showed 'EXIT' status. The issue was referred to their Software Development Centre, Mumbai who advised them to recover the excess paid and to furnish the details of recovery. Then only, they may enable the payment at Branch. In view of this, if the excess paid amount is repaid, they shall immediately release the payment with reinvested interest till the date of maturity date.

23. Document submitted to the Forum

1. Complaint letter dated 24.3.2022
2. Form VI A dated 5.5.2022
3. E Mail communication with Insurer.
4. Self Contained Note
5. Status Report, Inter departmental correspondence

24 Reason for registration of the Complaint

Rule No.13(1) (a) of the Insurance Ombudsman Rules, 2017, which reads as any complaints or disputes relating to delay in settlement of the claims beyond the time specified in the regulations framed under the IRDA, Act.

25. Result of hearing with both parties -Observation and Conclusion:

The Complainant reiterated the points mentioned in her complaint. The Insurer did not give response to her repeated requests. She has already intimated the Insurer to recover the excess paid from the Survival Benefit Claim (due October 2006) payable but till date the same was not done. She seeks the settlement of Survival Benefit with interest till the date of settlement plus Rs 25000 towards damages for mental agony.

The Insurer confirmed the facts stated in their self contained note and further submitted that due to technical issues, they could not adjust the excess paid amount from the proposed payment. Once the Complainant repays the amount, they will immediately ensure the payment with reinvested interest till the date of maturity.

The Forum sought the opinion of the Complainant on the proposal given by the Insurer. She agreed and sought interest for the delay and damages.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the Forum directs the Complainant to repay the excess payment to the Insurer immediately. On receipt, the Insurer is directed to settle the applicable deferred survival benefit with interest from the date of maturity till the date of settlement. Thus the Complaint is allowed.

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

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

b) According to Rule 17(7) of the Insurance Ombudsman Rules, 2017, 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.

c) According to Rule 17(8) of the Insurance Ombudsman Rules, 2017, the award of Insurance Ombudsman shall be binding on the insurers.

.**Dated at Chennai on the 29th day of July 2022.**

(Segar Sampathkumar)
INSURANCE OMBUDSMAN
FOR THE STATE OF TAMIL NADU AND PUDUCHERRY

Copy to:

1. **Mrs Chitra Umasankar**
   'Mithila', New No.7, Old No.18,
   Srinivasapuram, 2nd Street,
   Korattur, Chennai-600076

2. **The Senior Divisional Manager,**
   Life Insurance Corporation of India,
   Divisional office-II,
   C-47, II Avenue, Anna Nagar,
   Chennai-600 040