

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF KARNATAKA

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

OMBUDSMAN –NEERJA SHAH

In the Matter of MR. A.RAMAKRISHNA V/s LIFE INSURANCE CORPORATION OF INDIA

Complaint No: BNG--L--029--1920—0688 (2019-2020)

Award No: IO/BNG/A/LI/0006/2020-2021

1.	Name & Address of the Complainant	Mr. A. Ramakrishna, # 32, Second Cross, Nagasandra Village & Post, Near Durgadevi Temple Bangalore – 560073. Mob: 9663365611 E-mail: arun12m1991@gmail.com
2.	Policy No: Type of Policy: Name of the Policy: Commencement of Policy/ Policy Period/PPT Mode/ Premium Amount	613106967 Life LIC's Jeevan Saral (Plan - 165) Policy with Profits 03.11.2009 10 Years Mly / ₹.817/-
3.	Name of the Insured Name of the Policyholder	Mr. A. Ramakrishna
4.	Name of the Respondent Insurer	LIC Of India – Bangalore Do -1
5.	Date of Repudiation/ Rejection	NIL
6.	Reason for repudiation/ Rejection	Payment of maturity claim
7.	Date of receipt of Annexure VI-A	05.03.2020
8.	Nature of complaint	Maturity Claim full SA
9.	Amount of claim	Full sum assured under the policy
10.	Date of Partial Settlement	NIL
11.	Amount of relief sought	Full sum assured + interest
12.	Complaint registered under Rule No	13(1) (b) of Insurance Ombudsman Rules, 2017
13.	Date of hearing/place	NIL
14.	Representation at the hearing	NIL
	a) For the Complainant	NIL
	b) For the Respondent Insurer	NIL
15.	Complaint how disposed	Allowed
16.	Date of Award/Order	08.06.2020

17. Brief Facts of the Case:

The complaint arose due to the short payment of maturity claim by Respondent Insurer (RI) on the policy held by the Complainant. Even though he represented his issues to the Grievance Redressal Officer (G.R.O.) of the RI, there was no response from them. Hence he has approached this Forum for settlement of correct maturity claim on his policy.

18. Cause of Complaint: -

a. Complainant's argument:

The Complainant vide his letter dated 03.03.2020, stated that he purchased the said policy on his life in the year 2009 for a period of 10 years by paying a premium of ₹ 817/- on Monthly basis. In the policy bond the RI clearly mentioned the 'Maturity Sum Assured as ₹.2,00,000/-. He received intimation for submitting of maturity claim requirements. Upon submission of the requirements, the RI settled the maturity claim for a meagre amount of ₹ 80,598/- which is far less than the expectation of the

Complainant. Hence, he has approached this Forum seeking directions to RI for settlement of full maturity claim under the said policy.

b. Respondent Insurer's argument:

The RI vide their SCN dated 19.03.2020 admitted to the issuance of the said policy. It is LIC's Jeevan Saral Policy (Plan No.165) which is a unique plan having good features of conventional plan and the flexibility of Unit Linked plan. This plan contains higher death cover, smooth return and liquidity and lot of flexibility. Under this plan, the customer has to first decide the amount of premium he wants to pay per year. Once the premium is chosen, the sum assured payable on death gets automatically determined, whatever be the age and policy term. In this policy, the Death sum assured is mentioned as ₹.200000/- in the policy bond, and maturity sum assured is based on the premiums paid during the term of the policy and hence not noted in the schedule. Accordingly Branch sent intimation for maturity claim of ₹.80,599/-, (i.e. maturity sum assured is ₹.59,264/- and loyalty addition ₹.21,335/- total is ₹.80599/- after deducting receipt stamp ₹.1/- net payable is ₹.80598/-) and the intimation was sent to the complainant for settlement of maturity claim. The RI further stated that upon receipt of all the requirements (as per their office procedure) they have settled the maturity claim for ₹.80598/- as per their office procedure to the title holder of the policy.

In view of the stated facts, the RI prayed the Forum for passing of an appropriate order.

19.Reason for Registration of complaint: -

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

20. The following documents were placed for perusal: -

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

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

The issue before the Forum is, whether the payment of maturity claim under the said policy is in order.

The Forum notes that a personal hearing could not be arranged in view of the prevailing peculiar situation due to 'COVID 19'. Fair and equitable opportunity has been given to both parties to the dispute and all relevant documents have been perused by the Forum. Keeping the issue pending for want of personal hearing under these peculiar circumstances will further delay the justice to the Complainant.

From the records made available to the Forum it is observed that the complainant availed the said policy on 03.11.2009 for a period of 10 years by paying monthly premium of ₹ 817/-. This is LIC's Jeevan Saral policy plan (Plan No.165) where the death benefit and maturity benefit are different. The death cover is 250 times the monthly premium and is payable on death of the life assured during the term of the policy. However on life assured surviving the maturity date, maturity sum assured together with loyalty addition if as declared by the RI is payable.

Ongoing through the policy bond it is seen that the RI has printed Maturity Sum assured as ₹ 2,00,000/-. But the RI in their SCN dated 19/03/2020 contended that the Sum Assured of ₹. 2,00,000/- printed in the policy bond is 'Death Sum Assured' and 'Not the Maturity Sum Assured'. The Forum notes that, in case, the R.I. wanted to revise the Maturity Sum Assured' subsequently, the same should have been carried out

before the date of maturity and intimate the Life Assured/Complainant accordingly. Non-Rectification of error in the policy bond/Non Communication of rectification of error in the policy bond amounts to serious deficiency of service. In the absence of any amendments in the policy bond, it is natural for the Complainant to assume that the 'Death Sum Assured' printed in the policy document as 'Maturity Sum Assured'. The Forum notes that the R.I. is bound to settle maturity claim for the amount that is mentioned in the policy document.

The Forum further observed that though the Corporate Office of the RI issued instructions to their office to rectify the errors in the policy documents in respect of 'LIC's Jeevan Saral Policy, the RI failed to produce the same before the Forum.

AWARD

Taking into account, the facts & circumstances of the case, and the submissions made by both the parties, the RI is directed to settle Maturity claim of ₹.2,00,000 with loyalty additions if any together with interest at 8.25% (6.25% bank rate + 2 % as per Rule 14(iv) of Ombudsman Rules 2017) from the date of maturity till the date of payment after deducting the amount already paid.

Hence the Complaint is 'Allowed' .

22. Compliance of the Award:

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

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

Dated at Bengaluru on 8th Day of June 2020.

(NEERJA SHAH)
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 –NEERJA SHAH

In the Matter of MR. MOONLAL. A. KOTHARI V/s LIFE INSURANCE CORPORATION OF INDIA

Complaint No: BNG—L--029--1920– 0650 (2019-2020)

Award No: IO/BNG/A/LI/0005/2020-2021

1.	Name & Address of the Complainant	Mr. Moonlal. A. Kothari, c/o Sunil Enterprises, Butter Market, Suragimath Oni, Hubli -580028. Karnataka, Mob.: 9483757027
2.	Policy No: Type of Policy: Name of the Policy: Commencement of Policy/ Policy Period/PPT Mode/ Premium Amount	639165810 Life Jeevan Saral (Plan No 165) 21.01.2009 11 Years Mly(E.C.S)/ ₹..936/-
3.	Name of the Insured Name of the Policyholder	Mr. Moonlal A.Kothari
4.	Name of the Respondent Insurer	LIC Of India – Do, Dharwad
5.	Date of Repudiation/ Rejection	NIL
6.	Reason for repudiation/ Rejection	NIL
7.	Date of receipt of Annexure VI-A	24.02.2020
8.	Nature of complaint	Short settlement of MC
9.	Amount of claim	₹.78,850/-
10.	Date of Partial Settlement	N A
11.	Amount of relief sought	₹. 78,850/-
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	05.06.2020

17. Brief Facts of the Case:

The complaint arose due to short settlement of maturity claim by the Respondent Insurer (RI) on the policy held by the Complainant. Though he approached the Grievance Redressal Officer (G.R.O.) of the RI, there was no response from them. Aggrieved, he has approached this Forum for redressal of grievances.

18. Cause of Complaint: -

a. Complainant's argument:

The Complainant vide his letter dated 07.02.2020, stated that he purchased the said Jeevan Saral Policy Plan on 21.01.2009 for a period of 11 years under Mly mode of payment @₹.936.00, and paid full term premium amounting to ₹.1,23,552/-. But the Complainant was in for a rude shock when he received the maturity intimation from the RI wherein the RI was settling an amount of ₹. 44,702/- which is very meagre.

Felt cheated, he has approached this forum for settlement of balance amount of claim. The Complainant quoted a case law which was awarded in the favour of Complainant by Insurance Ombudsman, Kochi.

b. Respondent Insurer's argument:

The RI vide their SCN dated 24.02.2020 stated that the complainant availed the said policy by payment Mly premium of Rs.936/- on 21.1.2009. The Policy bond issued with Maturity sum assured ₹. 31,592/-, & death sum assured as ₹.2,00,000/- and accident benefit sum assured as ₹.2,00,000/-. LIC's Jeevan Saral (Plan 165) is a unique plan with very high death cover benefit. As the life assured was in advanced age of 59 years, while availing the said policy, based on the mortality rate, most of premium paid by the life assured is used for covering death benefit and balance premium is invested for paying returns as maturity claim. The RI has settled the maturity claim amounting to ₹. 44,702/- (i.e. Maturity sum assured of ₹ 31,592/-together with loyalty additions ₹.13,111/-Less ₹.1/- = ₹.44702) which is as per policy terms and conditions and the same is in order. In view of the circumstances and facts of the case, the RI has prayed for passing of an appropriate order in the said complainant.

19. Reason for Registration of complaint: -

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

20. The following documents were placed for perusal: -

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

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

The issue to be decided by the Forum is whether the settlement of maturity claim is in order.

The Forum notes that a personal hearing could not be arranged in view of the peculiar circumstances due to 'COVID 19'. Fair and equitable opportunity has been given to both parties to the dispute and all relevant documents have been perused by the Forum. Hence, it is felt that there is no denial of natural justice by not conducting a personal hearing under Rule 15(4) of the Ombudsman Rules 2017.

Based on the records available with the Forum, it is observed that the Complainant availed the said policy for a period of 11 years by paying Monthly premium of ₹.936/-. It is LIC's Jeevan Saral Policy (Plan No 165) where the policy envisages two benefits i.e. death benefit and maturity benefit. The death benefit is 250

times the monthly premium and the same is payable on death of the life assured and upon maturity of the policy, maturity sum assured together with loyalty addition is payable.

In the case on hand, the policy is issued for the death sum assured is ₹. 2,00,000/-, accident benefit sum assured ₹.2,00,000/- and maturity sum assured is ₹.31,592/- . All the values in the policy like, Death Sum Assured, Maturity Sum Assured etc. are correctly printed in the policy document. The Forum notes that the Complainant / Life Assured was 59 year when he availed the said policy in the year 2009. Naturally, as the policy Complainant / Policy holder was in advanced ages, much of the premium paid by him is appropriated towards 'Risk Cover' and balance if any is available with the insurer for investment. Hence, the maturity sum assured is far less compared to the premium paid and also death sum assured.

The Forum notes that the Complainant / Policy Holder did not avail 'cooling off' option for policy but continued to pay the premium till the maturity date. As the policy cannot be cancelled beyond the 'Free Look Period', the Forum cannot entertain the request for cancellation of the said policy and refund of premiums received thereon after the maturity date as the RI has covered the risk under the policy for the duration for which premiums are received. The RI has paid an amount of ₹.44,702/- i.e. Maturity Sum Assured of ₹.31,592/- together with loyalty addition of ₹.13,111/-) which is as per policy terms and conditions of the policy and the same is in order.

AWARD

Taking into account, the facts & circumstances of the case, & submission made by both the parties, the complaint is '**DISALLOWED**'.

Dated at **Bengaluru** on 5th day of June, 2020

(NEERJA SHAH)
INSURANCE OMBUDSMAN
FOR THE STATE OF KARNATAKA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF ODISHA
(UNDER RULE NO: 16(1)/17 of
THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SHRI SURESH CHANDRA PANDA
CASE OF (Sri Upendra Kumar Sahu –Vs-LIC of India, Bhubaneswar)
COMPLAINT REF: NO: BHU-H-029-1920-0385
AWARD NO: IO/BHU/A/LI/004 /2020-2021

1.	Name & Address of the Complainant	Mr. Upendra Kumar Sahu, OREDA, S-59, Mancheswar Industrial Estate Bhubaneswar- 751010
2.	Policy No: Type of Policy Duration of policy/Policy period	581443060 Life 28.06.1997
3.	Name of the insured Name of the policyholder	Sri Upendra Kumar Sahu ----do-----
4.	Name of the insurer	LIC of India, Bhubaneswar
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of admission of the Complaint	02.12.2019
8.	Nature of complaint	Non-payment of maturity claim
9.	Amount of Claim	Rs.100000/-
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	Rs.100000/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	13(1)(b)
13.	Date of hearing/place	10.06.2020 / Bhubaneswar
14.	Representation at the hearing	
	a) For the Complainant	Upendra Kumar Sahu
	b) For the insurer	Daitary Naik
15.	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16.	Date of Award/Order	10.06.2020

17) Brief Facts of the Case:- The above said policy was purchased by the complainant from the present insurer on 28.06.1997. This was a SSS policy in which the monthly premium was deducted from his salary by the concerned employer and is remitted to the insurer regularly. In the year 2017 when the policy matured, he got an intimation from the insurer that there are some premium gaps in the policy. On his verification from the employer, it was observed that although correct premium amount has been deducted from his salary it was remitted to the insurer against a wrong policy number. The employer had also intimated the concerned insurance authority regarding such error. But till date maturity amount is not paid to the complainant. Hence, being aggrieved he approached this form for redressal.

The insurer on the other hand submitted SCN stating that the monthly SSS premium was received from the employer in a wrong policy number i.e 581443061 instead of 581443060. As a result of which, premium against the policy was not updated. The premium against the policy was being received by the insurer and the same was also confirmed by the servicing branch. The insurer has tried to rectify the mistake, but due to some technical problem in the computer, it could not be done. However full claim as per the terms and conditions of the policy is payable under the policy.

18) Cause of Complaint:

a) Complainant's argument:- The complainant stated that the above said policy was purchased by him from the present insurer on 28.06.1997. This was a SSS policy in which the monthly premium was deducted from his salary by the concerned employer and is remitted to the insurer regularly. In the year 2017 when the policy matured, he got an intimation from the insurer that there are some premium gaps in the policy. On his verification from the employer, it was observed that although correct premium amount has been deducted from his salary it was remitted to the insurer against a wrong policy number. The employer had also intimated the concerned insurance authority regarding such error. But till date maturity amount is not paid to the complainant.

b) Insurers' argument:- The insurer on the other hand stated that the monthly SSS premium was received from the employer in a wrong policy number i.e 581443061 instead of 581443060. As a result of which, premium against the policy was not updated. The premium against the policy was being received by the insurer and the same was also confirmed by the servicing branch. The insurer has tried to rectify the mistake, but due to some technical problem in the computer, it could not be done. However full claim as per the terms and conditions of the policy is payable under the policy

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

This is a complaint against non-settlement of maturity claim by Insurer.

20) The following documents were placed for perusal.

a) Photo copies of proposal/policy document.

b) Photo copy of complaint letter and rejection letter by Insurer.

21) Result of hearing with both parties (Observations & Conclusion):- After going through the submissions and arguments of both the parties, it was observed that the premium against the said policy was received by the insurer in a wrong policy number for which the policy ledger showed 70 gaps in the master. However, the insurer has agreed that it has received all the premiums which are showing as gaps. Hence, this forum is of the opinion that the insurer has to settle the maturity claim in respect of the said policy within one month from the date of receipt of this award and make the payment with interest.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, it is awarded that maturity value is to be paid by the insurer to the complainant with interest within one month from the date of this award.

Hence, the complaint is treated as allowed accordingly.

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

- a. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.
- b. As per 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.
- c. As per the rule 17(8), of the said rules the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 10th June 2020

SURESH CHANDRA PANDA
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF ODISHA
(UNDER RULE NO: 16(1)/17 of
THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SHRI SURESH CHANDRA PANDA
CASE OF (Smt. Jayashree Kar –Vs-LIC of India, Cuttack)
COMPLAINT REF: NO: BHU-L-029-1920-0394
AWARD NO: IO/BHU/A/LI/012 /2020-2021

1.	Name & Address of the Complainant	Mrs. Jayashree Kar, Plot no- 271/393, Paika Nagar Unit-8, Delta, Bhubaneswar- 751003
2.	Policy No: Type of Policy Duration of policy/Policy period	581550397 & 583568196 Life 28.03.1998 & 28.07.2000
3.	Name of the insured Name of the policyholder	Mrs. Jayashree Kar --do--
4.	Name of the insurer	LIC of India, Cuttack
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of admission of the Complaint	02.01.2020
8.	Nature of complaint	Less payment of Maturity claim
9.	Amount of Claim	Rs.30000/-
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	Rs.30000/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	13(1)(b)

13.	Date of hearing/place	17.06.2020 / Bhubaneswar
14.	Representation at the hearing	
	c) For the Complainant	Jayashree Kar
	d) For the insurer	M R Das
15	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16	Date of Award/Order	17.06.2020

17) Brief Facts of the Case:- The above mentioned policies were purchased by the complainant from the present insurer in SSS mode. The premiums were deducted by the employer from her salary and remitted to the insurer regularly. Policy no. 581550397 was a money back policy in which she used to get survival benefits at regular intervals. This policy matured on 28.03.2018. When she got the maturity intimation from the insurer she came to know that the maturity amount mentioned is much less than the actual amount. On her enquiry she found that there was a huge gap premium in the policy for which it was much less. She has obtained and furnished details of premium deduction from her DDO, but till date maturity amount has not been paid. Like wise policy no. 583568196 is not regular due to such gaps. Hence, she approached this forum for redressal.

The insurer on the other hand submitted SCN stating that gap premiums of both the policies were traced and now it is up to date. All the survival benefits in respect of policy no.581550397 are already paid. But maturity claim is not paid as the policyholder has not submitted discharge voucher and policy bond till date.

18) Cause of Complaint:

a) Complainant's argument:- :- The complainant stated that the above mentioned policies were purchased by her from the present insurer in SSS mode. The premiums were deducted by the employer from her salary and remitted to the insurer regularly. Policy no. 581550397 was a money back policy in which she used to get survival benefits at regular intervals. This policy matured on 28.03.2018. When she got the maturity intimation from the insurer she came to know that the maturity amount mentioned is much less than the actual amount. On her enquiry she found that there was a huge gap premium in the policy for which it was much less. She has obtained and furnished details of premium deduction from her DDO, but till date maturity amount has not been paid. Like wise policy no. 583568196 is not regular due to such gaps

b) Insurers' argument:- The insurer on the other hand stated that gap premiums of both the policies were traced and now it is up to date. All the survival benefits in respect of policy no.581550397 are already paid on 13.02.2020. But maturity claim is not paid as the policyholder has not submitted discharge voucher and policy bond till date. In case of policy no. 583568196, all the premium up to 05.2019 has been adjusted without gap.

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

This is a complaint against less payment of maturity claim by Insurer.

20) The following documents were placed for perusal.

a) Photo copies of proposal/policy document.

b) Photo copy of complaint letter and rejection letter by Insurer.

21) Result of hearing with both parties (Observations & Conclusion):- After going through the arguments and submissions made by both the parties it was observed that policy no. 581550397 was a money back policy in which a fixed amount is payable at periodic intervals. The last survival benefit which was due on 28.03.2013 was paid on 13.02.2020 which is after around 7 years. Further, the maturity claim which was due on 28.03.2018 is also not paid yet. Hence, this forum is of the opinion that delayed interest is to be paid for late payment of SB claim and maturity claim is also to be settled immediately with interest from

the date of maturity up to the date of this award. The maturity claim against policy no. 583568196 which would fall on 28.07.2020 is also to be settled in time.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, it is awarded that delayed interest is to be paid in respect of policy no. 581550397 for late payment of SB due on 28.03.2013 and maturity claim is also to be settled immediately with interest from the date of maturity up to the date of this award.

Hence, the complaint is treated as allowed accordingly.

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

- a. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.
- b. As per 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.
- c. As per rule 17(8) of the said rules, the award of the Insurance Ombudsman shall be binding on the insurers.

Dated at Bhubaneswar on 17th June 2020

SURESH CHANDRA PANDA
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF ODISHA
(UNDER RULE NO: 16(1)/17 of
THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SHRI SURESH CHANDRA PANDA
CASE OF (Smt. Manorama Mohapatra –Vs-LIC of India, Bhubaneswar)
COMPLAINT REF: NO: BHU-L-029-1920-0395
AWARD NO: IO/BHU/A/LI/ 013 /2020-2021

1.	Name & Address of the Complainant	Mrs Manorama Mohapatra, Plot no, 265/1668 (B) Sastrinagar, Unit-IV, Bhubaneswar 751001
2.	Policy No: Type of Policy	588923696 Life

	Duration of policy/Policy period	28.09.2009
3.	Name of the insured Name of the policyholder	Mrs. Manorama Mohapatra ----do--
4.	Name of the insurer	LIC of India, Cuttack
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of admission of the Complaint	02.01.2020
8.	Nature of complaint	Less payment of Maturity value
9.	Amount of Claim	Rs.125000/-
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	Rs.125000/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	13(1)(b)
13.	Date of hearing/place	17.06.2020 / Bhubaneswar
14.	Representation at the hearing	
	e) For the Complainant	Pragyan Paramita Mohapatra
	f) For the insurer	M R Das
15	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16	Date of Award/Order	17.06.2020

17) Brief Facts of the Case:- The above mentioned policy was a Jeevan Saral policy purchased by the complainant on 28.09.2009 from the present insurer. Both the policy term and premium paying term of the policy were 10 years and thus the policy matured on 28.09.2019. She has paid Rs.60050/- in way of premium during the term of the policy. But from the official website she came to know that the maturity value of the policy is Rs.27005/-. The concerned branch official , when contacted, also confirmed the above maturity value of the policy. Hence, being aggrieved she approached this forum for redressal.

The insurer on the other hand submitted SCN stating that Jeevan Saral policy is a high risk plan wherein the maturity SA and death SA are clearly mentioned on the policy bond. In the policy bond it is clearly mentioned that both maturity SA and death SA of the policy is Rs.19855/- & Rs.125000/- respectively. In the instant case, maturity SA was Rs.19855 + Rs.7148/- (loyalty addition) = Rs.27003/- which is to be paid to the complainant. Hence, the allegation of the complainant is not based on merits.

18) Cause of Complaint:

a) Complainant's argument:- The complainant stated that the above mentioned policy was a Jeevan Saral policy purchased by her on 28.09.2009 from the present insurer. Both the policy term and premium paying term of the policy were 10 years and thus the policy matured on 28.09.2019. She has paid Rs.60050/- in way of premium during the term of the policy. But from the official website she came to know that the maturity value of the policy is Rs.27005/-. The concerned branch official , when contacted, also confirmed the above maturity value of the policy.

b) Insurers' argument:- The insurer on the other hand submitted SCN stating that Jeevan Saral policy is a high risk plan wherein the maturity SA and death SA are clearly mentioned on the policy bond. In the policy bond it is clearly mentioned that both maturity SA and death SA of the policy is Rs.19855/- & Rs.125000/- respectively. In the instant case, maturity SA was Rs.19855 + Rs.7148/- (loyalty addition) = Rs.27003/- which is to be paid to the complainant. Hence, the allegation of the complainant is not based on merits.

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

This is a complaint against Less settlement of maturity claim by Insurer.

20) The following documents were placed for perusal.

a) Photo copies of proposal/policy document.

b) Photo copy of complaint letter and rejection letter by Insurer.

21) Result of hearing with both parties (Observations & Conclusion):- After going through the arguments and submissions made by both the parties it was observed that the above said policy is a high risk policy in which 250 times of the basic monthly premium is payable on the death of the policy holder. As per the insurer, it is a plan with unique feature where death SA is independent of age at entry and policy term. In view of the high risk covered, maturity SA has no relation with the amount of premium paid by the policy holder. Further, it is clearly mentioned in the policy bond that maturity SA is Rs.19855/- in the said policy which has been completely ignored by the complainant. The policy bond is the basis of contract made between the insurer and the insured. It is the duty of the policyholder to go through the policy documents and bring it to the notice of the insurer if there is any discrepancy, within the free look period. But in this case policyholder complained at the time of maturity which could not be entertained by the insurer. Hence, this forum is of the opinion that as the complaint is devoid of any merit hence it is to be dismissed.

AWARD

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

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

- a. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.
- b. As per 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.
- c. As per rule 17(8) of the said rules, the award of the Insurance Ombudsman shall be binding on the insurers.

Dated at Bhubaneswar on 17th June 2020

SURESH CHANDRA PANDA
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF ODISHA
(UNDER RULE NO: 16(1)/17 of
THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SHRI SURESH CHANDRA PANDA
CASE OF (Sri Bibekananda Mishra –Vs-LIC of India, Bhubaneswar)
COMPLAINT REF: NO: BHU-L-029-1920-0406
AWARD NO: IO/BHU/A/LI/014 /2020-2021

1.	Name & Address of the Complainant	Mr. Bibekananda Mishra, S/O- Gangadhar Mishra At/Po- Begunia, Dist- Khurda 752062
2.	Policy No: Type of Policy Duration of policy/Policy period	588032424 Life 30.06.2006
3.	Name of the insured Name of the policyholder	Mr. Bibekananda Mishra ----do-----
4.	Name of the insurer	LIC of India, Cuttack
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of admission of the Complaint	31.12.2019
8.	Nature of complaint	Non-payment of Maturity claim under Annuity policy
9.	Amount of Claim	Rs.237000/-
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	Rs.237000/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	13(1)(b)
13.	Date of hearing/place	17.06.2020 / Bhubaneswar
14.	Representation at the hearing	
	g) For the Complainant	Bibekananda Mishra
	h) For the insurer	Daitary Naik
15.	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16.	Date of Award/Order	17.06.2020

17) Brief Facts of the Case:- The above mentioned policy was a unit linked deferred annuity policy which was purchased by the complainant on 30.06.2006 from the present insurer. The complainant had invested Rs.50000/- as single premium and waiting for it's maturity on 30.06.2016. But to his utter surprise he came to know that this policy does not have any maturity value. Rather maturity proceeds was automatically invested in a pension policy and he would be receiving pension according to the pension option opted by him. As he was in need of urgent money he became aggrieved and approached this forum for redressal.

The insurer on the other hand submitted SCN stating that the policy opted by the complainant is basically a unit link deferred annuity policy which does not have any maturity value. So the policyholder surviving up to the date of vesting will receive pension according to the bid value of the units held in policyholder's account. However, the policy can be surrendered 1) if the annuitant is diagnosed as suffering from any of the critical illness or 2) if the annuitant is shifting to another country permanently. So, in this case the policyholder has no other option except to take pension against the policy.

18) Cause of Complaint:

a) Complainant's argument:- The complainant stated that the above mentioned policy was a unit linked deferred annuity policy which was purchased by him on 30.06.2006 from the present insurer. The complainant had invested Rs.50000/- as single premium and waiting for it's maturity on 30.06.2016. But to

his utter surprise he came to know that this policy does not have any maturity value. Rather maturity proceeds was automatically invested in a pension policy and he would be receiving pension according to the pension option opted by him

b) Insurers' argument:- The insurer on the other hand stated that the policy opted by the complainant is basically a unit link deferred annuity policy (Future Plus) which does not have any maturity value. So the policyholder surviving up to the date of vesting will receive pension according to the bid value of the units held in policyholder's account. However, the policy can be surrendered 1) if the annuitant is diagnosed as suffering from any of the critical illness or 2) if the annuitant is shifting to another country permanently. So, in this case the policyholder has no other option except to take pension against the policy.

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

This is a complaint against non- settlement of maturity claim in respect of annuity policy by Insurer.

20) The following documents were placed for perusal.

a) Photo copies of proposal/policy document.

b) Photo copy of complaint letter and rejection letter by Insurer.

21) Result of hearing with both parties (Observations & Conclusion):- After going through the submissions and arguments of both the parties it was observed that the policy in dispute was a Unit Linked deferred annuity policy. Since, it is basically a pension policy, it does not have any maturity value. So the policyholder surviving up to the date of vesting will receive pension according to the bid value of the units held in policyholder's account. Before the date of vesting, i.e before annuity starts, the policyholder will have the option to surrender the policy. But, after vesting, the policy can be surrendered 1) if the annuitant is diagnosed as suffering from any of the critical illness or 2) if the annuitant is shifting to another country permanently. As, neither of the above two conditions are fulfilled , the policyholder has no other option except to take pension against the policy. Hence, this forum is of the opinion that, the complaint is to be treated as dismissed.

AWARD

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

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

- a. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.
- b. As per 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.

- c. As per rule 17(8) of the said rules, the award of the Insurance Ombudsman shall be binding on the insurers.

Dated at Bhubaneswar on 17th June 2020

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

PROCEEDINGS OF THE INSURANCE OMBUDSMAN, DELHI
(Under Rule No: 16 (1)/17 of the Insurance Ombudsman Rules, 2017)
Ombudsman: Shri Sudhir Krishna

Case of Narayan Singh Malik Versus Aditya Birla Sun Life Insurance Co. Ltd.
Complaint Ref. No.: DEL-L-009-2021-0028
Case No: LI/BIRLA/028/20

1.	Name & Address of the Complainant	Shri Narayan Singh Malik B-501, Shivam Apartment, Plot No.-14, Sector-12, Dwarka, New Delhi-110078
2.	Policy No. Type of Policy Policy Term/Premium Paying Term	000664490 ULIP / Regular 38 years / 10 years
3.	Name of the Insured Name of the Policy Holder	Narayan Singh Malik Narayan Singh Malik
4.	Name of Insurer	Aditya Birla Sun Life Insurance Co. Ltd.
5.	Date of Rejection	11.10.2019
6.	Reason for Grievance	Dispute in maturity claim payout
7.	Date of receipt of the Complaint	28.02.2020
8.	Nature of Complaint	Dispute in payment of fund value
9.	Amount of Claim	Rs. 69,287/-
10.	Date of Partial Settlement	----
11.	Amount of Partial Settlement	----
12.	Amount of relief sought	Rs. 69,287/-
13.	Complaint registered under Rule no: Insurance Ombudsman Rules, 2017	(b) Any partial or total repudiation of claims by the Life Insurer, General Insurer or the Health Insurer.
14.	Date of hearing Place of hearing	23.06.2020 Online video conferencing through Cisco WebEx
15.	Representation at the hearing	
	For the Complainant	Shri Narayan Singh Malik, the Complainant
	For the Insurer	Smt. Aakriti Manocha, Sr. Manager (Legal)
16.	Date of Award/Order	23.06.2020

17. Brief Facts of the Case:

Shri Narayan Singh Malik (hereinafter referred to as the Complainant) has filed this complaint against the decision of Aditya Birla Sun Life Insurance Co. Ltd. (hereinafter referred to as the Insurer or the Respondent Insurance Company) alleging non-payment of dividend value under policy number 000664490.

18. Cause of Complaint:

a. Complainant's Argument: The Complainant had purchased the subject policy being a ULIP plan with Rs. 2 lakh premium on 28.05.2006. After getting renewal reminder from the Company, he approached them through agent for converting it into a single premium policy. The Company acknowledged this request and offered to convert the subject policy into a single premium plan vide their letter on 29.11.2007 and subsequent letter dated 11.01.2008. The Complainant did not receive any premium payment notice but on 09.10.2019 received a notice to deposit Rs. 17.85 lakh with medical requirement for reinstatement of policy.

The Complainant has objected to this demand of Rs. 17.85 lakh for reinstatement of policy, as it's a single premium policy, complaint further demand "balance of his diviworth Rs. 69,287/-.

The Insurer has denied above allegation and Informed him that it was a regular plan and deposited amount was used for insurance coverage till 28.10.2017 and denied to accede to his request for payment of balance of dividend/positive fund value on 11.10.2019. Not satisfied with the reply, the Complainant represented his case on 29.10.2019, 15.11.2019 and 07.02.2020 but not satisfied with the replies of the Insurer, he approached this forum for relief. As per his revised facts cum demand letter submitted on 20.06.2020, he is demanding for balance of fund value as on 28.05.2015 with interest and continuance of policy till 2044.

b. Insurer's Argument: The Insurer have contended vide their Self Contained Note that the policy was issued and delivered to the Complainant on 06.06.2006. The Complainant never raised any objection during the free-look period. The Complainant paid total Rs. 2,15,000 during the period 2006-2008 against the regular mode policy having risk cover of Rs. 10 lakh. The Insurer had agreed and offered conversion of policy into single premium policy, vide their letter dated 29 Nov 2007 on the basis of the request of the Complainant. However, they have denied having issued any fresh policy because the Complainant did not submit the required application form etc. The Complainant never raised request for surrender. The Insurer on 24.05.2016 had clarified to him the policy would mature in 2044, PPT is 10 years and denied that any excess payment was made. The Complainant had first approached for cancellation of the policy on 09.10.2019, after 14 years from taking the policy with allegation of mis-sold. However, the Insurer provided him insurance cover till 28.10.2017. The Insurer denied his allegation for mis-sale, being approached for cancellation beyond the expiry of free-look period and rejected his request.

19. Reason for registration of Complaint: Non-payment of fund value.

20. The following documents were placed for perusal:

- a) Copy of policy and Proposal Form.
- b) Correspondence between the Complainant and the Insurance Company.
- c) Self Contained Note from the Insurer.

21. Result of hearing with the parties (Observations and Conclusion):

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

The Complainant states that he had purchased the policy in June 2006 and after about one year moved the Insurer to convert it into a single premium policy (SPP). He received a letter from the Insurer dated 29.11.2007 indicating their willingness for converting the subject policy into SPP. As he did not get any further premium payment notices from the Insurer, he did not pay any further premium, assuming that the policy had been converted into SPP. He was surprised to receive a notice on 09.10.2019 to deposit Rs. 17.85 lakh with medical requirement for reinstatement of the subject policy. He admits having paid an amount of Rs. 15,000 towards the premium in 2008, but says that he did so on the advice of his agent.

The Insurer states that the letter dated 29.11.2007 was only to convey their willingness for converting the subject policy into SPP, but the Complainant should have approached the Insurer to surrender the subject policy and to make a formal application for converting it into SPP. However, as the Complainant did not do so and continued to hold on to the subject policy, and even made inquiries from time to time about the fund value of his policy, it was assumed that he was interested in continuing with the subject policy. As it was a market-linked policy, the net fund value remained positive till 2017 as the market was doing well. Subsequently, in 2017, the fund value became nil and then he was given a notice for payment of the outstanding amounts. He visited the Insurer's office for the first time on 09.10.2019 to get clarification on his policy and then he was informed about the status of his policy.

I have examined the arguments and evidence submitted by the parties. The Complainant had submitted the Policy Proposal Form in May 2006 mentioning therein clearly that the premium payment term (PPT) was 10 years and the insurance coverage was for 38 years. That being so, it can be assumed that the Insurer did not misguide him about the PPT and other basic features of the policy. It is also seen that despite receiving the offer from the Insurer vide letter dated 29.11.2007 for conversion of the subject policy into a single premium policy, he chose to hold on to the subject policy and did not approach the Insurer for issuance of a new policy. He has submitted a statement of his policy account covering the period from the inception in May 2006 to July 2016, in which the monthly deductions towards the cost of insurance have been shown, leading to the indication of the net fund value as Rs. 60,982.45 in July 2016. Thus his investment of Rs. 2.15 lakh made during 2006-2008 had reduced substantially owing to non-payment of premium amounts and regular deductions towards the cost of insurance. Subsequently, the fund value declined further owing to decline in the market, while his contribution towards the cost of insurance continued at about Rs. 4,000 per month, making the net fund value as nil in October 2017. Accordingly the policy got lapsed as on 28 October 2017 due to nonpayment of renewal premiums. The Complainant had an opportunity to revive the policy within a period of 2 years from the date of lapsing by paying all the due and unpaid premiums. However, as he chose not to revive the policy, it eventually got terminated as on 28 October 2019, which was after 2 years from date of lapsing.

Thus, there was no mis-sale on part of the Insurer and the complaint deserves to be rejected.

Award

The complaint is rejected.

(Sudhir Krishna)
Insurance Ombudsman, Delhi
23.06.2020

PROCEEDINGS BEFORE - THE INSURANCE OMBUDSMAN, LUCKNOW

(UNDER RULE NO: 16(1)/17 OF THE INSURANCE OMBUDSMAN RULE 2017)

Mrs. Meera Singh Complainant

V/S

HDFC Standard Life Insurance Co. Ltd.....Respondent

COMPLAINT NO: LCK-L-019-1819-0524 Order No. IO/LCK/A/LI/0002/2020-21

1.	Name & Address of the Complainant	Mrs. Meera Singh Plot No. T-2/202 : Parsvnath Plane Apartment Vibhuti Khand Gomti Nagar Lucknow (U.P.)- 226010
2.	Policy No: Type of Policy DOC /DOR DOD Duration of policy	12291990 Savings Assurance Plan 13.10.2008 N/A 10 years
3.	Name of the insured / Name of the policyholder	Mrs. Meera Singh Mrs. Meera Singh
4.	Name of the insurer	HDFC Standard Life Insurance Co. Ltd
5.	Date of Repudiation/Rejection	N/A
6.	Reason for repudiation/Rejection	N/A
7.	Date of receipt of the Complaint	28.12..2018
8.	Nature of complaint	Less payment of maturity
9.	Amount of Claim	425000/-
10.	Date of Partial Settlement	364775/-
11.	Amount of relief sought	Refund of balance amount with interest
12.	Complaint registered under Rule	Rule No.13(1)(d)of Insurance Ombudsman Rule 2017
13.	Date of hearing/place	18.06.2020 at 10.30 A.M.
14.	Representation at the hearing	
	i) For the Complainant	Mrs. Meera Singh
	j) For the insurer	Mr. Sudhir Kumar Singh
15.	Complaint how disposed	Allowed
16.	Date of Award/Order	18.06.2020

17. Mrs. Meera Singh (Complainant) has filed a complaint against HDFC Standard Life Insurance Co. Ltd (Respondent) alleging less payment of maturity amount.

Brief Facts of the Case:

18. As per the complaint, complainant's husband is a retired officer and had received maturity amount of Rs.7,00,000/- from LIC. He approached the HDFC Life Insurance Co. for investing this amount in Mutual Fund. They have invested Rs. 4,00,000/- in his name and balance Rs.3,00,000/- in complainant's name in Oct-2008. But next year in Oct-2009, complainant received the premium notices for depositing second installment. Hence complainant met the officials of the Company and they advised him to reduce the premium amount and thereafter they have changed the premium amount from 3,00,000/- to 5000/-per Annam for 10 years. Company has taken two blank cheques from the complainant and they have deposited Rs.90000/- in her policy and Rs.11,90,00/- in her husband's policy. In this way, complainant has deposited 42,50,00/- with the company. But complainant has received only Rs. 364775/-. Being aggrieved, the complainant approached this forum for the redressal of his grievance.

Written reply/SCN:-

19. In SCN/reply dated 12.06.2020, it is submitted by the respondent that life assured is an educated person and she is presumed to be aware of the sanctity of signatures. She has signed on proposal forms. Company had affected PIVC and had given a call to policyholder on his registered mobile number and at that time complainant did not raise any concern or issue. On the basis of above, Company had issued aforesaid policy no. 12291990 on the life of Mrs. Meera Singh. In addition to this, complainant approached the company on 13.11.2018 and 04.02.2019 with the request to reduce her premium from 3,00,000/- to 75000/- and again from 75,000/- to 5000/-. Accordingly her request was accepted by the company. RIC has further stated that the policy becomes matured on 24.10.2018 and maturity amount of Rs. 36,47,75/- was paid through NEFT on 27.10.2018. Bifurcation of maturity amount also provided to complainant.

20. The complainant has filed complaint letter, Annexure VI A and correspondence with respondent while respondent has submitted SCN with enclosures.

Findings:-

21. I have heard the complainant as well as the respondent representative and perused the record.

22. Undoubtedly complainant was trapped into the net of the respondent. Respondent used its all nefarious acts to entangle the complainant in its insurance net.

23. Complainant is a housewife and her husband was working as Development Officer in Bokaro Industrial Area at Bokaro Steel City Jharkhand in the year 2008 who superannuated in the same capacity in 2010.

24. In the year 2008 she invested Rs. 3 Lacs as a long term investment with the HDFC. Investments were made through the officers of HDFC Bank Limited. Next year when complainant along with her husband visited the bank then she came to know that she has to make the payment for next premium of insurance policy. The premium amount was Rs. 3 Lacs. She was

taken by surprise as her husband was due to retire in the next year that is 2010. Then she tried to enquire into the matter only then she came to know that her amount was invested in the HDFC Life Insurance wherein she has to pay the annual premium at the rate of Rs 3 Lacs per annum. Being unable to pay the premium her husband contacted the concerned officer wherein he was pressurized to move the application for reduction of premium to the extent of Rs. 75,000/- per annum and subsequently another application to further reduce the premium to Rs. 5000/- per annum. Thereafter although she was continuously depositing Rs. 5000/- per annum but was shocked to receive an amount of Rs. 3,64,775/- in the year 2018. Only then she came to know about the fraud played upon her by the respondent and moved this forum.

25. Respondent representative submits that the policy was issued on the basis of proposal form annexure A to the SCN.

26. Before proceeding further on merit I would like to observe that the respondents are taking the matter very casually. In the SCN different annexures are referred but none of the annexures is marked. Even some of the documents annexed with SCN received online are not legible. The most important document that is page 2 of the proposal form is not legible. It is expected from the respondent insurance company that legible copies of the documents duly marked as annexures should be produced before this forum failing which such type of documents could not be read in their defence.

27. Learned representative of the respondent further submits that no grievance was raised by the complainant during free-look period. Terms and conditions of the policies were duly explained to the complainant. Complainant herself moved the application for the reduction of the premium which were considered and accepted by the respondent. Consent was also given by the complainant. Maturity amount was processed and paid to the complainant.

28. There is no dispute that initially complainant deposited Rs. 3 lacs, thereafter Rs. 75,000/- and thereafter Rs. 5000/- annually. So far as initial proposal is concerned complainant is a housewife. It is also relevant that her husband deposited Rs 4 lacs in his name and Rs. 3 lacs in the name of complainant. Her husband has also filed a separate complaint which is being also disposed off along with this complaint. It means that complainant's husband was required to deposit Rs. 7 lacs premium per annum. Complainant submits that her husband is getting Rs. 60,000/- per month as pension. It cannot be accepted or believed that a person, who is getting approximately Rs. 7 lacs per annum as pension, will deposit the whole amount as insurance premium. At this stage it would be relevant to mention that the fraud can only be ascertained on the basis of attending circumstances. Only circumstances can show as to whether fraud has been played upon a person or not? It's a example of fraud. Respondent failed to explain as to how the complainant would be able to pay 7 lacs per annum as premium.

29. In the same continuity when the next premium became due and complainant came to know about the same she was pressurized to move an application for reduction of premium at the rate of Rs. 75,000/- per annum and further to reduce the same at the rate of Rs. 5000/- per annum. At this point it is worth mentioning that no communication was made to the complainant by the respondent explaining that her balance amount of Rs. 3 lacs would stand lapsed although respondent representative tried to explain that the same amount was adjusted in reduction of premium but he failed to corroborate the same on the record. Respondents have failed to submit any calculation memo by which the maturity amount allegedly paid to the complaint was calculated. It is also worth mentioning that no communication was ever made by the respondent to the complainant regarding his grievance. Neither the grievance was settled through e-mail or by post. No receipt is filed hence the submission of respondent in this regard could not be expected.

30. Having considered the submission and the discussion made above I am of the consider opinion that the amount paid by the respondent to the complainant is not in conformity with the

complainant's proposal. She never intended to enter into a contract of insurance rather she was dragged into it. Accordingly she would be entitled for refund of the total premium amount paid by her with interest subject to adjustment of payment already made to her.

Order:-

31. Complaint is allowed. Respondents are directed to refund the total amount Rs. 4,25,000/- with interest at the rate of 8 percent from the date of deposit till the date of payment. However amount paid to the complainant would be adjusted in total amount.

32. Let the copies of this award be given to both the parties.

Date: 18.06.2020

(Justice Anil Kumar Srivastava)

Place: Lucknow

Insurance Ombudsman

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

Mr. Ravindra Kumar Singh Complainant

V/S

HDFC Standard Life Insurance Co. Ltd.....Respondent

COMPLAINT NO: LCK-L-019-1819-0469 Order No. IO/LCK/A/LI/0001/2020-21

1.	Name & Address of the Complainant	Mr. Ravindra Kumar Singh Plot No. T-2/202 : Parsvnath Plane Apartment Vibhuti Khand Gomti Nagar Lucknow (U.P.)- 226010
2.	Policy No: Type of Policy DOC /DOR DOD Duration of policy	12273632 Savings Assurance Plan 13.10.2008 N/A 10 years
3.	Name of the insured / Name of the policyholder	Mr. Ravindra Kumar Singh Mr. Ravindra Kumar Singh
4.	Name of the insurer	HDFC Standard Life Insurance Co. Ltd
5.	Date of Repudiation/Rejection	N/A
6.	Reason for repudiation/Rejection	N/A
7.	Date of receipt of the Complaint	22.11.2018
8.	Nature of complaint	Less payment of maturity
9.	Amount of Claim	559500/-
10.	Date of Partial Settlement	463905/-

11.	Amount of relief sought	Refund of balance amount with interest
12.	Complaint registered under Rule	Rule No.13(1)(d) of Insurance Ombudsman Rule 2017
13.	Date of hearing/place	18.06.2020 at 10.30 A.M.
14.	Representation at the hearing	
	a) For the Complainant	Mr. Ravindra Kumar Singh
	b) For the insurer	Mr. Sudhir Kumar Singh
15.	Complaint how disposed	Allowed
16.	Date of Award/Order	18.06.2020

17. Mr. Ravindra Kumar Singh (Complainant) has filed a complaint against HDFC Standard Life Insurance Co. Ltd (Respondent) alleging less payment of maturity amount.

Brief Facts of the Case:

18. As per the complaint, complainant is a retired officer and had received maturity amount of Rs.7,00,000/- from LIC. He approached the HDFC Life Insurance Co. for investing this amount in Mutual Fund. They have invested Rs. 4,00,000/- in his name and balance Rs.3,00,000/- in his wife's name in Oct-2008. But next year in Oct-2009, complainant received the premium notices for depositing second installment. Hence complainant met the officials of the Company and they advised him to reduce the premium amount and thereafter they have changed the premium amount from 4,00,000/- to 5000/- per Annam for 10 years. Company has taken two blank cheques from the complainant and they have deposited Rs.11,90,00/- in his policy and Rs.90000/- in his wife's policy. In this way, complainant has deposited 5,59,000/- with the company. But complainant has received only Rs. 4,63,905/-. Being aggrieved, the complainant approached this forum for the redressal of his grievance.

Written reply/SCN:-

19. In SCN/reply dated 13.03.2020, it is submitted by the respondent that life assured is an educated person and he is presumed to be aware of the sanctity of signatures. He has signed on proposal forms. Company had affected PIVC and had given a call to policyholder on his registered mobile number and at that time complainant did not raise any concern or issue. On the basis of above, Company had issued aforesaid three policies on the life of Mr. Ravindra Kumar Singh. In addition to this, complainant approached the company on 28.07.2010 with the request to reduce his premium from 4,00,000/- to 1,00,000/- and again on 04.10.2010 to reduce the premium from 1,00,000/- to 5000/-. Accordingly his request was accepted by the company. RIC has further stated that the policy becomes matured on 13.10.2018 and maturity amount of Rs. 4,63,905/- was paid through NEFT on 16.10.2018.

20. The complainant has filed complaint letter, Annexure VI A and correspondence with respondent while respondent has submitted SCN with enclosures.

21. I have heard the complainant as well as the respondent representative and perused the record.

Findings:-

22. Undoubtedly complainant was trapped into the net of the respondent. Respondent used all its nefarious acts to entangle the complainant in its insurance net.

23. Complainant was working as Development Officer in Bokaro Industrial Area at Bokaro Steel City Jharkhand in the year 2008. He superannuated in the same capacity in 2010.

24. In the year 2008 he invested Rs. 4 Lacs as a long term investment with the HDFC. Investments were made through the officers of HDFC Bank Limited. Next year when complainant visited the bank then he came to know that he has to make the payment for next premium of Insurance policy. The premium amount was Rs. 4 Lacs. He was taken by surprise as he was due to retire in the next year that is 2010. When he tried to enquire into the matter only then he came to know that his amount was invested in the HDFC life Insurance wherein he has to pay the annual premium at the rate of Rs 4 Lacs per annum. Being unable to pay the premium he contacted the concerned officer wherein he was pressurized to move the application for reduction of premium to the extent of Rs. 1,19,000/- per annum and subsequently another application to further reduce the premium to Rs. 5000/- per annum. Thereafter although he was continuously depositing Rs. 5000/- per annum but was shocked to receive an amount of Rs. 4,63,950/- in the year 2018. Only then he came to know about the fraud played upon him by the respondent and moved this forum.

25. Respondent representative submits that the policy was issued on the basis of proposal form annexure A to the SCN.

26. Before proceeding further on merit I would like to observe that the respondents are taking the matter very casually. In the SCN different annexures are referred but none of the annexures is marked. Even some of the documents annexed with SCN received online are not legible. The most important document that is page 2 of the proposal form is not legible. It is expected from the respondent insurance company that legible copies of the documents duly marked as annexures should be produced before this forum failing which such type of documents could not be read in their defence.

27. Learned representative of the respondent further submits that no grievance was raised by the complainant during free-look period. Terms and conditions of the policies were duly explained to the complainant. Complainant himself moved the application for the reduction of the premium which were considered and accepted by the respondent. Consent was also given by the complainant. Maturity amount was processed and paid to the complainant.

28. There is no dispute that initially complainant deposited Rs. 4 lacs, thereafter Rs. 1,19,000/- and thereafter Rs. 5000/- annually. So far as initial proposal is concerned complainant is a government servant who retired in 2010. It is also relevant that he deposited Rs. 4 lacs in his name as well as Rs 3 lacs in the name of his wife who has also filed a separate complaint which is being also disposed off along with this complaint. It means that complainant was required to deposit Rs. 7 lacs premium per annum. Complainant submits that he is getting Rs. 60,000/- per month as pension. It cannot be accepted or believed that a person, who is getting approximately Rs. 7 lacs per annum as pension, will deposit the whole amount as insurance premium. At this stage it would be relevant to mention that the fraud can only be ascertained on the basis of attending circumstances. Only circumstances can show as to whether fraud has been played upon a person or not? It's an example of fraud. Respondent failed to explain as to how the complainant would be able to pay 7 lacs per annum as premium.

29. In the same continuity when the next premium became due and complainant came to know about the same he was pressurized to move an application for reduction of premium at the rate of Rs. 1,19,000 per annum and further to reduce the same at the rate of Rs. 5000/- per annum. At this point it is worth mentioning that no communication was made to the complainant by the respondent explaining that his balance amount of Rs. 4 lacs would stand lapsed although respondent representative tried to explain that the same amount was adjusted in reduction of premium but he failed to corroborate the same on the record. It is also worth mentioning that no

communication was ever made by the respondent to the complainant regarding his grievance. Neither the grievance was settled through e-mail or by post. No receipt is filed hence the submission of respondent in this regard could not be expected.

30. Having considered the submission and the discussion made above I am of the consider opinion that the amount paid by the respondent to the complainant is not in conformity with the complainant's proposal. He never intended to enter into a contract of insurance rather he was dragged into it. Accordingly he would be entitled for refund of the total premium amount paid by him with interest subject to adjustment of payment already made to him.

Order:-

31. Complaint is allowed. Respondents are directed to refund the total amount Rs. 5.59 lacs with interest at the rate of 8 percent from the date of deposit till the date of payment. However amount paid to the complainant would be adjusted in total amount.

32. Let the copies of this award be given to both the parties.

Date: 18.06.2020

(Justice Anil Kumar Srivastava)

Place: Lucknow

Insurance Ombudsman