

**PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF ODISHA
(UNDER RULE NO: 16(1)/17 of
THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SHRI I Suresh Babu
CASE OF (Mr. Subimal Kumar Sha Vs. LIC of India Cuttack DO)
COMPLAINT REF: NO: BHU-L-029-1819-0388
AWARD NO: IO/BHU/A/LI/ 082/2019-20**

1.	Name & Address of the Complainant	Mr. Subimal Sha, At- Tishalpur, Po- Sundarpur Via- Kupari, Balasore
2.	Policy No: Type of Policy Duration of policy/Policy period	584748430 Life 28.03.2002
3.	Name of the insured Name of the policyholder	Mr. Santosh kumar Sah(Prop) Subimal Sha(LA) ----do-----
4.	Name of the insurer	LIC of India Cuttack DO
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of admission of the Complaint	28.11.2018
8.	Nature of complaint	Non-payment of Survival Benefit
9.	Amount of Claim	Rs.8000/- + 50000/-
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	8000/- + 50000/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	13(1)(a)
13.	Date of hearing/place	16.10.2019 / Bhubaneswar
14.	Representation at the hearing	
	a) For the Complainant	Subimal Sha
	b) For the insurer	Smt Sunita Panda
15.	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16.	Date of Award/Order	16.10.2019

17) Brief Facts of the Case:- The above said policy was purchased by the father of the complainant on the life of his son in which father himself was the proposer. As per the provision of the policy the premium would be paid by the father and on his death prior to vesting policy will remain in force even without payment of premium. This was a money back type of policy in which the LA on attaining the age of 18 years will receive a definite percentage of Sum Assured as money back on a periodic interval. The 1st money back of Rs8000/- was due on 28.03.2017 which was not paid in time. Hence, being aggrieved he approached this forum for redressal.

The Insurer on the other hand submitted SCN stating that the survival benefit amount of Rs.8000/- which was due on 03/2017 was paid on 04.01.2019. Hence, the complaint should be dismissed.

18) Cause of Complaint:

a) Complainant's argument:- Complainant said that the above policy was purchased by his father in which he was the LA and his father was the proposer. As per the provision of the policy the premium would be paid by the father and on his death prior to vesting policy will remain in force even without payment of premium. This was a money back type of policy in which the LA on attaining the age of 18 years will receive a definite percentage of Sum Assured as money back on a periodic interval. Unfortunately his father died on 05.09.2007. After the death of his father term rider benefit of Rs.8000/- (20% of SA) was paid immediately, but the 1st money back of Rs8000/- which was due on 28.03.2017 which was not paid in time.

b) Insurers' argument:- Insurer on the other hand admitted the delay in payment of money back amount. As per the OP money back which was due on 28.03.2017 was paid on 04.01.2019. The delay was due to some technical problem related to that policy. However, the OP stated that they have sort out the problem and there will be no further delay in payment of other money back dues in the policy.

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

This is a complaint against non-settlement of 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 argument and submissions of both the parties it was observed that there was a delay in the payment of the money back amount. The money back which was due on 28.03.2017 was actually paid on 04.01.2019. In addition to it the policy bond was also not returned to the complainant after payment of death claim. Hence, this forum directs the insurer to return the policy bond immediately and pay delayed interest on the money back amount of Rs.8000/- which was paid to the claimant on 04.01.2019.

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 the insurer has to pay interest on the money back amount of Rs.8000/- from the date actually it was due up to the date on which it was paid. Further the insurer is directed to return the original policy document to the complainant immediately.

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 16th Oct.2019

(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 – Sri suresh Chandra Panda
CASE OF (Nira Jena Vs. LIC of India Cuttack DO)
COMPLAINT REF: NO: BHU-L-029-1819-0362
AWARD NO: IO/BHU/A/LI/ 085/2019-20**

1.	Name & Address of the Complainant	Mr. Nira Jena, At- Guhalia, Po- Tukuna Via- Salapada, dist- Keonjhar
2.	Policy No: Type of Policy Duration of policy/Policy period	598179082 Life 26.07.2011
3.	Name of the insured Name of the policyholder	Mr. Nira Jena ----do-----
4.	Name of the insurer	LIC of India Cuttack DO
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of admission of the Complaint	09.11.2018
8.	Nature of complaint	Non-payment of Survival Benefit
9.	Amount of Claim	Rs.6500/-
10.	Date of Partial Settlement	NA
11.	Amount of relief sought	Rs.6500/-
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	13(1)(b)
13.	Date of hearing/place	16.10.2019 / Bhubaneswar
14.	Representation at the hearing	
	c) For the Complainant	Absent
	d) For the insurer	Sunita Panda
15.	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16.	Date of Award/Order	16.10.2019

17) Brief Facts of the Case:- The above said policy under New Bima Gold Plan was purchased by the complainant on 26.07.2011 in which there was a provision for payment of Survival benefit at the end of each four years @ of 10% of Sum Assured. As Sum assured was Rs.65000/- in the said policy, survival benefit amounting Rs. 6500/- was due on 26.07.2015. But till date inspite of repeated reminder, the amount has not been paid to the policyholder. Hence, being aggrieved, he approached this forum for redressal.

Insurer on the other hand submitted SCN stating that the SB claim due on 26.07.2015 was paid by cheque no. 52711 dated 26.07.2015 and it was sent to the policyholder through registered post no R0669491946IN on 17.07.2015. The complainant also did not inform the insurer regarding non-receipt of the cheque for 3 years. Now axis Bank Keonjhar, the banker of the insurer has also confirmed that cheque no 052711/26.07.2015 for Rs.6500/- has been paid through inward clearing house to the account of Nirakar Jena on 30.07.2015. In this context insurer has also stated that the policyholder has changed his name from Nirakar Jena to Nira Jena vide his affidavit dated 11.06.2018. As the amount has already been paid to the claimant, the case may be dismissed.

18) Cause of Complaint:

a) Complainant's argument:- The complainant was absent during the course of hearing

b) Insurers' argument:- Insurer submitted that the Survival benefit amounting Rs.6500/- due on 26.07.2015 was paid to the complainant on 17.07.2015 vide post dated cheque no. No 52711. As the LA's name was Nirakar Jena (later changed to Nira Jena), the amount was credited to the account of Nirakar Jena on 30.07.2015. In addition to it the insurer also stated that the LA had already surrendered the policy in dispute on 23.07.2019 and a sum of Rs.3393/- has been credited to his account on the same date. Hence, the complaint should be dismissed.

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

This is a complaint against non-settlement of 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 made by the insurer in the absence of complainant it was observed that the insurer had paid the survival benefit amount on 17.07.2015 which was encashed by Nirakar Jena on 30.07.2015. So the allegation made by the complainant was baseless and does not carry any merit. Further, as reported by the insurer, the complainant has also surrendered the policy on 23.07.2019. This implies that the claimant could realize his mistake of filing the complaint with this forum and surrendered the policy prior to the hearing of the case. Hence, this forum feels that the complaint is devoid of any merit and needs 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:

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.

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.

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 16th Oct. 2019

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

**PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(Under Rule No.17 (1) of the Insurance Ombudsman Rules, 2017)
COMPLAINT REF: NO: CHN-L-041-1920-0195
Shri J.K.Ananth Vs SBI Life Insurance Company Ltd
AWARD NO: IO/CHN/A/LI/0081/2019-20**

1.	Name & Address of the Complainant	Shri J.K.Ananth, Flat No.9, Naveen Flats, New No.2, Old No.21, Meenakshi Street, Perambur-Chennai-600011
2.	Policy No. Sum Assured(SA) Date of Commencement (DOC) Term/Premium paying Term Premium paid/Mode Type of Policy Proposal date Date of Birth of Child & Age Date of Maturity	0400161909 INR 2,00,000 20.05.2003 20years/17 years INR 12,548/Annual SBI LIFE - SCHOLAR 19.05.2003 20.05.2001 – 1 year 20.05.2019
3.	Name of the Life Assured (LA)	Shri A.SARVESH KUMAR
4.	Name of the insurer	SBI Life Insurance Company Ltd
5.	Date of Rejection	24.5.2019 & 07.06.2019
6.	Reason for Rejection	Last Premium due on 20.05.2019 was not paid
7.	Date of receipt of the Complaint	17.06.2019
8.	Nature of complaint	Non-payment of 1 st Survival Benefit (SB)
9.	Amount of Claim	INR 10,00,000
10.	Date of Partial Settlement	1st SB of INR. 50,000 paid on 20.8.2019 (post-complaint)
11.	Amount of relief sought	INR 10,00,000
12.	Complaint registered under	Rule no: 13(1) (b) of the Insurance Ombudsman Rules, 2017.
13.	Date of calling Self-contained Note (SCN) Date of receipt of SCN	03.07.2019 04.09.2019
14.	Date of hearing/place	10.10.2019/Chennai
15.	Representation at the hearing	
	For the Complainant	Shri J.K. Ananth
	For the insurer	Shri Joseph Jerolin
16.	How the case disposed off	By Award
17.	Date of Award	31.10.2019

18. Brief Facts of the Case: - The Complainant Shri J.K.Ananth had taken a Money Back Policy (SBI Life – Scholar) on the life of his son Master A.Sarvesh Kumar from SBI Life Insurance Company Limited with the DOC of 20/05/2003 for a Sum Assured of Rs. 2 Lacs with a yearly mode of premium of Rs. 12,548. The term of the above policy is 20 years with a premium paying term of 17 years.

When he claimed the first Survival Benefit (SB) under the policy, the claim was rejected by the Insurer vide its letter dated 24.05.19 stating that the First Survival Benefit is payable only after

child (LA) attains 18 years of age & after the date of last premium payment and demanded the last premium which was due on 20.05.2019. In the proposal form dated 19.05.2003 the date of birth of the minor child is stated as 20.05.2001, hence as on the date of proposal the child had completed 1 year of age. Accordingly the policy was issued with term as 20 years and the premium paying term of 17 years. Hence the complainant was asked to pay the 17th and last annual premium due on 20.05.2019 and was informed that thereafter the first SB will become payable on 20.05.2020, followed by the remaining SB payments at yearly intervals. The insurer also endorsed the Policy to correct the Due Date of Last Premium, Due Date of First Survival Benefit and Due Date of Last Survival Benefit as May 20, 2019, May 20, 2020 and May 20, 2023 respectively.

However the complainant has not accepted the insurer's argument and has approached the Forum to order the Insurer to pay the First SB which was due on 20.05.2019 as per Policy issued to him. The Due Date of Last Premium was also recorded as 20.05.2018 in the Policy, prior to amendment thereof to 20.05.2019 by the insurer. Hence complainant contended that he has not required to pay any more premium under the Policy.

Insurer's Version: -

In their Self Contained Note (SCN) dated 04.09.2019, the Insurer stated that the complainant had submitted a proposal no. 04167524 on 19.05.2003 on the life of his son Sarvesh Kumar A and the date of birth of the beneficiary is 20.05.2001. Hence the age of the child was taken as 1 year and a SBI Life Scholar (money back Policy) policy No. 04001619109 was issued to Mr. J.K.Ananth with the DOC of 20.05.2003 for a SA of INR 2,00,000. The term of Policy Benefit was fixed as 20 years and with premium paying term of 17 years, since as per product features, premium has to be paid till the child (SA) attains 18 years of age.

The insurer further informed that the due date of last premium was wrongly mentioned as 20.05.2018 in the Policy issued instead of 20.05.2019 and the due date of first survival benefit instalment as 20.05.2019 instead of 20.05.2020. Hence the policy holder was required to pay the last renewal premium due on 20.05.2019 and the intimation thereof was sent vide letter dated 05.04.2019 and subsequently lapse intimation was sent on 19.06.2019, due to non-payment of the premium due.

The insurer also informed that post filing of complaint with the Forum, the complainant had paid the last renewal premium for the due date 20.05.2019 under the policy and as a special case, the insurer paid the first Survival Benefit amount of Rs.50,000 to the complainant on 20.08.2019, although it was due only on 20.05.2020.

Hence the insurer requested the Forum to dismiss the complaint since the company has resolved the grievance raised by the complainant.

19. Reason for Registration of Complaint: This is a case of non-settlement of SB claim which comes within the scope of Rule 13(1) (b) of the Insurance Ombudsman Rules, 2017.

20. The following documents were submitted to the Forum for perusal.

- ✓ Complainant's Letter to the Forum dated 17.06.2019.
- ✓ Annexure VI A dated 17.06.2019 and consent submitted by the complainant
- ✓ Copy of the Proposal and Policy schedule.
- ✓ Claim Rejection letter of the insurer dated 24.05.2019 with endorsement
- ✓ Insurer's Self Contained Note (SCN) dated 04.09.2019 and additional submissions dated 17.10.2019, post-hearing
- ✓ Copy of the Lapse intimation Letter dated 19.06.2019.
- ✓ Complainant's correspondence with the insurer regarding his grievance

21. Result of hearing with both parties (Observations & Conclusion): Based on the submissions of both the parties made during the hearing and documents submitted, it is observed as under:

- 1) The Date of Maturity of the policy falls on 20.05.2019. (i.e. the date of attaining the age of majority by the Life assured) as per policy terms and conditions. The first Survival Benefit due is payable only on the policy anniversary following the Date of Maturity. i.e. on 20.05.2020 and the subsequent Survival Benefit payments shall fall due on the expiry of 12 calendar months.
- 2) Therefore, the policy benefit term and the premium paying term should have been 20 years and 17 years respectively. However, it is observed that these terms do not find a direct mention in the policy schedule and are to be inferred from the Due Date of Last Premium and Date of First and Last Survival Benefit. But these dates were printed wrongly by the insurer in the policy bond as mentioned earlier.
- 3) If the premium paying term was determined based on the age of the LA on the DOC (2 years), the same would have been 16 years and not 17 years. As per information provided by the insurer post hearing, the complainant would have paid a total premium of INR 2,13,312 for a term of 16 years against the premium of INR 2,13,316 paid for a term of 17 years. However, the Date of First Survival Benefit would have remained the same i.e.20.05.2010, in view of its definition as per Policy. Since the difference in premium for terms of 16 and 17 years is marginal, this would not give any advantage or additional benefit to the complainant. For the sake of clarity and good order, Forum

rules that complainant was required to pay the premium due on 20.05.2019 and no excess premium has been charged by the insurer thereby.

- 4) By the time the complaint came up for hearing, the complainant had already paid the last premium due as demanded by the insurer and the insurer too had paid the First SB as a special case, although the same was due only on 20.05.2020.
- 5) The only issue that remained to be addressed by this Forum is the dates on which the subsequent SB installments should be paid by the insurer. Admittedly, the insurer issued the Policy with wrong dates and failed to rectify the same till complainant approached them for the payment of 1st SB installment. Hence it is fair that they adhere to the original time schedule for payment of SB which is as below.

I Survival Benefit	20.05.2019
II Survival Benefit	20.05.2020
III Survival Benefit	20.05.2021
IV Survival Benefit	20.05.2022

AWARD

Taking into account the facts and circumstances of the case & the submissions made by both the parties during the course of the hearing, the Forum directs the insurer to pay the second and subsequent Survival Benefits as per original Policy Schedule.

The Complaint is, therefore, disposed off accordingly.

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

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

Dated at Chennai on this 31st day of October, 2019.

(M.VASANTHA KRISHNA)
INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDICHERY

