

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

Case of (TUNALAL BARGE vs. L I C of India, Berhampur Divn.)
COMPLAINT REF: NO: BHU-L-029-2122-0158
AWARD NO: BHU-L-2021-2022-075

1.	Name & Address of the Complainant	TUNALAL BARGE, S/O- LATE. JAYAKETAN BARGE VILL- UDER, PO- MASINAGORA VIA-GHANTAPADA DIST-BOUDH, PHULBANI-762018
2.	Policy No: Type of Policy Date of Commencement /Policy period/S.A /Prem.Mode/PWB	570144577 Life- Childrens Money Back with GA+LA on maturity. 28.03.1998 / 22-14/25000/SSS(Mly)/Yes
3.	Name of the insured Name of the policyholder	Tunalal Barge,LA Late.Jayaketan Barge,LP.
4.	Name of the insurer	L I C of India, Berhampur Division
5.	Date of Repudiation	N.A
6.	Reason for repudiation	N.A
7.	Date of admission of the Complaint	08.07.2021
8.	Nature of complaint	Non -payment of S.B and Maturity value after death of the Life Proposer.
9.	Amount of Claim	SB , Maturity with compensation.
10.	Date of Partial Settlement	N.A
11.	Amount of relief sought	SB , Maturity with compensation
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	Rule 13 of IO Rules
13.	Date of hearing/place	08.09.2021/ Bhubaneswar
14.	Representation at the hearing	
	a) For the Complainant	Mr.Tunalal Barge -Absent
	b) For the insurer	Mr.S.Narayan,Manager,CRM, L I C I,Berhampur.
15.	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16.	Date of Award/Order	08.09.2021

17) Brief Facts of the Case- Mr.Tunalal Barge, (herein after referred to as the complainant) had filed a complaint against LIC of India, Berhampur Division (herein after referred to as the respondent Insurance company) alleging non settlement of the Survival and Maturity benefit

by the respondent Insurance company. The complaint falls within the scope of Insurance Ombudsman Rules,2017 and so it was registered.

18) Cause of complaint: Non-payment of SB and Maturity benefit under the policy.

Complainant's argument: Complainant argued that the above said children money back policy bearing policy no.570144577 with Sum Insured Rs.25000 was procured from the Insurer (Phulbani Branch office) in his name by his deceased father on 28.03.1998. Unfortunately, his father expired during the year 2002 when the policy was in-force with up-to-date premium payment. Complainant had informed the same to the Insurer and an endorsement to the same was done on 06.02.2002 by the Insurer. As per policy conditions, if the proposer expired while the policy is in force, the life assured is eligible for waiver of payment of future premium and payment of sum assured in instalments on completion of age 18,20,22,24 and 26 years. The policy was matured on 03/2020. Even after maturity, the Insurer didn't process any payment, where the first sum assured instalment was due for payment since 2012. The complainant had submitted maturity intimation with the Insurer on 18.12.2020. On representation to the grievance officer no reply was received. Hence, being aggrieved the complainant approached this forum for redressal.

Insurer's Argument:- The Insurer submitted that the proposer had opted for Premium waiver Benefit under the said policy. Since the life proposer died in the year 2002, the life assured is eligible for waiver of payment of future premiums and payment of sum assured in instalments on completion of age 18,20,22,24 and 26 years of the life assured. In the above case the life assured completed 18 years of age on 02.04.2011 and became eligible for first survival benefit due (20% of S.A) on 03/2012. Accordingly, as per terms and conditions of the policy, the complainant is eligible for payment of subsequent instalments on 03/2014, 03/2016 and 03/2018 on attainment of age 20, 22 and 24 respectively. On attainment of age 26, he is eligible for maturity value (Guaranteed addition plus Loyalty addition). The Insurer could not make timely payment as the supporting document like claim master and policy docket required to ascertain "Premium waiver benefit option" were not available. In order to be confirmed about "premium waiver benefit" option availed by the life proposer at the inception of the policy, the Insurer recalculated the premium on the basis of the records available in a separate policy of the life assured. Now, after being confirmed about PWB option, the insurer released all payments due to the life assured amounting to Rs.70825/- on 13.08.2021 by crediting the amount to his NEFT account (4 nos. of SB + Maturity with guaranteed addition & loyalty addition). The Insurer has also expressed his readiness to pay the penal interest for the delayed payment subject to Income tax related compliance by the Life Insured as applicable under Sec.194-"A" of I.T. Rules. Insurer has already sent a speed post letter dated.04.09.2021 to the Life assured requesting him to submit his PAN details. On the above, the Insurer prays for disposal of the complaint.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint for non-payment of SB and Maturity benefit under the policy.

20) The following documents were placed for perusal.

- a) Photo copies of policy document.
- b) Copy of representation made to the forum.
- c) Insurer's reply or SCN

21) Result of hearing with both parties (Observations & Conclusion):- On perusal of all the papers, documents submitted and submissions made by both the parties it is observed that on the death of the life proposer while the policy was fully in-force , the life assured is eligible for Premium Waiver benefit for future premiums , Survival benefits due on completion of age 18,20,22 and 24. On policy anniversary after completion of 26 years , the life assured is also eligible for maturity value in the form of guaranteed addition for full policy term plus loyalty addition. During the pendency of the complaint, the Insurer has already released all survival benefits and Maturity benefit due to the complainant on 13.08.2021. The Insurer has also offered penal interest to the complainant for the delay in payment, subject to compliance as per Sec.194-A, Income Tax Rules. Hence, the present complaint deserves to be disposed of.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties and the acknowledgement during the course of hearing, the forum directs the complainant to comply with the requirement related to Sec.194-A of Income Tax rules so that the Insurer can proceed for payment of penal interest.

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 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(8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 8th Sept 2021.

SURESH CHANDRA PANDA
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

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

Case of (NARAHARI DASH VS. KOTAK MAHINDRA LIFE INS CO LTD.)
COMPLAINT REF: NO: BHU-L-026-2122-0192
AWARD NO: BHU-L-2021-2022-078

1.	Name & Address of the Complainant	Mr.Narahari Dash At-Bagurai Patrasahi Charigharia, Po-Madhab Nagar, Bhadrak Municipality Dist- Bhadrak PIN-756181
2.	Policy No: Type of Policy Date of Commencement/Policy period/payment mode/premium	02197075-Participating Endowment Assurance Plan Life -Kotak Surakshit Jeevan 27.12.2010 / 10 years/Annual/10556.00
3.	Name of the insured Name of the policyholder	Mr. Narahari Dash Mr. Narahari Dash
4.	Name of the insurer	Kotak Mahindra Old Mutual Life Insurance Limited
5.	Date of Repudiation	N.A
6.	Reason for repudiation	N.A
7.	Date of admission of the Complaint	29.07.2021
8.	Nature of complaint	Bonus/dividend not paid with maturity payment
9.	Amount of Claim	Maturity Sum Assured with vested bonus
10.	Date of Partial Settlement	27.12.2020 -reduced Basic Sum Assured.
11.	Amount of relief sought	Rs.95,000.00
12.	Complaint registered under Rule no: of Insurance Ombudsman Rules	Rule 13 of IO Rules
13.	Date of hearing/place	15.09.2021/ Bhubaneswar
14.	Representation at the hearing	
	a) For the Complainant	Narahari Dash
	b) For the insurer	Ms.Nivedita Bhattacharya, AVP Legal
15.	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16.	Date of Award/Order	15.09.2021

17) Brief facts of the case: Mr.Narahari Dash (herein after referred to as the complainant) had filed a complaint against Kotak Mahindra Life Insurance Co. Ltd, Mumbai(herein after referred to as the respondent Insurance company)alleging less payment of Maturity Value by the respondent insurance company. The complaint falls within the scope of Insurance Ombudsman Rules, 2017 and so it was registered.

18) Cause of complaint:

Complainant's argument: Complainant argued that one "Kotak Surakshit Jeevan plan "bearing policy no.02197075 with basic Sum assured Rs.65,000.00 and term 10 years was purchased by him on 27.12.2010 from the present insurer. As per terms & conditions, policy was due for maturity payment on 27.12.2020. Complainant had discontinued the payment of annualized premium after paying the annual instalment premium of Rs.10556.00 for four (04) years. On maturity of the policy, the Insurer credited an amount of Rs.26000/- to his savings account without asking for any supportive document like original policy bond, NEFT details and KYC document. While making the maturity payment the respondent Insurer also did not inform the payment details like reversionary bonuses, interim bonus, terminal bonus etc. on the said policy. On representation to the grievance officer no satisfactory reply was received. Hence, being aggrieved the complainant approached this forum for redressal.

Insurer's Argument:- The respondent Insurer argued that the above said policy was issued on the basis of proposal forms and Benefit Illustration signed and executed by the complainant. The plan opted and the number of premiums that the complainant would have to pay is clearly mentioned in the proposal form. A copy of the Policy document was sent to the complainant. No complaint was received from the complainant during Free Look period of the said policy. The client has paid only four yearly installments under the subject policy. Premium payment under the said policy was discontinued from the due date 27.12.2014 till maturity of the policy. The Insurer further argued that Simple reversionary bonuses are not guaranteed benefit. The bonuses vest on the policy on the 5th policy anniversary, provided all the 5 years premiums due to that date have been paid in full. Hence, no non-guaranteed benefits like reversionary bonuses, interim bonuses and terminal bonuses were payable. The policy converted into reduced paid up policy due to stop of premium payment. The reduced Basic Sum Assured would be calculated as $\frac{\text{Total numbers of premium paid}}{\text{Total numbers of premiums payable during the policy term}} \times \text{Basic Sum Assured}$. In the given case the calculation of reduced Basic sum assured will be as $\frac{4}{10} \times 65000 = \text{Rs.26000}$. The complainant had not exercised his option either to surrender the policy or revive the policy with in two years of date of becoming paid up. Insurer had also not received any communication from the complainant regarding inability to pay the premium till maturity date. Hence, the policy remained in reduced paid up mode and attained maturity on 27.12.2020. The maturity amount of Rs.26,000/- was credited to the SB account of the complainant in due time. Thus, the payment has been made in accordance with the terms and conditions of the policy contract. Insurer further submitted that the complaint submitted before the forum is devoid of merit and deserves to be dismissed.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017. This is a complaint against non-payment of bonuses with maturity Sum Assured.

20) The following documents were placed for perusal.

- a) Photo copies of policy documents.
- b) Photo copy of representation sent to the Insurer.
- c) Photo copy of the SCN submitted by the Insurer.

21) Result of hearing with both parties (Observations & Conclusion):- On perusal of all the papers, documents submitted and submissions made by both the parties it is observed that

the complainant has paid 4 yearly installments under the stated policy and discontinued paying further premium from the due date 27.12.2014. As per the terms and conditions laid down in Clause 2 of the policy document, the policy becomes lapsed after expiry of 30 days grace period from the due date of the first unpaid premium. Since the complainant has paid 4 yearly premiums and stopped paying further premiums till maturity date, the policy got converted into paid up on maturity date, i.e. 27.12.2020. As per clause "E" of the policy document, reversionary bonuses (non-guaranteed benefit) are payable on survival of the life assured to the end of the policy term; provided the policy has not been made paid-up during the first five policy years. Hence, on maturity the benefit payable would be the reduced Basic Sum Assured as calculated below.

(Total Number of premiums paid (4) / Total Number of premiums payable during the policy term (10) X Basic Sum Assured (65000)).

Thus, it is found by the Forum that the amount of Rs.26,000/- paid by the Insurer on maturity of the policy is in accordance with the terms and conditions of the policy contract and the bonus claim by the complainant is not tenable.

AWARD

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

Dated at Bhubaneswar on 15th Day of Sept, 2021.

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

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

Insurance Ombudsman: Shri Sudhir Krishna

Case of Partap Singh V/S LIC of India

Complaint Ref. No.: CHD-L-029-2021-1799

1.	Name & Address of the Complainant	Shri Partap Singh, S/o Shri Tota Singh, Resident of Partap Colony, Samana, Patiala, Punjab-147101 Mobile No.9872372823
2.	Policy No:/DOC Type of Policy Duration of policy/Policy period	164838195/-28.01.2011 LIC's Jeevan Saral 165-10, Death S A- 125000/-, Mty SA 15295/-
3.	Name of the insured Name of the policyholder	Partap Singh Partap Singh
4.	Name of the insurer	LIC of India
5.	Date of Repudiation	NA
6.	Reason for repudiation	NA
7.	Date of receipt of the Complaint	05.03.2021
8.	Nature of complaint	Less Maturity Amount paid
9.	Amount of Claim	Refund of Rs. 40500/-
10.	Date of Partial Settlement	28.01.2021 paid Rs. 20721.00
11.	Amount of relief sought	Refund of balance amount of Rs. 40500/-with interest
12.	Complaint registered under Rule no.:	13(1)(b) any partial or total repudiation of claims by the insurer
13.	Date & Place of Hearing	23.09.2021/ Online hearing
14.	Representation at the hearing	
	For the Complainant	Absent
	For the Insurer	1. Smt. Purnima Mishra, Manager, CRM Dept, Chandigarh 2. Shri Vijay Kumar, AO, CRM Dept, Chandigarh
15.	Complaint how disposed	Award under Rule 17
16.	Date of disposal	23.09.2021

17. Brief Facts of the case: Shri Partap Singh (hereinafter, the Complainant) has filed this complaint against LIC of India (hereinafter, the Insurers) alleging less amount of maturity amount under his policy no. 164838195.

18. Cause of Complaint:

a) Complainant's argument: The Complainant has stated that he purchased the policy of insurance on the promise that his amount shall be doubled in after 10 years but after 10 years when he visited the branch

they told him that only Rs. 20700/- shall be paid as maturity amount under this policy. The Insurance Company has cheated him as he has deposited Rs. 61240/- as premium and they are paying only Rs. 20700/- to him. He has filed the complaint to the company for payment of balance amount deposited by him with interest but they did not give any suitable reply to him. Hence feeling aggrieved with the Insurance Company he has approached this forum to seek relief.

b) Insurers' argument: The Insurers have, vide SCN dated 16.08.2021, stated that the subject Policy bearing no. 164838195 was issued on 28.01.2011 for 10 years in the name of Shri Partap Singh under Jeevan SaralPlan. The quarterly premium was Rs. 1531/- and Maturity Sum Assured printed on the Policy Bond was Rs. 15295/- and Death Benefit and Accident benefit Sum Assured was Rs. 125000/-. The Insurance Company has further stated that as per terms and conditions of the policy, the Maturity Sum Assured (Rs. 15295/-) along with loyalty bonus (Rs. 5426/-) – total Rs. 20721/- was paid on 28.01.2021. Since the policy was a high-risk plan purchased at the age of 60 years, hence the death Sum Assured was higher in the policy as compared to maturity SA. Higher risk cover was the basic prominent feature of the plan, as compared to other plans. The Insurance Company has submitted that payment has correctly been made as per terms and conditions of the policy and there is no question of less payment.

19. Reason for Registration of Complaint: Maturity amount paid less

20. The following documents were placed for perusal:

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

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

Case called. The Forum Office has reported that the Complainant could not be contacted by e-mail and his registered mobile no. is also not in order. The physical hearing letter has been received undelivered with the remarks "deceased" from the postal department. The physical hearing letter was again sent in the name of Smt. Manjit Kaur, wife of the Complainant, being the beneficiary nominee under the Policy. Still, the Complainant/Nominee is absent. Hence proceedings are continued with the Insurers present who recall their arguments as noted in Para 18b above.

I have examined the arguments and the evidence submitted by both the parties. The subject Policy was issued on 28.01.2011 for 10 years term with the Complainant as the Policyholder and the Person Insured. The Policy Bond states that the Maturity Sum Assured (MSA) is Rs. 15295. Upon maturity of the Policy on 28.01.2021, the Insurers paid the MSA plus Loyalty Bonus of Rs. 5426, both put together totaling to Rs. 20721. The payment by the Insurers was correct, as per the Policy terms & conditions. Pursuantly, the complaint shall deserve to be rejected.

Award

The complaint is rejected.

(Sudhir Krishna)
Insurance Ombudsman
September 23, 2021

PROCEEDINGS OF THE INSURANCE OMBUDSMAN, CHANDIGARH

(Under Rule 13 r/w 17 of The Insurance Ombudsman Rules, 2017)

Insurance Ombudsman: Shri Sudhir Krishna

Case of Harvinder Sodhi Vs HDFC Standard Life Insurance Company Ltd.

Complaint Ref. No.: CHD-L-019-2021-1916

1.	Name & Address of the Complainant	Smt. Harvinder Sodhi, # 209, Sector-80, SAS Nagar, Mohali, Punjab-140308 Mobile No. 9779487222
2.	Policy No: Type of Policy Duration of policy/Policy period	14010946 HDFC personal pension plan regular premium 10 / 10 years
3.	Name of the insured Name of the policyholder	Harvinder Sodhi Harvinder Sodhi
4.	Name of the insurer	HDFC Standard Life Insurance Co. Ltd.
5.	Date of Repudiation	01.03.2021
6.	Reason for repudiation	Complaint beyond free-look period
7.	Date of receipt of the Complaint	25.03.2021
8.	Nature of complaint	Total repudiation of claim by the insurer
9.	Amount of Claim	Maturity amount as per policy conditions
10.	Date of Partial Settlement	Nil
11.	Amount of relief sought	Maturity amount as per policy conditions
12.	Complaint registered under Rule no:	Rule 13.1.(b) – partial or total repudiation of claim by the insurer
13.	Date of hearing/place	30.09.2021/ Online hearing
14.	Representation at the hearing	
	For the Complainant	1. Smt. Harvinder Sodhi, the Complainants 2. Shri Charanjeet Singh Sodhi, H/o the Complainants
	For the insurer	Shri Gurpreet Singh, Deputy Manager (Legal)
15.	Complaint how disposed	Award under Rule 17
16.	Date of Award	30.09.2021

17. Brief Facts of the Case: Smt. Harvinder Sodhi (hereinafter, the Complainants) has filed this complaint against the HDFC Standard Life Insurance Company Ltd. (hereinafter, the Insurers) for non-payment of maturity of policy bearing number 14010946.

18. Cause of Complaint:

- a) **Complainant's argument:** Her husband Shri C S Sodhi, who retired from Bokaro Steel Plant on 31.10.2010 wanted to buy 3 onetime payment policies of Rs 1 lakh each and had signed the documents. He left for Raipur on his new assignment and she was persuaded by the agent to buy one policy in her name for which she took telephonic approval from him. However they were cheated by the agent who gave her a regular premium policy. The complainant has submitted that she being a housewife and her husband also in a non-pensionable job cannot even think of a policy of Rs 1 lakh per year for 10 years. She was under the impression that all

the three policies are same. After 10 years when she approached the company for maturity benefit she was shocked to know that her policy had lapsed and no maturity amount will be paid although her husband received the maturity amount. All these years she did not get any intimation from the company, although she used to get all her mail redirected to her new address. Had she got information regarding lapsing of her policy, she would have taken care of it. She complained to the company many times regarding this. In the beginning she was told that the policy is in force, however later she was told that the same is lapsed and payment was refused. The complainant has requested intervention by this forum to get her maturity amount from the company.

b) Insurers' argument: The Insurers, vide SCN dated 15.09.2021, have stated that the complainant had availed the subject policy with risk commencement date 04.11.2010, for a premium of Rs 100000/- to be paid annually for 10 years each. Complainant neither approached the company in the past with any complaint whatsoever with regard to non-receipt of policy documents nor a complaint of mis-selling nor a request to cancel the policy. The first complaint was received in March 2021 after more than 10 years. The complainant willfully purchased the policy after paying the required premium knowing very well.

19. Reason for Registration of Complaint: Misselling.

20. The following documents were placed for perusal:

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

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

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

The subject policy was issued in November 2010 on the basis of the application forms duly filled and signed by the Complainant and policy documents were duly delivered. The policy documents had explained the terms & conditions of the policy and she did not raise any concern or issue about the terms and conditions of the policy within the free-look period. The Complainant accepts that the policy documents were duly delivered to her, but states that she did not read it carefully. She made her first written complaint in March 2021, which was about 10 years after the issuance/delivery of the policy. Thus the complaint is in the nature of an afterthought and does not substantiate the allegation of mis-sale against the Insurers. Pursuantly, the complaint shall deserve to be rejected.

Award

The complaint is rejected.

(Sudhir Krishna)
Insurance Ombudsman
September 30, 2021

AWARD NO. IO/KOC/A/LI/0075/2021-2022

**PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, KOCHI
(UNDER RULE NO. 13 1(b) READ WITH RULE 14 OF
THE INSURANCE OMBUDSMAN RULES, 2017)**

Complaint No. KOC-L-029-2122-0103

PRESENT: Ms. POONAM BODRA

INSURANCE OMBUDSMAN, KOCHI

AWARD PASSED ON 15.09.2021

- 1. Name and Address of the complainant : Mr. Santhosh Kumar K,
Anisha Bhavan, Puthiyavila,
Pattolimarket P O, Alappuzha - 690531**
- 2. Policy Number : 395191547**
- 3. Name of the Insured : Mr. Santhosh Kumar K**
- 4. Name of the Insurer : LIC of India**
- 5. Date of receipt of Complaint : 09.07.2021**
- 6. Nature of complaint : Shortfall in maturity claim**
- 7. Amount of relief sought : --**

8. **Date of hearing** : **06.09.2021**
9. **Parties present at the hearing**
- a) **For the Complainant** : **Mr. Santhosh Kumar K (Online)**
- b) **For the Insurer** : **Mr. Shani Mathew (Online)**

AWARD

This is a complaint filed under Rule 13 1(b) read along with Rule 14 of the Insurance Ombudsman Rules, 2017. The complaint is Shortfall in maturity claim. The complainant, Mr. Santhosh Kumar K is the policyholder.

1. Averments in the complaint are as follows:

The Complainant stated that The Complainant stated that he was working in a co operative society and retired in 2010. Agent and the officer from the respondent company approached him and canvassed Jeevan saral policy. Hence he took a policy for 10years remitting premium @1225 every quarter. Total amount remitted in 10 years is 53900. Now the complainant got the maturity intimation and the amount quoted was 44248 including bonus. Immediately he took the matter with the insurance company but the reply was not positive. The complainant took the policy believing the promises by the company officials. All the details terms and conditions were never explained. If the details were explained he would have never taken the policy. In the policy he will be losing Rs 9652 and hence wanted the forum to direct the insurer to refund Rs9652.

2. The Respondent Insurer entered appearance and filed a self contained note. It is submitted that LIC of India has issued a policy bearing no.395191547 on the life of Sri. K Santhosh Kumar under Jeevan Saral plan (plan 165) for a Death Benefit Sum Assured of Rs.1,00,000/- with Date of Commencement of risk 28.07.2010 and term 11 years & maturity date 28.07.21. The LA had paid all the premiums due under the policy without any default.

The policy under question is a Jeevan Saral policy, for which Death Benefit Sum Assured and Maturity Sum Assured are distinctly defined. Death Benefit Sum Assured is payable only on death of the policy holder during the term of the policy, while Maturity Sum Assured is payable on the date of maturity. Maturity sum assured is printed on the policy bond.

Jeevan Saral policy was introduced to cover high death benefit at low premium irrespective of age at entry and term. But the Maturity Sum Assured will be different and dependant on the entry ages and term of the policy. The Maturity Sum Assured has been computed by our actuaries based on several factors like Mortality, expenses etc and hence it decreases with increase in age at entry. The maturity value is less than the premium paid in respect of Jeevan Saral Policy, in case the policy is taken at higher ages.

The policy holder is eligible for Maturity Sum Assured of Rs.32,776/- and Loyalty Addition of Rs.11,472/- on the date of Maturity-28.07.21. The total payout to the party will be Rs.44,248/-. The complainant is not eligible for any of the reliefs claimed.

Life Insurance Corporation is a public limited undertaking constituted as per statute to render policies for the welfare of the citizens, and is only the custodian of public funds. Payment of amounts higher than that envisaged by the policy conditions will be a drain on the public fund and no one is authorized to make any payment which is not in conformity with the rules and guidelines issued by the Corporation.

ADDITIONAL POINTS.

Benefits of Jeevan Saral Policy

1. Benefit on Death – Death Sum Assured + Refund of premium excluding extra premium and first year premium + Loyalty Addition,if any. Death Benefit Sum Assured is 250 times monthly basic premium.
2. Benefits on Maturity-Maturity Sum Assured+ Loyalty Addition,if any
3. Auto cover- If at least 3 full years' premiums have been paid under the policy , Insurance Cover for the Death Sum Assured will continue for 12 months, even if subsequent premiums are not paid
4. Partial Surrender –The plan will allow partial surrender from the 4 th year onwards ,subject to certain conditions.
5. Loan – Loan is available under the policy after payment of premium for 3 years. LIC offers a wide range of products catering to different needs of all customer segments. For Life Insurance policies Sum Assured will not be equal to total premiums paid. For Term Assurance policies in which risk cover is more and savings element is negligible total premiums paid will be much lower than the Sum Assured. For Endowment type of policies where savings element is also important total premiums can be more than the Sum Assured depending on the age at entry of the Life Assured.For policies where additional benefits/ features are included premiums will be much more than Sum Assured.

The cited policy was taken by the complainant at age 53 and it offers Death Sum Assured for Rs.1,00,000/- while the total premiums paid is only Rs.52,800/-(excluding Accident Benefit Premium)

3. I heard the Complainant and the Respondent Insurer. The Complainant and the respondent insurer submitted the points mentioned in the averments. The respondent insurer further clarified that

insurance is based on the principle of average of pooling and create a reserve. If any amount is settled from the reserve against the terms the concept of life insurance is defeated. Hence requested to dismiss the complaint as per the terms of the policy.

4. The forum is not convinced by the complainant's arguments for refund of the total premiums paid but considering his age and other factors forum directs the insurer to refund Rs1552 being the amount paid after deducting first year charges Rs7000 from Rs8552 (total premium paid Rs52800 Less maturity value Rs44248 is Rs8552)

In the result, an award is passed, directing the Respondent Insurer to pay an amount of Rs.1552/- , within the period mentioned hereunder. No cost.

As prescribed in Rule 17(6) of Insurance Ombudsman Rules, 2017, the Insurer shall comply with the award within 30 days of receipt of the award and intimate compliance of the same to the Ombudsman.

Dated this the 15th day of September 2021

Sd/-

(POONAM BODRA)

INSURANCE OMBUDSMAN

AWARD NO. IO/KOC/A/LI/0079/2021-2022

PROCEEDINGS OF

THE INSURANCE OMBUDSMAN, KOCHI

(UNDER RULE NO. 13(1)b READ WITH RULE 14 OF

THE INSURANCE OMBUDSMAN RULES, 2017)

Complaint No. KOC-L-029-2122-0119

PRESENT: Ms. POONAM BODRA

INSURANCE OMBUDSMAN, KOCHI.

AWARD PASSED ON 16.09.2021

- 1. Name and Address of the complainant : Mr. Raghavan P P
Parappurath House P O Kankol Via
Payannur Kannur 670337**
- 2. Policy Number : 795320717**
- 3. Name of the Insured : Mr. Raghavan P P**
- 4. Name of the Insurer : LIC of India**
- 5. Date of receipt of Complaint : 19.07.2021**
- 6. Nature of complaint : Short fall in maturity - Jeevan Saral**
- 7. Amount of relief sought : --**
- 8. Date of hearing : 13.09.2021**

9. Parties present at the hearing

a) For the Complainant : Mr. Raghavan P P (Online)

b) For the Insurer : Ms. Sapna C S (Online)

AWARD

This is a complaint filed under Rule 13(1)b read along with Rule 14 of the Insurance Ombudsman Rules, 2017. The complaint is regarding short fall in maturity. The complainant, Mr. Raghavan P P is the policyholder.

1. Averments in the complaint are as follows:

The Complainant stated that he had availed Jeevan Saral policy from LIC on 28.6.2007. Total Premium paid towards the policy is Rs. 68544/-, however maturity amount is only Rs. 67221/-, shortfall of Rs. 1323/-. If the policy was endowment, for 14 years term, maturity amount would have been over and above the premium paid. LIC denied plan change for Jeevan Saral to any other plan. There is suppression of facts and cheating by LIC.

Approaching this Honourable forum to provide justice.

2. The Respondent Insurer entered appearance and filed a self contained note. It is submitted that the policy bearing No 795320717 taken by the complainant is a Jeevan Saral Policy where the Maturity Sum Assured and Death Sum Assured are different and the maturity sum assured in not printed in the document due to a typographical error and this was informed to him vide our letter dated 25.09.2020. Maturity sum assured will differ according to age and term. The basic monthly premium in the policy is Rs 400/-. Maturity sum assured for Rs 100/- premium for age 51 and term 14 years is Rs 11752.00. Hence the maturity sum assured for Rs 400/- per month is Rs 47008/-. As per policy terms and conditions the amount payable at maturity is a sum equal to the maturity sum assured along with loyalty additions and the same is printed in the policy document. The details of the policy are as below:

Policy no	795320717
Life Assured and Complainant	Sri Raghavan
Plan & Term	165-14
Date of Commencement	28.06.2007
Mode of Payment	Mly
Date of Maturity	28.062021
Maturity Sum Assured	Rs.47008/-

Death Benefit Sum Assured	Rs.100000/-,
Basic Premium	Rs. 400 /-
total premium with extra(Accident benefit)	Rs 408.00
Total Premium paid	408 X 14X12 = 68544/-
Maturity Amount Payable	Maturity Sum Assured + Loyalty Addition= 47008+ 20213= 67221.00

Due date of maturity of the above policy was 28.06.2021 and the same was intimated to him on 16.04.2021 with the discharge form and details of amount payable as maturity benefit, i.e., Maturity sum assured Rs 47008/- + loyalty addition Rs 20213/- totaling to Rs 67221/- We have settled the claim in favor of the LA on 05.07.2021.

In this plan there is a concept of different sum assured for maturity and death. In case of death the benefits payable are death sum assured and return of premiums excluding 1st year premiums and extra premiums if any. In this policy for a low premium of Rs 68444.00 for 14 years he was getting a coverage of Rs 100000/- and return of premiums in case of his death during the premium paying term, . This policy offers a very high risk cover for a low premium. The maturity sum assured will vary according to age and will be comparatively lower for advanced ages.

Whatever benefits are actually eligible as per terms and conditions of the policy has been informed to the life assured at the inception of the policy itself .Since the complainant has taken the policy at the advanced age of 51 the maturity benefit will be less comparing to high death benefit offered.

As this is the fact we would pray before the honorable Insurance Ombudsman to set aside the complaint and uphold our stand.

3. I heard the Complainant and the Respondent Insurer through online hearing held on 13.9.2021. The Complainant submitted that the maturity claim amount paid by the Insurer is much less than the sum assured printed in the policy schedule. He is entitled to get Rs. 100000/- as printed in the policy schedule. He was paid Rs. 67221/- which is much less than even the total premium Rs. 68544/- paid by him towards this policy. Nowhere in the policy document is this amount printed. The Respondent Insurer submitted that due to typographical error maturity sum assured is not printed in the policy schedule. This fact was brought to the notice of the policy holder vide their letter dated 25.9.2020 and the correct maturity claim amount was informed to the complainant. The claim of Rs. 67221/- also stands paid to him on 5.7.2021. The amount of Rs. 100000/- printed in the schedule is the death sum assured.

4. In the facts and circumstances of the case and the submissions made by either side during the online hearing, the undersigned is convinced that the Insurer has acted as per the terms and conditions of the contract. Though the maturity claim amount is not printed in the policy schedule, the Insurer has paid the maturity claim amount of Rs. 67221/-, whereas the complainant has paid Rs. 67200/- towards the policy as premium (without accident benefit premium). Rs. 100000/- is the death sum assured. There is no interference warranted.

In the result, an AWARD is passed for Dismissal of the complaint.

Dated this the 16th day of September 2021

Sd/-

(POONAM BODRA)

INSURANCE OMBUDSMAN

AWARD NO. IO/KOC/A/LI/0080/2021-2022

**PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, KOCHI
(UNDER RULE NO. 13(1)b READ WITH RULE 14 OF
THE INSURANCE OMBUDSMAN RULES, 2017)**

Complaint No. KOC-L-029-2122-0127

PRESENT: Ms. POONAM BODRA

INSURANCE OMBUDSMAN, KOCHI

AWARD PASSED ON 16.09.2021

- 1. Name and Address of the complainant : Mr. Basheer N A,
Nathaparambil House Muthalakodam P
O Thodupuzha 685605**
- 2. Policy Number : 395274037**
- 3. Name of the Insured : Mr. Basheer N A**
- 4. Name of the Insurer : LIC of India**
- 5. Date of receipt of Complaint : 23.07.2021**
- 6. Nature of complaint : Short fall in maturity**
- 7. Amount of relief sought : --**
- 8. Date of hearing : 13.09.2021**

9. Parties present at the hearing

a) For the Complainant : Daughter of Mr. Basheer N A (Online)

b) For the Insurer : Mr. Shani Mathew (Online)

AWARD

This is a complaint filed under Rule 13(1)b read along with Rule 14 of the Insurance Ombudsman Rules, 2017. The complaint is regarding short fall in maturity. The complainant, Mr. Basheer N A is the policyholder.

1. Averments in the complaint are as follows:

The Complainant stated that Jeevan Saral policy was availed on the assurance of return of Rs. 125000/- . Rs. 1531/- is paid without fail for the entire term of the policy. Only 20797/- is now offered as returns from the policy. Not much education to read and understand policy conditions.

Approaching this Honourable Forum to direct the Insurer to settle the claim amount.

2. The Respondent Insurer entered appearance and filed a self contained note. It is submitted that LIC of India has issued a policy bearing no.395274037 on the life of Shri. Basheer N A under Jeevan Saral plan (plan 165) for a Death Benefit Sum Assured of Rs.1,25,000/- with Date of Commencement of risk 28.06.2011 and term 10 years & maturity date 28.06.21. The LA had paid all the premiums due under the policy without any default.

The policy under question is a Jeevan Saral policy, for which Death Benefit Sum Assured and Maturity Sum Assured are distinctly defined. Death Benefit Sum Assured is payable only on death of the policy holder during the term of the policy, while Maturity Sum Assured is payable on the date of maturity. Maturity sum assured & Death Benefit Sum Assured are distinctively printed on the policy bond as Rs.15,295/- & Rs.1,25,000/- respectively.

Jeevan Saral policy was introduced to cover high death benefit at low premium irrespective of age at entry and term. But the Maturity Sum Assured will be different and dependant on the entry ages and

term of the policy. The Maturity Sum Assured has been computed by our actuaries based on several factors like Mortality, expenses etc and hence it decreases with increase in age at entry. The maturity value is less than the premium paid in respect of Jeevan Saral Policy, in case the policy is taken at higher ages.

The policy holder is eligible for Maturity Sum Assured of Rs.15, 295/- and Loyalty Addition of Rs.5, 506/- on the date of Maturity-28.06.21. The total payout to the party will be Rs.20, 797/- (Rs.15,295/- + Rs.5,506/- less Rs.4/- (X Charge) = Rs.20,797/-). This amount of Rs.20, 797/- was paid to Shri. Basheer N A on 18/06/2021 by NEFT. The complainant is not eligible for any of the reliefs claimed.

Life Insurance Corporation is a public limited undertaking constituted as per statute to render policies for the welfare of the citizens, and is only the custodian of public funds. Payment of amounts higher than that envisaged by the policy conditions will be a drain on the public fund and no one is authorized to make any payment which is not in conformity with the rules and guidelines issued by the Corporation.

ADDITIONAL POINTS.

Benefits of Jeevan Saral Policy

Benefit on Death – Death Sum Assured + Refund of premium excluding extra premium and first year premium + Loyalty Addition, if any. Death Benefit Sum Assured is 250 times monthly basic premium.

Benefits on Maturity-Maturity Sum Assured + Loyalty Addition, if any.

Auto cover- If at least 3 full years' premiums have been paid under the policy , Insurance Cover for the Death Sum Assured will continue for 12 months, even if subsequent premiums are not paid

Partial Surrender –The plan will allow partial surrender from the 4th year onwards subject to certain conditions.

Loan – Loan is available under the policy after payment of premium for 3 years.

LIC offers a wide range of products catering to different needs of all customer segments. For Life Insurance policies Sum Assured will not be equal to total premiums paid. For Term Assurance policies in which risk cover is more and savings element is negligible total premiums paid will be much lower than the Sum Assured. For Endowment type of policies where savings element is also important total premiums can be more than the Sum Assured depending on the age at entry of the Life Assured. For policies where additional benefits/ features are included premiums will be much more than Sum Assured.

The cited policy was taken by the complainant at age 60 and it offers Death Sum Assured for Rs.1,25,000/- while the total premiums paid is only Rs.59,990/- (excluding Accident Benefit Premium).

3. I heard the Complainant and the Respondent Insurer through online hearing held on 13.9.2021. The Complainant was represented by his daughter and submitted that he was unwell. The said Jeevan Saral Policy was availed to help the Agent complete his yearly quota of policies. The Agent had assured that the policy would fetch Rs. 125000/- after 10 years. The complainant was not educated and not having knowledge of English language. He was not aware of the details of the policy. Had he known that he would get maturity claim amount Rs. 20797/- only against the total payable premium of Rs. 61240/-, he would not have continued with the policy. The Respondent Insurer submitted that the complainant had visited the office of the Insurer for various requirements with respect to the policy like Assignment, Reassignment, loan quotation and surrender quotation. At no point he had raised any objection regarding the policy. The maturity payment made is as per the policy conditions.

4. In the facts and circumstances of the case and the submissions made by either side during the hearing, the undersigned is convinced that the Insurer has acted as per the terms and conditions of the policy. There was no information passed on by the agent at the time of canvassing the policy regarding the low return from the policy. LIC has given reasonable returns in other policies. However, return of Rs. 20801/- (Maturity sum assured 15295+Loyalty addition 5506/-) for a premium payment of Rs. 61240/- in the advanced age of 70 years warrants interference. Although Insurance Policy do not guarantee increased returns than the premium remittance, there was no diligence on the part of the Insurer to educate the Life Assured regarding the returns from the policy. The quarterly premium of Rs. 1531/- is inclusive of Accident Benefit premium of Rs. 31/-. In view of the advanced age of the Insured, return of premiums paid excluding the accident benefit premium, will be just.

In the result, an award is passed, directing the Respondent Insurer to pay an amount of Rs. 39199/- (60000(Total premium paid less Accident Benefit Premium)-20801(Maturity claim already settled)), within the period mentioned hereunder. No cost.

As prescribed in Rule 17(6) of Insurance Ombudsman Rules, 2017, the Insurer shall comply with the award within 30 days of receipt of the award and intimate compliance of the same to the Ombudsman.

Dated this the 16th day of September, 2021

Sd/-

(POONAM BODRA)

INSURANCE OMBUDSMAN

AWARD NO. IO/KOC/A/LI/0089/2021-2022
PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, KOCHI
(UNDER RULE NO. 13 (1)b READ WITH RULE 14 OF
THE INSURANCE OMBUDSMAN RULES, 2017)

Complaint No. KOC-L-029-2122-0133

PRESENT: Ms. POONAM BODRA

INSURANCE OMBUDSMAN, KOCHI

AWARD PASSED ON 28.09.2021

1. **Name and Address of the complainant** : **Mrs. Franseena Jerome,**
Kunnath House MLA Road Palluruthy P
O Cochin 682006
2. **Policy Number** : **778277463**
3. **Name of the Insured** : **Mrs. Franseena Jerome**
4. **Name of the Insurer** : **LIC of India**
5. **Date of receipt of Complaint** : **28.07.2021**
6. **Nature of complaint** : **Short fall in maturity claim - Jeevan Saral**
7. **Amount of relief sought** : **--**

8. Date of hearing : 22.09.2021

9. Parties present at the hearing

a) For the Complainant : Mrs. Franseena Jerome (Online)

b) For the Insurer : Ms. Yamuna K Babu

AWARD

This is a complaint filed under Rule 13 (1)b read along with Rule 14 of the Insurance Ombudsman Rules, 2017. The complaint is regarding short fall in maturity claim. The complainant, Mrs. Franseena Jerome is the policyholder.

1. Averments in the complaint are as follows:

The Complainant stated that she had availed Jeevan Saral Policy No. 778277463 for Rs. 100000/- with quarterly premium Rs. 1225/- for 10 year term. The agent had told that on maturity Rs. 80000/- will be paid. She belongs to a poor family and is not having now the low income job which she earlier had. LIC paid only Rs. 33462/- on maturity.

Approaching this Honourable Forum to direct the Insurer to refund Rs. 49000/- which was paid as premium.

2. The Respondent Insurer entered appearance and filed a self contained note. It is submitted that under normal plans of the Corporation, premium is usually fixed on the basis of age of the proposer, term and the chosen sum assured. For the same sum assured and term, maturity benefit will usually be same irrespective of premia paid. However, in the case of Jeevan Saral Policy, the proposer can decide the amount of premium and the sum assured payable on death is determined on the basis of premium so chosen, irrespective of the age and term. This will be the Death Benefit Sum Assured under the policy. Death Benefit Sum Assured will be 250 times of basic monthly premium and will be the same for all ages for a chosen premium.

Under Jeevan Saral plan, policy holders with higher ages will enjoy more death cover for a given premium compared to other conventional plans with reduced Maturity Benefit due to high risk involved at higher age.

However, if two persons aged 20 and 55 are purchasing Jeevan Saral policy by paying the same premium, they enjoy the same death benefit sum assured, the maturity amount will be much lesser for the person aged 55 since risk element is substantially high on account of advanced age.

We furnish below detailed calculation of Death Benefit Sum assured and Maturity Sum Assured under the policy.

The Quarterly premium under the policy is Rs 1225/-, which includes death Accident benefit premium of Rs 25/-. . In the instant case, the policy holder had opted to pay basic monthly premium of Rs 400/- and hence Death Benefit Sum Assured is Rs $400 \times 250 = \text{Rs.}100,000/-$.

Total premium received from the policyholder for the policy is Rs.48000/- excluding DAB premium and total premium received including DAB premium is Rs 49000/-

The Maturity Benefit is calculated as follows.

Maturity SA per Rs 100/- basic monthly premium for age 55 and term 10 years is Rs.6508 /-. In the instant case, for basic monthly premium is 400/-, the **Maturity Sum Assured is Rs 26032/-- (Rs 6508 x 4), which is clearly printed on the policy bond.** The policy is also eligible for loyalty addition @ Rs 300/- for every Rs 1000 maturity sum assured, which works out to Rs 7809.6/- (ie Rs 300 x 26.032).

Thus the total gross maturity benefit under the policy is Rs 33842/- (Rs 26032/- + Rs 7810/-), and this gross amount has been paid. The amount paid is in full conformity with the terms and conditions of the contract of assurance and also the applicable rate of Loyalty addition. The Maturity Sum Assured, Death Benefit Sum Assured, and Accident benefit Sum Assured are clearly and specifically printed on the policy bond as Rs 33842/-,Rs.100,000/- & Rs.100,000/-respectively. There is no ambiguity in this regard.

For monthly premium of Rs 400/-, we have offered the following benefits to the complainant, for a period of 10 years.

1. Life Cover of Rs 1,00,000/- + Loyalty Addition (if any) + Return of premium as death benefit
2. Accident Benefit Coverage of Rs 100,000/-
3. Disability Benefit coverage of Rs 100,000/-, by which the amount would be paid in monthly instalments spread over 10 years in case of claim. Further, in case of death claim before the expiry of the said period of 10 years, the disability instalments which have not fallen due will be paid along with the claim.
4. A provision for partial surrender of policy and continuance with reduced coverage.
5. Provision for Special surrender value
6. Maturity Sum Assured of Rs 26032/- + Loyalty Addition at the applicable rate of

Rs 7810/- totalling Rs 33842/- for the policy.

After enjoying coverage for a term of 10 years, the complainant has approached the Learned Ombudsman with a dispute on the quantum of the 6th benefit stated above.

The terms and conditions of the contract are crystal clear. The complainant has chosen to absolutely accept the same without any protest, and her claim for return of premium is not sustained by any policy condition or otherwise, and the same has apparently been made on experimental basis.

As regards allegation against the Agent, Corporation is not aware as to what transpired between the agent and the complainant and hence the complainant is put to strict proof thereof .Further there cannot be any vicarious liability on the Corporation for the alleged acts of the Agents as there is express statutory provision in the form of Rule 8(4) of LIC of India (Agents) Regulation 1972 and Regulation 8(2) of LIC of India (Agents) Regulations, 2017.

The subject policy cannot be compared with other investments which do not offer any insurance coverage. It is not imperative that the amount paid as premium should be returned on Maturity, as the insurer has to essentially provide for expenses, claim etc, Term Insurance plans allowed by Insurer are examples. The terms and conditions of the contract cannot be sought to be rewritten at the sweet will of the complainant.

Primary purpose of taking out an insurance policy is life insurance coverage. In case savings is the sole purpose of investment , multitude of options are available elsewhere to avail products exclusively for such purpose, and returns from life insurance policies cannot be compared with such schemes or products ,after availing substantial insurance coverage at higher ages and allied benefits as coverage does not come free of cost . The complainant cannot conveniently chose to ignore the benefits she enjoyed under the policy.

It is most respectfully submitted that premia and plan benefits were determined by the Corporation on the basis of sound actuarial principles, which were filed, and approved by the IRDAI.

It is pertinent to note that the Additional District Consumer Disputes Redressal Forum, Shantinagar, Bangalore, has by order dated 7.11.2017 in Complaint no: .273/2016,on the same issue, held that the complaint was filed by misconstruing the terms and conditions of the scheme of insurance and that the complainant failed to prove deficiency in service.

It is settled law that Courts and Tribunals cannot rewrite a contract or create a new agreement. Apex Court has, in LIC Of India Vs S.Sindhu (2006) 5 SCC 258, held that Courts/Tribunals cannot direct insurer to make payments contrary to the terms of the contract.

We confirm that we have settled the Full Maturity Benefit in full conformity with the terms and conditions of the plan, and hence it is prayed that the complaint may be dismissed.

3. I heard the Complainant and the Respondent Insurer through online hearing held on 22.9.2021. The Complainant submitted that the premiums towards the policy were paid amidst high financial constraints on the hope that on maturity a lumpsum amount will be available for old age needs. At least total premium paid should be paid back. The Respondent Insurer submitted that the policy document correctly shows the Maturity Sum Assured. Maturity has been settled on 20.6.2021 as per the terms and conditions of the policy. Hence, the complaint is to be dismissed.

4. In the facts and circumstances of the case, and the submissions made by either side during the online hearing, the undersigned is convinced that the Insurer has acted as per the terms and conditions of the policy.

However, there was no information passed on by the agent at the time of canvassing the policy regarding the low return from the policy. LIC has given reasonable returns in other policies. However, return of Rs. 33842/- (Maturity sum assured 26032+Loyalty addition 7810/-) for a premium payment of Rs. 49000/- in the advanced age of 65 years warrants interference. Although Insurance Policy does not guarantee increased returns than the premium remittance, there was no diligence on the part of the Insurer to educate the Life Assured regarding the returns from the policy. The quarterly premium of Rs. 1225/- is inclusive of Accident Benefit premium of Rs. 25/-. In view of the advanced age of the Insured, return of premiums paid excluding the accident benefit premium, will be just.

In the result, an award is passed, directing the Respondent Insurer to pay an amount of Rs. 14158/- {48000 [Total premium paid less Accident Benefit Premium]-33842[Maturity claim already settled]}, within the period mentioned hereunder. No cost.

As prescribed in Rule 17(6) of Insurance Ombudsman Rules, 2017, the Insurer shall comply with the award within 30 days of receipt of the award and intimate compliance of the same to the Ombudsman.

Dated this the 28th day of September 2021

Sd/-

(POONAM BODRA)

INSURANCE OMBUDSMAN

AWARD NO. IO/KOC/A/LI/0090/2021-2022
PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, KOCHI
(UNDER RULE NO. 13 (1)b READ WITH RULE 14 OF
THE INSURANCE OMBUDSMAN RULES, 2017)

Complaint No. KOC-L-029-2122-0136

PRESENT: Ms. POONAM BODRA

INSURANCE OMBUDSMAN, KOCHI

AWARD PASSED ON 28.09.2021

1. **Name and Address of the complainant** : **Mr. K Vijayan,**
Vinayasree H No. C 4 Mavelipuram
Kakkanad Kochi 682030
2. **Policy Number** : **771773374**
3. **Name of the Insured** : **Mr. K Vijayan**
4. **Name of the Insurer** : **LIC of India**
5. **Date of receipt of Complaint** : **29.07.2021**
6. **Nature of complaint** : **Short fall in maturity claim - Jeevan Saral**

7. **Amount of relief sought** : --
8. **Date of hearing** : **22.09.2021**
9. **Parties present at the hearing**
- a) **For the Complainant** : **Mr. K Vijayan (Online)**
- b) **For the Insurer** : **Ms. Yamuna K Babu**

AWARD

This is a complaint filed under Rule 13 (1)b read along with Rule 14 of the Insurance Ombudsman Rules, 2017. The complaint is regarding short fall in maturity claim. The complainant, Mr. K Vijayan is the policyholder.

1. Averments in the complaint are as follows:

The Complainant stated that Availed Jeevan Saral Policy No. 771773374 on 7.6.2001 with monthly premium Rs. 408/- for 17 years term. Rs. 81600/- is remitted as total premium. However, on maturity amount payable is shown as Rs. 78336/-only. Sum Assured is shown as Rs. 100000/- in the policy and hence eligible for it. LIC is claiming to have sent a letter dated 28.3.2017, which is not received by me. The Insurer has realised about the policy mistake after 15 years and have unilaterally tried to change the benefits of the policy. The policy is said to be a death benefit friendly policy-is the benefit being taken from alive people to give the death benefit? The premium amount remitted itself is not being refunded.

Approaching this Honourable Forum to direct the Insurer to pay Rs. 100000/- mentioned in the policy.

2. The Respondent Insurer entered appearance and filed a self contained note. It is submitted that under normal plans of the Corporation, premium is usually fixed on the basis of age of the proposer, term and the chosen sum assured. For the same sum assured and term, maturity benefit will usually be same irrespective of premium paid. However, in the case of Jeevan Saral Policy, the proposer can decide the amount of premium and the sum assured payable on death is determined on the basis of premium so chosen, irrespective of the age and term. This will be the Death Benefit Sum Assured under the policy. Death Benefit Sum Assured will be 250 times of basic monthly premium and will be the same for all ages for a chosen premium.

Under Jeevan Saral plan, policy holders with higher age will enjoy more death cover for a given premium compared to other conventional plans with reduced Maturity Benefit due to high risk involved at higher age. However, if two persons aged 20 and 53 are purchasing Jeevan Saral policy

by paying the same premium , they enjoy the same death benefit sum assured, the maturity amount will be much lesser for the person aged 53 since risk element is substantially high on account of advanced age.

We furnish below detailed calculation of Death Benefit Sum assured and Maturity Sum Assured under the policy .

The Mly premium under the policy is Rs 400/-, which does not include Accident benefit premium of Rs.8.00 . The mode was opted for was Quarterly mode with premium of Rs 1225/-. In the instant case, the policy holder had opted to pay basic monthly premium of Rs 400/- and hence Death Benefit Sum Assured is Rs 400x 250 = Rs.100,000/-.

There is a **typographical error on the policy bond** Maturity Sum assured was wrongly shown as 100,000 instead of Rs 45264/-and death SA was shown as NIL . Correction for it was sent to the policyholder on 28.03.2017.

Total premium received from the policyholder for the policy is Rs.81600/- excluding DAB premium and total premium received including DAB premium is Rs 83232/- The Maturity Benefit is calculated as follows.

Maturity SA per Rs 100/- basic monthly premium for age 53 and term 17years is Rs 11406/-. In the instant case, for basic monthly premium is 400/-, the **Maturity Sum Assured is Rs 45624/-- (Rs 11406 x 4)**. The policy is also eligible for loyalty addition @ Rs 540/- for every Rs 1000 maturity sum assured, which works out to Rs.24637 /- (**ie Rs 540 x 45.624**).

Thus the total gross maturity benefit under the policy is Rs 70261/- (Rs 45624/- + Rs 24637/-), and claim intimation has been sent for this gross amount. The amount paid is in full conformity with the terms and conditions of the contract of assurance and also the applicable rate of Loyalty addition.

For monthly premium of Rs 400/-, the following benefits were offered to the complainant, for a period of 17 years.

1. Life Cover of Rs 1,00,000/- + Loyalty Addition (if any) + Return of premium
2. Accident Benefit Coverage of Rs 100,000/-
3. Disability Benefit coverage of Rs 100,000/-, by which the amount would be paid in monthly instalments spread over 10 years in case of claim. Further, in case of death claim before the expiry of the said period of 10 years, the disability instalments which have not fallen due will be paid along with the claim.
4. A provision for partial surrender of policy and continuance with reduced coverage.
5. Provision for Special surrender value
6. Maturity Sum Assured of Rs 45624/- + Loyalty Addition at the applicable rate of Rs 24637/- totalling Rs 70261/- for the policy.

After enjoying coverage for a term of 17 years, the complainant has approached the Learned Ombudsman with a dispute on the quantum of the 6th benefit stated above.

The subject policies cannot be compared with other investments which do not offer any insurance coverage. It is not imperative that the amount paid as premium should be returned on Maturity, as the insurer has to essentially provide for expenses, claim etc, Term Insurance plans allowed by Insurer are examples. The terms and conditions of the contract cannot be sought to be rewritten at the sweet will of the complainant.

It is most respectfully submitted that premia and plan benefits were determined by the Corporation on the basis of sound actuarial principles, which were filed, and approved by the IRDAI.

It is pertinent to note that the Additional District Consumer Disputes Redressal Forum, Shantinagar, Bangalore, has by order dated 7.11.2017 in Complaint no: .273/2016, on the same issue, held that the complaint was filed by misconstruing the terms and conditions of the scheme of insurance, and that the complainant failed to prove deficiency in service.

It is settled law that Courts and Tribunals cannot rewrite a contract or create a new agreement. Apex Court has, in LIC Of India Vs S.Sindhu (2006) 5 SCC 258, held that Courts/Tribunals cannot direct insurer to make payments contrary to the terms of the contract.

3. I heard the Complainant and the Respondent Insurer through online hearing held on 22.09.2021. The Complainant submitted that he had availed the Jeevan Saral Policy in 2004 with 17 years term. The policy was advertised to be awarded as the best designed policy. However, after 17 years of paying the premium without any lapse, the maturity amount quoted by the company is far less than the total premium paid to the company. The returns from the policy was earmarked for the marriage requirements of a close relative. The letter intimating correction of Maturity Sum Assured amount in the policy bond has been sent by the Insurer after 15 years of the policy, as an afterthought. If it was known that maturity claim amount will be less than the total premiums paid in the policy, the policy would have been discontinued. The Respondent Insurer submitted that the jeevan Saral Policy is a unique plan designed for high death benefits for very less premium. Under Jeevan Saral plan, policy holders with higher age will enjoy more death cover for a given premium compared to other conventional plans with reduced Maturity Benefit due to high risk involved at higher age. However, if two persons aged 20 and 53 are purchasing Jeevan Saral policy by paying the same premium, they enjoy the same death benefit sum assured, the maturity amount will be much lesser for the person aged 53 since risk element is substantially high on account of advanced age. The Insurer has quoted the correct maturity claim amount as per the terms and conditions of the policy. Hence, the complaint may kindly be dismissed.

4. In the facts and circumstances of the case, and the submissions made by either side during the online hearing, the undersigned is convinced that the Insurer has acted as per the terms and conditions of the policy.

However, there was no information passed on by the agent at the time of canvassing the policy regarding the low return from the policy. LIC has given reasonable returns in other policies. However, return of Rs. 70261/- (Maturity sum assured 45624+Loyalty addition 24637/-) for a premium payment of Rs. 83232/- in the advanced age of 70 years warrants interference. Although Insurance Policy does not guarantee increased returns than the premium remittance, there was no diligence on the part of the Insurer to educate the Life Assured regarding the returns from the policy. The monthly premium of Rs. 408/- is inclusive of Accident Benefit premium of Rs. 8/-. In view of the advanced age of the Insured, return of premiums paid excluding the accident benefit premium, will be just.

In the result, an award is passed, directing the Respondent Insurer to pay an amount of Rs. 81600/- [Total premium paid less Accident Benefit Premium], within the period mentioned hereunder. No cost. Since the complainant has not accepted the maturity claim offered by the Insurer, it is advised that he submits the discharge form and policy document and accept Rs. 70261/- offered and then apply for the balance amount of Rs. 11339/-.

As prescribed in Rule 17(6) of Insurance Ombudsman Rules, 2017, the Insurer shall comply with the award within 30 days of receipt of the award and intimate compliance of the same to the Ombudsman.

Dated this the 28th day of September 2021

Sd/-

(POONAM BODRA)

INSURANCE OMBUDSMAN

AWARD NO. IO/KOC/A/LI/0091/2021-2022
PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, KOCHI
(UNDER RULE NO. 13 (1)b READ WITH RULE 14 OF
THE INSURANCE OMBUDSMAN RULES, 2017)

Complaint No. KOC-L-029-2122-0134

PRESENT: Ms. POONAM BODRA

INSURANCE OMBUDSMAN, KOCHI.

AWARD PASSED ON 28.09.2021

1. **Name and Address of the complainant** : **Mr. Surendran K**
"Krishna Kripa " 5/2691A Edole
Parampa Thiruthiyad Azhakodi Temple
West Nada Kozhikode 673004
2. **Policy Number** : **794771250**
3. **Name of the Insured** : **Mr. Surendran K**
4. **Name of the Insurer** : **LIC of India**
5. **Date of receipt of Complaint** : **29.07.2021**
6. **Nature of complaint** : **Short fall in maturity claim - Jeevan Saral**
7. **Amount of relief sought** : **--**

8. **Date of hearing** : **22.09.2021**
9. **Parties present at the hearing**
- a) **For the Complainant** : **Mr. Surendran K assisted by his son Mr. Subin (Online)**
- b) **For the Insurer** : **Ms. Meera (Online)**

AWARD

.This is a complaint filed under Rule 13 (1)b read along with Rule 14 of the Insurance Ombudsman Rules, 2017. The complaint is regarding short fall in maturity claim. The complainant, Mr. Surendran K is the policyholder.

1. Averments in the complaint are as follows:

The Complainant stated that Jeevan Saral Policy No. 794771250 was availed on 17.7.2006 for Rs. 100000/- with quarterly premium Rs. 1225/- and term 15 years. Total Rs. 73500/- has been remitted so far towards premium. However, it is intimated that only Rs. 69552/- is the maturity value. Due to loss of job during the Corona Period, premiums have been paid from old age pension in the hope that Rs. 100000/- will be paid on maturity. It is very sad that the return from the policy is less than even the total of the premiums paid. Being a kidney patient and diabetic, more than Rs. 6000/-p.m is spent by me towards medicine, insulin etc. Rs. 100000/- from the policy would have been of great help. Policy bond shows only Rs. 100000/-. No other maturity value as claimed by the LIC is printed there.

Approaching this Honourable Forum to direct the Insurer to pay the maturity amount on humanitarian grounds.

2. The Respondent Insurer entered appearance and filed a self contained note. It is submitted that policy bearing No 794771250 taken by the complainant is a Jeevan Saral Policy Where the Maturity Sum Assured and Death Sum Assured are different. Maturity sum assured will differ according to age and term. The basic monthly premium in the policy is Rs 2500/-. Maturity sum assured for Rs 100/- premium for age 52 and term 15 years is Rs.11869.00. Hence the Maturity sum assured per Rs.400/- basic premium is Rs.47476/-. However due to some typographical error the sum is **not printed** in the policy document. We have on a later date 24.09.2020 informed the policy holder of this mistake and the maturity sum assured in the policy. As per policy terms and conditions the amount payable at maturity is a sum equal to the maturity sum assured along with loyalty additions and the same is mentioned in the policy document. The details of the policy are as under:

Policy no	794771250
Life Assured and Complainant	Sri K Surendran

Plan & Term	165-15
Date of Commencement	26.07.2006
Mode of Payment	Qly
Date of Maturity	26.07.2021
Maturity Sum Assured	47,476/-
Death Benefit Sum Assured	1,00,000/-
Basic Premium	1200/-
total premium with extra(Accident benefit)	Rs.1225/-
Total Premium paid	1225 X 15 X 4 = 73500/-,
Maturity Amount Payable	Maturity Sum Assured + Loyalty Addition = 47476 + 22076 = 69552

Due date of maturity of the above policy was 26.07.2021 and the same was intimated to him on 21.06.2021 with the discharge form and details of amount payable as maturity benefit, i.e., Maturity sum assured Rs .47476/- + loyalty addition Rs.22076/- totaling to Rs. 69552/-.

Life assured had given the discharge form & NEFT details and the amount of Rs.69552/- was credited to the given account on 26.07.2021.

In this plan there is a concept of different sum assured for maturity and death. In case of death the benefits payable are death sum assured and return of premiums excluding 1st year premiums and extra premiums if any. In this policy for a low premium of Rs .73500/-(total for 15 years) for 15 years he was getting a coverage of Rs 1,00,000/- and return of premiums in case of his death during the premium paying term, . This policy offers a very high risk cover for a low premium. The maturity sum assured will vary according to age and will be comparatively lower for advanced ages.

Whatever benefits are actually eligible as per terms and conditions of the policy has been informed to the life assured at the inception of the policy itself .Since the complainant has taken the policy at the advanced age of 52 the maturity benefit will be less comparing to high death benefit offered.

As this is the fact we would pray before the honorable Insurance Ombudsman to set aside the complaint and uphold our stand.

3. I heard the Complainant and the Respondent Insurer through online hearing held on 22.9.2021. The Complainant was assisting by his son Subin for the online hearing and submitted that the policy was taken based on the agent's assurance of a decent return. The policy document also showed the sum assured as Rs. 100000/-. Total premium paid towards the policy was Rs. 73500/- and the maturity claim paid by the Insurer is only Rs. 69552/-, which is less than the premium paid. If not sum assured with bonus, the Insurer has let down the senior citizens with low returns on the policy in the old age.

The policy document does not mention anything about the maturity claim amount lower than the premium paid. Nor was the agent aware of it when he canvassed for the policy. The Respondent Insurer submitted that the policy bond does not reveal the actual maturity sum assured due a typographical error. However, the same was corrected vide letter dated 24.9.2020. Maturity claim amount of Rs. 69552/- has been paid on 26.7.2021. Since the payment has been made as per the terms and conditions of the policy, the complaint may be dismissed.

4. In the facts and circumstances of the case, and the submissions made by either side during the online hearing, the undersigned is convinced that the Insurer has acted as per the terms and conditions of the policy. However, there was no information passed on by the agent at the time of canvassing the policy regarding the low return from the policy. LIC has given reasonable returns in other policies. However, return of Rs. 69552/- (Maturity sum assured 47476+Loyalty addition 22076/-) for a premium payment of Rs. 73500/- in the advanced age of 67 years warrants interference. Although Insurance Policy do not guarantee increased returns than the premium remittance, there was no diligence on the part of the Insurer to educate the Life Assured regarding the returns from the policy. The quarterly premium of Rs. 1225/- is inclusive of Accident Benefit premium of Rs. 25/-. In view of the advanced age of the Insured, return of premiums paid excluding the accident benefit premium, will be just.

In the result, an award is passed, directing the Respondent Insurer to pay an amount of Rs. 2448/- {72000 [Total premium paid less Accident Benefit Premium]-20801[Maturity claim already settled]}, within the period mentioned hereunder. No cost.

As prescribed in Rule 17(6) of Insurance Ombudsman Rules, 2017, the Insurer shall comply with the award within 30 days of receipt of the award and intimate compliance of the same to the Ombudsman.

Dated this the 28th day of September 2021

Sd/-

(POONAM BODRA)

INSURANCE OMBUDSMAN

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

Ombudsman Name: P.K.RATH

CASEOFCOMPLAINANT– MRS. SUNITA MUSADDI

VS

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

COMPLAINT REF: NO: KOL-L-029-2122-0314

AWARD NO:IO/KOL/A/LI/0415/2021-2022

1.	Name &Address of The Complainant	MRS. SUNITA MUSADDI 3A, SUKRIT, 20A, Ballygunge Circular Rd., Kolkata – 700019.																
2.	Type Of Policy: Life / Health / General :LIFE Policy Details:																	
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Policy Number</th> <th style="width: 15%;">Sum Assured</th> <th style="width: 15%;">From Date</th> <th style="width: 15%;">To Date</th> <th style="width: 15%;">DOC</th> <th style="width: 10%;">Premium</th> <th style="width: 10%;">Policy Term</th> <th style="width: 10%;">Paying Term</th> </tr> </thead> <tbody> <tr> <td>414899550</td> <td>3,00,000/-</td> <td>T-14</td> <td></td> <td>10.03.2000</td> <td>7636</td> <td>21</td> <td>21</td> </tr> </tbody> </table>	Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term	414899550	3,00,000/-	T-14		10.03.2000	7636	21	21	
Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term											
414899550	3,00,000/-	T-14		10.03.2000	7636	21	21											
3.	Name of insured	MRS. SUNITA MUSADDI																
4.	Name of the insurer	L.I.C. OF INDIA, KMDO-I.																
5.	Date of receipt of the Complaint	12-JULY-2021																
6.	Nature of Complaint	Maturity Claim under the policy not yet received.																
7.	Amount of Claim	0.00																
8.	Date of Partial Settlement																	
9.	Amount of relief sought	Maturity Value along with Interest & Compensation.																
10.	Complaint registered under Insurance Ombudsman Rules 2017	13-1(a)																
11.	Date of hearing Place of hearing	07-09-2021 Kolkata																
12.	Representation at the hearing																	
	a)For the Complainant	MR. RANJAN MUSADDI for Sunita Musaddi																
	b)For the Insurer	MR. SUJAY KUMAR BRAHMA																
13.	Complaint how disposed	By conducting online hearing																
14.	Date of Award	10-SEPT-2021																

Brief Facts of the Case:

1. The policy issued under Table No.14 on 10.03.2000 for Policy Term 21 years and accordingly policy has already been matured on 10.03.2021. Paid all the premium payable under the policy.

2. The policy was assigned to Bank of India for taking loan. Repaid the loan amount and all necessary documents for Re-Assignment submitted, duly completed in all respect. But till date no Maturity Value

under the policy released in spite of several requests dt. 19.05.2021, 24.05.2021, 07.06.2021, 12.06.2021.

3. As per SCN, the insurer clarified that Maturity Payment under the policy has already been paid on 12.07.2021 for Rs. 6,72,900/- + Rs. 13,251/- towards delayed period of interest paid on 01.09.2021 and nothing more is payable as per terms and conditions of the policy.

Contention of the complainant:

Complainant alleged that in spite of submitting all the necessary papers including the Re-Assignment papers from the Assignee Bank, Maturity Value under the policy not yet released from the insurer. Several reminders on 19.05.21, 24.05.21, 07.06.21, 12.06.21 sent to the insurer but no response received from their end and as well as Maturity Value under the policy. Being aggrieved appealed before this office for redress of the case.

Contention of the Respondent:

No SCN received from the insurer.

Observatin and conclusions:

As per SCN, the insurer clarified that Maturity Value under the policy paid for Rs. 6,72,900/- on 12.07.2021 and delayed period interest paid for Rs. 13,251/- on 01.09.2021. So nothing more is payable under the policy and the complaint may please be closed.

AWARD

Taking into account the facts and circumstances of the case, the submissions made by both the parties present during the course of hearing and after going through all the relevant documents on record, it is observed that the Maturity Value under the policy has already been paid for Rs. 6,72,900/- (S.A. : 3,00,000/- + Bonus : 342900/- + Final Additions Bonus : 30000/-) on 12.07.2021, as per terms and conditions of the policy. Delayed Period of Interest for Rs. 13,251/- also paid on 01.09.2021, as per rule. In view of the above I am of opinion that Maturity payment under the policy has been paid correctly as per terms and conditions of the policy and so nothing more is payable under the policy.

Hence, the complaint is dismissed without further relief to the complainant.

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

Dated at Kolkata on 10th Day of Sept., 2021

SHRI P K RATH
INSURANCE OMBUDSMAN

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

Ombudsman Name: P.K.RATH

CASEOF COMPLAINANT– MR. KAJAL KUMAR DUTTA

VS

RESPONDENT: L.I.C.I., KMDO-II

COMPLAINT REF: NO: KOL-L-029-2122-0489

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

1.	Name &Address of The Complainant	MR. KAJAL KUMAR DUTTA UTSA, The Condoville, Flat No. CF04020C, Street No.70, P.O. New Town, AA-1, Kolkata -700163. W.B.							
2.	Type Of Policy: Life / Health / General :LIFE Policy Details:								
		Policy Number	Sum Assured	From Date	To Date	DOC	Premium	Policy Term	Paying Term
		411747568	50,000	T-111		28.09.1994	757.00	25	25
3.	Name of insured	MR. KAJAL KUMAR DUTTA							
4.	Name of the insurer	L.I.C.I., KMDO-II							
5.	Date of receipt of the Complaint	23-AUG-2021							
6.	Nature of Complaint	Maturity Value received less.							
7.	Amount of Claim	0.00							
8.	Date of Partial Settlement								
9.	Amount of relief sought								
10.	Complaint registered under Insurance Ombudsman Rules 2017	13-1(b)							
11.	Date of hearing Place of hearing	23-09-2021 Kolkata							
12.	Representation at the hearing								
	a)For the Complainant	MR. KAJAL KUMAR DUTTA							
	b)For the Insurer	MR. SUBHASHIS PAUL							
13.	Complaint how disposed	By conducting online hearing							
14.	Date of Award	27-SEPT-2021							

Brief Facts of the Case:

1. One policy under Table No.111 (Bima Kiran) issued with DOC 28.09.1994, term 25 years, premium 757/- mode Yly. Policy matured on 28.09.2019. Maturity Value paid 11823/- instead of Rs. 27441.25, as claimed by the complainant.

2. As per terms and conditions of the policy Maturity value payable is Total amount of premium paid excluding any extra premium along with Loyalty Addition.

3. Policy status as on the date of maturity is reduced paid up with first unpaid premium from 09.2009.

4. As per SCN received from the insurer, they have clarified that the policy continued for 15 years and thereafter no premium paid. Policy Status is Reduced Paid up and accordingly Maturity Value settled is refund of Total Premium paid under the policy along with delayed payment interest for 468/- and so total amount paid for Rs. 11823/- towards Maturity Value under the policy , as per terms and conditions of the policy.

Contention of the complainant :

The complainant alleged that he took one policy from L.I.C. of India, Park Circus Branch under Bima Kiran Policy which mature on 28.09.2019. But Maturity Value paid for Rs. 11823/- instead of Rs. 27441.25, as stated in the policy bond. Lodged complaint to the insurer on 08.02.2021 for payment of balance amount of Maturity Value but no response received from them. Being aggrieved appealed before this office for redress of the case.

Contention of the Respondent :

As per SCN received from the insurer, they have clarified that Maturity Value under the policy settled as per terms and conditions of the policy. The policy was in reduced paid up conditions with First Unpaid premium from 09.2009 and total 15 years premium has been paid under the policy. The Maturity Value under the policy is payable is return of premium paid under the policy only. No Loyalty Addition is payable. Accordingly they have settled the Maturity Claim under the policy is as given below :

Total Premium paid under the policy is 15 X 757	= 11,355/-
Interest for delayed payment of Mat. Value	= 468/-
TOTAL AMOUNT PAID	= 11,823/-

So nothing more is payable under the policy as per terms and conditions of the policy. In view of the above they have appealed to close the complaint.

Observation and conclusions : It is observed that as per status report of the policy, the policy status is reduced paid up with FUP 09.2009 and thereafter no premium paid under the policy. Complainant also could not produce any premium paid receipt w.e.f. 09.2009 and onwards. The insurer currently settled the Maturity Claim with refund of all the premium paid under the policy along with delayed payment of interest, as per terms and conditions of the policy. In view of the above fact the case may be treated as closed.

AWARD

Taking into account the facts and circumstances of the case, the submissions made by both the parties present during the course of hearing and after going through all the relevant documents on record, it is observed that the policy issued on 28.09.1994 and premium paid under the policy is for 15 years, first unpaid premium being 09.2009 and thereafter no further premium paid under the policy. The complainant also could not produce any premium paid receipts w.e.f. 09.2009 and onwards. In view of the above facts, I am of opinion that Maturity Value paid under the policy correctly, as per terms and conditions of the policy and nothing more is payable. Hence, the complaint is dismissed without any relief to the complainant.

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

Dated at Kolkata on 27th Day of Sept., 2021

SHRI P K RATH

INSURANCE OMBUDSMAN

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, PUNE
 (STATE OF MAHARASHTRA EXCEPT MUMBAI METRO)
 UNDER SECTION 16(1)/17 OF THE INSURANCE OMBUDSMAN RULES-2017
OMBUDSMAN-VINAY SAH
CASE OF Mr.Shekhar Saraf V/S AVIVA LIFE ISNURANCE CO.LTD
 COMPLAINT NO: PUN-L-004-2021-0585

Award No IO/PUN/A/LI/ /2020-21

1	Name & Address of Complainant	Mr.Shekhar Saraf, Nagpur
2	Policy No. / Type of Policy	APS2916348 / 00512158 New pension Plus
3	DOC / Policy status / Mode	23.03.2010 Matured / Single Premium
4	PPT / Premium	10/01 Rs. 100000/-
5	Name of Proposer / LA	Mr. Shekhar Saraf
6	Name of Insurer	Aviva Life Insurance Co Ltd
7	Nature of Complainant	Maturity amount less than premium paid
8	Relief sought	Payment of bal of expected maturity benefit (as per average rate of 8%)
9	Reason for Rejection	Claim settled as per terms and conditions.
10	Date of complaint to OIO	01.01.2021

An online hearing was held on 26.07.2021 where Mr.Shekhar Saraf (hereafter referred to as the complainant) and Mr.Rishi Chaddha, representative of Aviva Life Ins.Co. Ltd. (hereafter referred to as the RI- Respondent Insurer) reiterated their earlier submissions.

1. Contentions of the Complainant:

- The complainant had purchased the subject policy from the RI on 23.03.2010 with a policy term of 10 years and invested a onetime premium amount of Rs.100000/-
- The subject policy matured on 23.03.2020 and the complainant received an amount of Rs.70155/- which is less than the amount invested by him.
- The complainant has alleged that the RI's agent did inform him of the lucrative returns but not of the potential loss in the subject policy.
- According to the complainant he feels cheated as he has received a meagre amount compared to his investment and the interest payable thereon.
- The complainant admits that he did not go through the terms and conditions of the policy document and did not realize that it was a pension policy until the policy matured.
- The complainant was aged 58 years at the inception of the policy and when he had already superannuated and was receiving a pension.
- According to him under such factual position, there was no reason for him to purchase a pension policy which would yield him a meagre pension after a wait of ten years.

- The complainant approached the RI for balance amount of maturity benefit as per his calculations, but his request was denied stating that the payment was done as per terms and conditions of the policy.
- As the RI's decision was not acceptable to the complainant, he raised a complaint with the Forum.

2. Contentions of the RI:

- The Complainant purchased a Single Premium Unit Linked Policy for Rs.100000/- namely Aviva New Pension Plus bearing policy no. APS2916348/00512158 with commencement date of 23.03.2010 and maturity date of 23.03.2020.
- The policy being a Unit Linked Policy was subject to market risk and no assured return on investment was guaranteed under this policy,
- It was clearly mentioned in the policy bond that the investment risk in the policy would be borne by the policyholder and the benefits will depend upon the market performance. Even in the proposal form as well as the benefit illustration form it was clearly mentioned in bold letters that investment risk in the policy would be borne by the policyholder.
- The RI had dispatched the policy documents along with the terms and condition and copy of proposal form to the complainant on 29.03.2010 and the same was delivered on 30.03.2010.
- The complainant did not avail the free look period of 15 days from receipt of policy document and continued with the plan till maturity of the policy on 23.03.2020.
- The complainant had opted to invest his premium amount in PSU and related equities. Accordingly the premium was invested in Pension PSU fund which is designed to generate steady returns through investment in PSU related equities. The risk profile for this fund is high. Copy of Investment objectives and Risk Profile of the Funds was annexed with the policy Bond.
- On account of unprecedented event of the sharp and rapid spread of the Covid-19 pandemic to various countries in March, 2020 and also the nationwide lockdown imposed by the Government of India on 24.03.2020, the stock market crashed and thus, NAV of pension PSU Fund Units also crashed and on 23.03.2020 when the policy of complainant had matured, the NAV of Pension PSU Fund unit was only Rs.7.95830 and only the maturity amount of Rs.70155/- was processed and refunded to the complainant.
- The complainant as per article 4(b) of the Policy could have postponed or propped the maturity date to prevent the sudden loss arising on account of stock market crash, however, the RI did not receive any such advance request from the complainant to review the maturity date of subject policy. Relevant excerpt of article 4(b) of the policy is reproduced below for ease of reference:

b) If the policyholder has opted for Single Premium Policy, Policyholder may postpone or advance the maturity date by giving us prior written notice, provided that the age of the insured on the proposed revised maturity date is between forty (40) and eighty years (80).
- The RI has regularly provided the policy account statement to the complainant updating him about the fund value of his policy. Further, he could have also checked the fund value of the

policy from RI's official website. All charges deducted from the policy Units were as per the Table of Charges given in the Policy Bond.

- The complainant filed his first complaint on 07.07.2020 alleging mis-selling of the policy and expressed dissatisfaction with the maturity value of Rs.70155/- received from the RI.
- RI, after carefully analyzing the complaint, replied vide letter dated 14.07.2020 and declined the complainant's request to provide any additional amount.
- The policy bond clearly highlights the benefits available under the policy and as complainant had already received the policy bond, hence he was obliged to go through the terms and conditions of the policy including the benefits available under it within the free look cancellation period.

3. Observations and conclusions:

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

1. The complainant voluntarily purchased the subject policy and as admitted by him he failed to read the terms and conditions of the policy on receipt of the policy documents.
2. The complainant is expected to make an informed investment while paying such a huge amount of premium.
3. As mentioned by the RI all the terms and conditions are clearly mentioned in the policy document and the complainant is expected to go through them.

Also RI has provided copy of Investment objectives and Risk Profile of the Funds as also the details of the charges deducted from Policy units along with the Policy Bond.

4. The complainant has claimed that he was ignorant about the type of policy he had purchased, but the product name itself indicates that it is a pension policy. As to the reason why he would purchase it cannot be ascertained by the RI as a prospective client is free to choose any product within given criteria. Also being a market linked policy the Risk of Investment in the investment portfolio is to be borne by the policy holder and **same is clearly mentioned in the policy bond.**

As such RI cannot be blamed for the alleged mis-sale as the complainant has failed to be vigilant and also has continued the plan till maturity.

Award follows:

AWARD

Taking in to account the facts and circumstances of the case and submissions made by both the parties, the Forum does not find substance in the complaint.

Hence, the complaint is dismissed.

Dated at Pune, 20.09.2021

**VINAY SAH
INSURANCE OMBUDSMAN, PUNE**