

CHANDIGARH

CHANDIGARH OMBUDSMAN CENTRE

CASE NO. Aviva/628/Gurgaon/Chandigarh/22/10
Surjit Kaur Vs Aviva Life Insurance Co.Ltd.

ORDER DATED: 10th MARCH, 2011

FACTS: The complainant Smt. Surjit Kaur had stated that she had purchased a policy bearing no. WLG1343161. She was told that she will get money after 3 years along with interest. After 3 years she was informed that there are surrender charges of Rs. 80,000. So, she approached this forum for justice.

FINDINGS: The insurer clarified the position by stating that it is not possible to cancel the policy and refund the premium paid because she had not approached with free look period.

DECISION: The insurer was order to cancel the policy and refund the premium paid by her as the policy was mis-sold. She had gone to bank to take FD. Moreover she is housewife whereas in the proposal it has been mentioned that she runs beauty parlour namely Surjit Parlour. As a matter of facts, she has no regular income. Accordingly award was passed to refund the premium.

CHANDIGARH OMBUDSMAN CENTRE

CASE NO. Aviva/152/Gurgaon/Malout/22/11
Narinder Kaur Vs Aviva Life Insurance Co.Ltd.

ORDER DATED: 10th MARCH, 2011

FACTS: The complainant Smt. Narinder Kaur had stated that she told to the agent that she wants to purchase single premium policy but later the policy was issued under regular mode with annual premium of Rs. 1.00 Lac which she cannot pay. Hence, she requested intervention of this forum in getting justice.

FINDINGS: The insurer clarified the position by stating that policy was issued on the basis of a valid proposal signed by Smt. Narinder Kaur and also defended its action of selling the policy.

DECISION: The insurer was ordered to cancel the policy as the policy has been mis-sold to her and it appears that policy was sold without properly examining the source of income. An award was passed with the direction to cancel the policy and refund the premium to the complainant.

CHANDIGARH OMBUDSMAN CENTRE

CASE NO. Aviva/618/Gurgaon/Barnala/22/10
Jasvir Singh Vs Aviva Life Insurance Co.Ltd.

ORDER DATED: 10th MARCH, 2011

FACTS: The complainant Sh. Jasvir Singh had purchased a policy bearing no. LSS1950527 under single premium of Rs. 5.00 lakh. The policy bond was received at his address in his absence when he was away to London. When he returned from London after one year, the insurer informed him to pay renewal premium which he could not afford. Hence, he approached this forum for taking necessary action.

FINDINGS: The insurer clarified the position by stating that the complainant had sent the proposal and policy was issued on the basis of proposal forms. It has further stated that features of the policy have been explained to the policy holder. The complaint filed by the policy holder was false and misconceived and may be dismissed.

DECISION: After due considerations of the complainant and reply of the insurer. The insurer was ordered to cancel the policy as it was mis-sold and policy was issued to him term policy instead of single payment policy. Accordingly, an award was passed to refund the premium.

CHENNAI

Complaint no21.04.2112.

SmtB.Sadachiammal vs LIC Madurai

The complainant had mentioned that she fell down on 13.11.2006 and was admitted in the hospital where it was revealed compression fracture of L1Bone of vertebral bones and this is due to accidental fall. Two surgeries were performed and even the surgery no improvement was noticed in the paraplegia condition. She is bed ridden condition with unbearable pain. She had claimed the sum assured since she had become permanently disabled due to the accidental fall. The insurer had stated that LA had applied for disability benefit claim for accidental fall down in the bathroom on 13.11.2006 They have stated that LA was admitted to the same hospital on 18.05.2006 i.e.; prior to accidental fall and diagnosed to be suffering from chronic venous insufficiency. The clinical features recorded on admission mentions that the patient was a known case of hypertensive patient since two years, on regular treatment, known PT patient. The discharge summary has also mentioned that the patient should avoid long standing. Hence the accident which LA had mentioned is not as a result of outward, violent and visible means as per policy condition. Hence the claim was repudiated.

Award no-IO(CHN)L-016/2010-11 dt 8th Oct 2010.

The relevant provisions of accident benefit clause reads as under ;

As per condition 10.2 "If at any time when this policy is in force for the full sum assured ,the life assured Is involved in an accident resulting in either permanent disability as hereunder defined or death and the same is proved to the satisfaction of the corporation ,the corporation agrees to pay in this case of

Disability to the life assured; to pay in a monthly instalments spread over 10 years an additional sum equal to the sum assured under the policy.

As per 10.4 "the disability above referred to must be disability which is the result of accident and must be total and permanent and such that there is neither then nor at any

time thereafter any work ,occupation or profession that the LA can sufficiently do or follow to earn or obtain any wages compensation or profit.

From the records it is observed that the complainant preferred the claim for disability benefit vide her letter dated 7.03.2008 though the disability occurred on 19.11.2006 subsequent to the operation. That means the claim for disability has been made after 1 year 3 months and 18 days from the date of surgery which resulted in to disability of the life assured. To substantiate the disability the insured had submitted medical records. The insurer has also produced the discharge summary dated 3.06.2006 from a Hospital which states that LA was a Hypertensive patient since 2 years on regular treatment, known seizure disorder on regular treatment ,known PT patient and had H/O Hysterectomy in 1988.She was diagnosed for Chronic Venous insufficiency. The complainant had submitted that she had a fall on 13.11.2006 and was admitted in the hospital on 14.11.2006.The complainant's representative admitted during the hearing that the LA could walk in the hospital after the fall. The doctors have further advised her that if she undergoes vertebroplasty operation there will be quick healing and she can go home by walk without any pain within 2 days of the operation. This confirms that LA had not become disabled due to accidental fall but due to various medical surgical procedures which she underwent. Thus it was clearly established that LA had suffered disability due to various medical and surgical procedures and not solely due to accidental fall and does not satisfy the interpretation of the Accident Disability benefit clause as envisaged in the policy conditions. Hence rejection of the claim for disability benefit by the insurer is in order and justified as per terms and conditions of the policy in this regard.

The complaint is dismissed.

Complaint no-25.004.2358

Shri Raveendranath vs ICICI Prudential LIC Ltd.

The insured had taken Life time super pension policy with a yearly premium of rs1,00,000/-for a period of 10 years. The complainant had mentioned that the representative from the insurer had taken signatures in various application forms without explaining anything to him, but giving an impression that it was one time investment and also promising that copy of duly completed application forms will be forwarded to him. The insurer has not so far sent copy of policy along with the copy of proposal form as promised by them and hence the free look period available to him was not given to him. Now that he knew the policy terms from the insurer's earlier messages he wanted to discontinue the policy.

The insurer had stated that the policy document was dispatched to him by courier and was received on 9.05.2008. A copy of the proposal form was also sent along with the policy. The complainant was also informed through the policy document that he is eligible for free look period of 15 days from the date of receipt of policy document. Now after one year he has approached the insurer stating that his investment was only for a single premium policy. Since he has not approached during the free look period his request could not be complied with.

Award no-IO(CHN)L-036/2010-11 DT 20TH DEC 2010

The complainant has submitted the proposal duly completed and signed for Life time Super Pension Plan for premium payment term 10 years. The mode opted was regular premium payable yearly. The complainant has also signed benefit illustration of life time Super Pension which illustrates the growth for an interest rate of 6% and 10%. In this form also the amount of installment premium is shown as 1,00,000/- and premium payment term as 10 years and mode yearly. The policy was issued accordingly. The argument of the complainant that his signature was obtained on blank forms without explaining anything does not stand merit as he has affixed his signatures under the declaration. Moreover the complainant was an educated person and reasonably literate and as such the complainant alleging that the insurance company committed a fraud sans merit.

It is also pertinent to note that the complainant had never raised any issue of non receipt of policy document for nearly 1 year from the date of proposal having invested 1lac. Even when he received the reminder for payment of second year premium initially he was contending that he had invested as time investment and requested for incorporating his change of address. Only when he was informed that he had opted for Regular premium under yearly mode he has started the issue of non receipt of policy document.

The insurance company as per the usual practice has made a welcome call to the complainant in May 2008 and the caller has explained the details of the policy and also mentioned that the next premium due date as 24.04.2009. The complainant has acknowledged these details and he has informed that he has not received the policy documents. When he has informed that he has not received the policy bond he should have immediately taken up the issue without waiting for 1 year. It appears from the various correspondence that the intention of the insured in insisting for original policy document is to avail free look period now and get the policy cancelled. In the present case the complainant contends that he has not received the original policy bond and the insurer says that the same was delivered on 09.05.2008 but however they could not produce any evidence to prove that it was delivered to the insured or their authorized

representative. At this stage it may not be feasible to issue another original policy and as such only recourse available would be to issue a Duplicate Policy Document. Considering all aspects the following order is passed.

- (1) Insurer shall issue the policy holder a Duplicate policy Document
- (1) Insurer shall provide an opportunity to the policy holder to revive the policy ,if lapsed, in case he is desirous of reviving the policy.
 - (2) The policy holder shall not be entitled to exercise free look option at this stage to get his policy cancelled.

MISC

Complaint no-21.009.2539.

Mr.R.Babu vs Bajaj Allianz LIC Ltd

The complainant had taken medical insurance coverage from the above insurance co for a sum insured of rs2lakhs from 09.08.2008. He had palpitation in May 2008 and had claimed in the first year policy 2007-08 with Bajaj Alliance General Insurance Co Ltd and was settled. The insurer had stated that Now he has made a second claim for the same illness and from the discharge summary it is evident that the insured had H/O similar kind of palpitation one year back which is prior to the policy inception. Since preexisting diseases are not covered under the scope of the policy the claim was not admissible.

The complainant had stated that he had medical insurance cover for the first time on 14.08.2007 with Bajaj General Ins. and now taken the policy from Bajaj LIC Ltd and since both are under the same management the policy commencement date has to be taken as only 14.08.2007 and not 9.08.2008.

Award no-IO(CHN)/L-047/2010-11 dt 28 the Feb 2011

The complainant had taken Family Care First Policy from Bajaj Life Insurance Co commencing from 9.08.2008. He underwent treatment for SVT, AVNRT from 25.07.2009 to 26.07.2009 and from 29.07.2009 to 31.07.2009 and lodged a claim for rs50,771/-. The insurer has repudiated the claim under pre existing disease clause. During the hearing the insured mentioned that he was covered from 14.08.2007 to 13.08.2008 under the Star Package policy and was hospitalized for Static Cardiac system.

The claim was settled by the insurer. Then he has taken a Family care policy from Bajaj Life Insurance and he was again hospitalized on 29.07.2009 .The claim was rejected by the insurer under pre existing disease clause. The insured had argued that since both are under the same management the policy commencement should be taken as 14.08.2007 and not 9.08.2008.It is to be noted that Bajaj Life and Bajaj General are both different legal entities and each company is not bound by the contract entered into by the other. In the proposal dated 8.08.2008 while answering questions relating to health of himself and his family members he has answered NO to all questions and has not disclosed his earlier hospitalisation from 9.05.2008 to 12.05.2008.Hence the complainant had suppressed material information while taking the policy which vitiates the contract. As per policy condition 10 of the policy “the company shall be liable to make payment for any hospitalisation or medical expenses incurred due to preexisting condition only after 1 year from the first renewal date or date of revival whichever is later”. Taking all the factors into account. In the present case the first renewal date falls on 10.08.2011and medical expenses for preexisting condition can be considered only in case of hospitalisation after 10.08.2012.Since the hospitalisation has taken place on 29.07.2009 the same is not payable. Considering all the facts the decision of the insurer in denying the claim is fully justified.

The complaint is dismissed.

MISC

Complaint no-21.004.2627.

Mr.V.S.Annamalai vs ICICI.Prudential LIC Ltd.

The LA had taken Hospital care policy for a term of 10 years from 19.07.2007 from the above insurance co. He was hospitalized for treatment of Heart attack and was diagnosed of anterior wall Myocardial infarction, underwent coronary Angiogram which revealed triple vessel disease and was advised medical management. The LA had mentioned in his appeal that he was a diabetic for past 20 years and took treatment for cardiac arrest in Dec 2003.He was admitted in CMC Hospital Vellore and underwent Angiogram and diagnosed triple vessel disease with diffuse tissues. According to the insured he said that he has disclosed his entire health problem to the Agent and he only filled up the form and got it signed. Again in Jan 2010 he was admitted in hospital due to heart attack and doctor advised him to undergo PTCA.As the medical history which was prior to the proposal was not disclosed in the proposal for insurance the policy was cancelled from inception and the claim was repudiated.

Award no-IO(CHN)/L-058/2010-11 dt 28thMarch 2011.

The complainant had taken Hospital Care policy and underwent coronary angiogram with PTCA from 18.01.2010 to 21.01.2010 and from 26.01.2010 to 29.01.2010. The claim lodged by the insured was rejected on the ground of suppression of material information relating to his health conditions. As per the discharge summary from CMC hospital, Vellore from 08.12.2003 to 15.12.2003 the insured had been diagnosed for coronary artery disease- triple vessel disease, Acute anterior Lateral wall myocardial infarction, Killip class I, Post infarction Angina, Hypertension, Diabetes mellitus type II with nephropathy, retinopathy, peripheral neuropathy, recurrent nephrolithiasis, Mild renal failure, Coronary Angiogram was done on 12.12.2003. The history of the patient revealed that he is a known case of NIDDM for more than 10 years for which he was on insulin and Hypertensive for 10 years. The complainant admitted that his father was a diabetic for past 20 years and was admitted in hospital due to severe cardiac arrest in Dec 2003. He further said that he has disclosed all the information to the agent and the agent has suppressed the information. The insurer has submitted that LA had specifically answered NO to questions relating to his health conditions and it was clearly established that he had not disclosed his existing ailments in the proposal form. The circumstances lead one to believe that the policy has been taken with the sole purpose of claiming hospitalisation expenses when the LA was seriously ill and he had lot of health complications. Considering all the facts the repudiation of the claim by the insurer in the present case is fully justified.

The complaint is dismissed.

DELHI

Case No.LI-HDFC/37/10

In the matter of Shri Bhagwan Garg

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 13.10.2010 - Non cancellation of policy

1. This is a complaint filed by Shri Bhagwan Garg (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non cancellation of policy.

2. Complainant states that he had been given a policy which he did not desired and therefore he requested the Insurance Company to cancel the policy and refund the premium paid. But the Insurance Company has not so far cancelled the policy and refunded the amount.
3. The Insurance Company submitted a letter to this forum which is placed on record wherein it had stated that it had accepted the request of the complainant for cancellation of the policy and decided to refund the premium. During the course of hearing, representative of the Insurance Company assured me that policy will be cancelled and amount of premium will be refunded. Policy document had already been deposited by the complainant.
4. I have considered the submissions of the complainant and also perused the reply of the Insurance Company. After due consideration of the matter it appears appropriate to me to direct the Insurer to cancel the policy and refund the premium immediately.
5. Copies of the Award to both the parties.

Case No.LI-HDFC/31/10
In the matter of Ms. Ruchika Vinayak
Vs
HDFC Standard Life Insurance Company Limited

AWARD dated 13.10.2010 - Non cancellation of policy

1. This is a complaint filed by Ms. Ruchika Vinayak (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non cancellation of policy.
2. Complainant submitted that terms of the policy issued to her father are contrary to the terms explained and furnished by the agent of the Insurance Company, Shri Harmeet Singh Bhatia and Smt. Harpreet Kaur Bhatia. The terms were offered for annual premium of Rs.50,000/- with paying terms of 5 years and the same were on the basis of comparison of HDFC Unit Linked Young Star Plan and projection dated 15.10.2009. The policy document was received through Shri Harmeet Singh Bhatia, Business Development Officer of HDFC Standard Life Insurance Co. Ltd. on 02.11.2009. The policy was surrendered for cancellation to the Branch on 11.11.2009. It is submitted further that projected statement of premium and quotation dated 15.10.2009 were never given for signature. The signatures on these documents submitted in the Branch are forged by Shri Harmeet Singh Bhatia and that will be evident if the original application form and other documents are verified. It is further mentioned that request for cancellation of policy was given within stipulated period of 15 days, but the Insurance Company has not acceded to the request of the policy holder and had not refunded the premium paid.

3. Written submissions were placed on record on behalf of the Insurance Company wherein it has been submitted that the complaint filed by the complainant is devoid of any substance and is without any merit and desired to be dismissed. It has further been mentioned in the reply that the policy documents were received by the complainant on 21.10.2009.

4. I have considered the submissions of the complainant very carefully. I have also perused the reply of the Insurance Company. After due consideration of the matter I hold that the Insurance Company was not justified in not acceding to the request of the policy holder to cancel the policy, because request for cancellation of the policy was made within the free look period. As stated by the policy holder in the complaint that the policy documents were received through Shri Harmeet Singh Bhatia, Business Development Officer of HDFC Standard Life Insurance Company Ltd. on 02.11.2009 and the policy was surrendered for cancellation in the branch on 11.11.2009, the request for cancellation appears to be well within the free look period. Accordingly, insurer is directed to cancel the policy and refund the premium as per norms to the policy holder.

5. Copies of the Award to both the parties.

Case No.LI/43/Met-life/10

In the matter of Shri Anuj Goel Vs

Met Life Insurance Company Limited

**AWARD dated 01.10.2010 – mis selling the policy and
not refunding the premium**

1. This is a complaint filed by Shri Anuj Goel (herein after referred to as the complainant) against Met Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that the company had mis-sold the policy and is not refunding the premium.
2. The complainant submitted that he was mis-sold the insurance policy. The representative of the insurance company contacted him in his office in New Delhi and after hearing him, he was ready to invest some money for 3 years as he wanted to buy house. The agent informed him that the policy was to mature in 3 years with lucrative benefits. There will be no exit charges. He was convinced the way agent told him about the benefit of the policy. The policy was received by him quite late and he came to know that the representative of the insurance company cheated him by mis-representing the facts with regard to benefits of the policy. On going through the contents of the policy, he found that the term of the policy was 23 years. The complainant further submitted that he was shocked to

- note down the contents of the policy. Therefore, he made a request to cancel the policy. The complainant stated that he had applied to the insurer to cancel the policy within the free look period. But the company is not willing to cancel the policy and refund his amount of premium paid by him. He submitted that he had informed the insurer that he was out of station with his family when the company claimed to have delivered the policy.
3. In fact, he had given the complaint for non receipt of the policy and the policy was received by him after 15 to 20 days. During the course of hearing also, the complainant stated that the policy was not received on 29.09.2008 as stated by the insurer. Request for cancellation of the policy was given on 01.10.2008 to the Bangalore office. In fact, he still desired to get his policy cancelled. However, the company continued to state that the policy was delivered and request for cancellation of the policy was not made within the free look period.
 4. Detailed written reply was received on behalf of the company which is placed on record. It is submitted that on the basis of application dated 11.08.2008, policy was issued on 30.08.2008. The policy document was dispatched to the complainant on 16.09.2008. The company did not receive any request for cancellation of the policy within the free look period. When the policy remained in force for more than 6 months, an e-mail was received alleging therein the disagreement with the policy terms and conditions and asking for the cancellation of the policy. Though the policy holder alleged to have sent the letter on 01.10.2008 but no such letter was received by the company. Since request for cancellation was not received within the free look period, the company expressed its inability to cancel the policy. During the course of hearing also, the representative of the company insisted and continued arguing that the policy documents were dispatched to the complainant and request for cancellation of the policy was not made within the free look period. However, no reliable evidence was placed on record on behalf of the company that the policy document was actually delivered to the complainant.
 5. I have considered the submissions of the complainant very carefully and have also perused the replies given by the insurer which are placed on record. After due consideration of the matter, I hold that the insurance company was not justified in not acceding to the request of the complainant to cancel the policy. No reliable evidence could be placed on record on behalf of the company that the policy document was delivered on the complainant on 16.09.2008. There is no reason not to believe the version of the complainant that he along with his family was out of Station during the period when the company claimed that it had dispatched the policy documents on 16.09.2008. There may be sometime taken between the dispatch of the policy documents and receipt thereof.

Therefore, it can be taken that the complainant had made the request for cancellation of the policy within the free look period. **Accordingly, in my view, the company ought to have accepted the request of the complainant to cancel the policy. Accordingly, the insurer is hereby directed to accept the request of the complainant to cancel the policy as such request was made within the free look period and refund the premium received according to the norms.**

6. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
7. Copies of the Award to both the parties.

Case No.LI/24/Kotak/10

In the matter of Shri G.L.Verma

Vs

Kotak Mahindra Old Mutual Life Insurance Limited

AWARD dated 01.10.2010 – Mis selling of the policy

1. This is a complaint filed by Shri G.L.Verma (herein after referred to as the complainant) against the Kotak Mahindra Old Mutual Life Insurance Limited (herein after referred to as respondent insurance company) stating that the company had mis-sold the policy and now is not cancelling the policy.
2. The complainant submitted that one representative of insurer visited him and asked for some investment. He informed him that he is 70 years old and is not interested in long term plan. He submitted further that he was told that in case he deposited a sum of Rs.36000/- for three years continuously, he would be able to withdraw the principal amount along with interest and other benefits. He took his signatures on a blank form and asked him to write the name of his daughter as a nominee which he did. On receipt of the policy document, he found that there was misstatement. However, he requested the company to cancel the policy. He had given detailed reasons to get his policy cancelled.
3. The company informed him that there is a provision of free look and according to that policy can be cancelled within the free look period only if any of the terms and conditions are not agreeable to him but the complainant had not given any communication for getting his policy cancelled. Therefore the company had rejected the request of the complainant to cancel the policy.

It was further informed to the complainant that the policy cannot be cancelled on the ground of personal reasons. However, later on the company reconsidered the request of the complainant to cancel the policy. During the course of hearing, as a matter of fact, it has been informed that the policy has been cancelled and amount has been refunded. However, there is no information on record to the fact that the policy has been cancelled by the insurer and the payment has been made to the complainant. As a matter of fact, vide letter dated 31.03.2010, the company informed this forum that it was in the process of cancellation of the policy of the complainant and therefore, complaint maybe dismissed. The complaint will be resolved by the company to the satisfaction of the complainant.

4. I have considered the submissions made by the complainant and have also perused the written reply submitted on behalf of the insurer. After due consideration of the matter, I found that though the insurer is willing to cancel the policy as requested by the complainant but it appears that it had not so far cancelled the policy and refunded the premium amount. However, the company had agreed to accede to the request of the complainant to cancel the policy. In a letter dated 16.04.2010, the company informed the complainant that a sum of Rs.35950/-has been credited to his account but the complainant during the course of hearing stated that such amount was not credited to his account. Accordingly, Award is passed with the direction to the company to refund a sum of Rs.35950/- after cancelling the policy immediately and also make payment of penal interest @8% from 01.09.2009 till the time the payment is made.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/64/Max/10

In the matter of Smt.Smitha P,N.

Vs

Max New York Life Insurance Company Limited

**AWARD dated 21.10.2010 - non-cancellation of the policy
and refund of premium**

1. This is a complaint filed by Smt.Smitha P.N. (hereinafter referred to as the complainant) against the Max New York Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of non-cancellation of the policy and refund of premium.
2. The complainant submitted that despite her efforts, telephone calls and e-mails to the company, the insurer is not willing to cancel her policy. The company is not responding to her letters. She submitted that she had requested her bank to stop the payment against the ECS but her bank also refused saying that it has to be done by Max New York Life Insurance Company Limited. She requested this forum to resolve the issue. The sum and substance of the complaint is that the policy holder wanted to cancel the policy and to get the refund of premium paid.
3. The policy holder did not attend the hearing. However, hearing was attended by the representative of the company Ms. Ritu Yadav who promised that the company has accepted the request of the policy holder to cancel the policy.
4. I have considered the submissions of the complainant. After going through the facts and circumstances of the case, the insurance company is hereby directed to accept the request of the policy holder to cancel the policy and refund the premiums paid as per norms. The complaint is resolved accordingly.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/67/HDFC/10

In the matter of Shri Ratnesh Sharma

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 21.10.2010 – Mis selling of the policy

1. This is a complaint filed by Shri Ratnesh Sharma (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein

after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.

2. The complainant submitted that he had been thoroughly cheated by the representative of the HDFC Standard Life Insurance Company Limited. He pointed out that process of the company are so flawed that despite contradictory information, the policy was issued to him. They just take the premium and services are poor. The company seems to be ignorant completely and seems to exist in the market for their benefit. He requested that the company be instructed to cancel the policy and refund the premium paid by him.
3. During the course of hearing, representative of the company agreed to cancel the policy and refund of premium paid by him.
4. The complaint has been examined and complainant was also heard. After going through the facts and circumstances of the case, the insurer is hereby directed to cancel the policy and refund the premium paid to the policy holder as per norms. As mentioned earlier, the representative of the company agreed to do the needful in the matter.
5. The complaint is disposed of accordingly.
6. Copies of the Award to both the parties.

Case No.LI/65/Met-life/10

In the matter of Shri Yogender Rathi

Vs

Met Life Insurance Company Limited

AWARD dated 21.10.2010 – Mis selling of the policy

1. This is a complaint filed by Shri Yogender Rathi (herein after referred to as the complainant) against Met Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that the company had mis-sold the policy and is not refunding full premium paid by him.
2. The complainant submitted that he was issued an insurance policy by the Met Life Insurance Company Limited. He had applied for Housing Loan from Axis Bank Limited, Asaf Ali Road, New Delhi. The loan amount was Rs.8,00,000/- which was sanctioned by the bank. In the sanctioned letter, Bank also offered to take insurance policy for covering risk of paying EMIs from the Insurance Company with which the bank had arrangements. The bank had also offered to finance the

one time premium of Rs.44000/-. While handing over the sanctioned letter of housing loan, an authorized agent of the bank and official of the insurance company informed him that unless he takes the insurance policy, no loan could be disbursed and when he pointed out that it was written in the sanctioned letter that taking insurance policy was optional but he was informed by such persons that it was not like that and every customer has to take this policy. He has also to take the insurance policy before the amount of loan is disbursed. Believing that taking this policy is compulsory, he signed on the application for taking this policy though he did not intend to take this policy. Thereafter the loan was disbursed and the insurance company issued the policy document which he received on 09.03.2009. Later on he came to know that taking insurance policy was only optional and it had no connection with sanctioning or disbursement of loan. On going through the policy document, he was shockingly surprised to see the terms and conditions laid down therein about which he was never told such as that policy is between the insurance company and the bank, the policy is a group insurance policy and this policy cannot be cancelled but only can be surrendered. As a matter of fact, he generally believed that it was an individual policy whereas it was a group insurance policy and was between the insurance company and the bank. On receiving the policy, he immediately contacted the officials of the insurance company who got his signature. He requested for cancellation of the policy and refund the premium of Rs.44000/-. He requested that his policy be cancelled and he be paid back the entire premium of Rs.44000/-.

3. Written submissions are placed on record on behalf of the company wherein it was mentioned that the complainant admittedly availed the loan from Axis Bank. During the course of transaction, he was informed of the availability of insurance for borrowers to cover unfortunate contingency before repayment of the loan, through a single premium policy. It is a Group Policy issued in favour of Axis Bank for the benefit of such customers, whereby cover is made available at reasonable premium than individual policies. It is further submitted that decision to take policy was of the complainant. If he did not decide to avail the insurance, he was free not to submit any application. It was only on the basis of application, policy was issued. The complainant requested for surrender on 07.04.2009 and upon his request, the company surrendered the policy and paid a sum of Rs.21689/- and the cheque has been encashed on 30.04.2009.
4. I have very carefully considered the submissions of the complainant and have also perused the reply of the company which is placed on record. Both the policyholder as well as the representative of the company were also heard during the course of hearing. After due consideration of the matter, I hold that the company was not justified in issuing the policy to the complainant because it was optional and was not compulsory to buy such policy by the complainant while getting the loan from the Axis Bank. The complainant was virtually forced to take this policy. During the course of sanctioning of the loan, he was threatened to take this policy otherwise loan could not have been disbursed by the Axis Bank. From the reply of the company, it is clear that taking insurance policy

under such circumstances was optional for taking loan from Axis Bank but the complainant was made to believe that it was compulsory. He never wanted to take such a policy. At the request of the complainant, the policy was surrendered but the complainant had to suffer as against a premium of Rs.44000/-, he had been given back only a sum of Rs.21689 but under the facts and circumstances of the case, the company is required to refund entire amount of premium. There is no justification on the part of the company to retain a sum of Rs.22311/- when the complainant requested the company to cancel his policy almost after receiving the policy. Accordingly Award is passed with the direction to the company to make the payment of Rs.22311/- immediately as the balance amount.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/54/Aviva/10

In the matter of Shri Kundan Veer singh Bhullar

Vs

Aviva Life Insurance Company Limited

AWARD dated 26.10.2010 - Non-cancellation of policy

1. This is a complaint filed by Shri Kundan Veer Singh Bhullar (hereinafter referred to as the complainant) against the Aviva Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of non-cancellation of policy during free look period.
2. The complainant stated that he was sold insurance policy stating that it is a onetime investment policy and he was not required to pay anything in recurring. It was in fact exemplified similar to FD. He was bound to take this policy as collateral security against his loan from Central Bank of Punjab. The premium or the investment amount was Rs.3.50 lakh. He further stated that he signed a blank proposal form for the same and there was no other document which was signed by him. He had not received any policy document for almost one and a half years. He has purchased this policy in March, 2008. After almost a year, he started getting calls for the renewal of the policy in which he always mentioned that he had not received the policy bond and secondly he did not have any regular policy. He requested the executives of the company who called him that policy

documents be made available to him but there was no response. The sum and substance of the complaint is that whereas he had the bonafide belief that he would have to pay the premium only once but he was issued a policy whereby he was to pay a sum of Rs.3.5 lakh annually.

The complainant was shocked to know this state of affairs. He applied for cancellation of the policy within the free look period but the company had rejected his request for cancellation of the policy within the free look period on flimsy ground. He also requested the company to make his policy as one time investment policy but the same was not done. The complainant further stated that he had received the policy on 12.08.2009 after one and a half years of the issuance of the policy and on the same day he submitted the request for cancellation of the policy. He placed on record a letter to this effect that he made the request for cancellation of his policy on 12.08.2009 and the letter was received in the office of the company on 12.08.2009.

3. The policy holder did not attend the hearing. The representative of the company attended the hearing. She also submitted detailed written submissions which are placed on record. During the course of hearing, the representative of the company stated that the policy holder did not apply for cancellation of the policy within the free look period. The policy documents were dispatched to the policyholder and the same were received. However, during the course of hearing, she was required to state as to whether she has any evidence to this effect that the policy documents were received by the policy holder. She stated that she did not have any documentary evidence to this effect. She also stated in the reply that the policy was rightly sold by the company and the complaint filed by the complainant is false, misconceived and deserved to be dismissed.
4. I have considered the submissions of the complainant very carefully and have also perused the reply given by the insurance company and also verbal submissions made by the representative of the company. After due consideration of the matter, I hold that the company was not justified in stating that policy documents were served upon the policy holder well in time because no evidence could be placed on record by the company that the policy documents were served upon the policy holder. It only stated that the documents were dispatched but no proof of service of such documents on policy holder was placed on record. In the absence of any reliable evidence with regard to the service of policy documents to the policy holder by the company one has to accept the submissions of the complainant that policy documents were received by him after one and a half years of issue of the policy, that is, on 12.08.2009 and on the same day, he requested for cancellation of the policy and documents were submitted in the office of the company.

There are enough reasons to accept the submissions of the complainant that he had applied for cancellation of the policy within the free look period because he received the policy documents only on 12.08.2009 and applied on the same day for cancellation of

the policy. Accordingly, in my considered view, the insurance company was duty bound to consider the request of the policy holder to cancel the policy within the free look period. **Accordingly the insurance company is directed to cancel the policy of the policy holder and refund the premium paid by him as per norms.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI/102/Max/10

In the matter of Shri Gaurav Gupta

Vs

Max New York Life Insurance Company Limited

AWARD dated 26.10.2010 - Non-cancellation of the policy

1. This is a complaint filed by Shri Guarav Gupta (hereinafter referred to as the complainant) against the Max New York Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of non-cancellation of the policy and refund of premium.

2. The complainant submitted that he had taken a policy No.424903268 in his name from Max New York Life Insurance Company Limited in July, 2006. He paid the quarterly premium of Rs.4000/- in the month of July, 2006 but he did not receive the policy at that time. He further stated that policy was delivered only on 11.12.2006 after 5 months of policy issuance date. He desired to cancel the policy within the free look period. Accordingly, he requested the insurance company on 12.02.2007 to cancel the policy but the company had not cancelled the policy and paid him the premium amount. During the course of hearing, the representative of the company did not turn up. However, it has been gathered that the company had submitted reply to Insurance Ombudsman Office, Lucknow because the address of the complainant was given of Noida(U.P.). A copy of reply sent to Insurance Ombudsman Office, Lucknow was procured and placed on record wherein it has been stated that since policy was delivered to the complaint in time there is no case of cancellation of the policy within the free look period as stated by the complainant.

3. I have considered the submissions of the complainant and have also perused written submissions placed on record on behalf of the company. After due consideration of the matter, I hold that the insurance company was not justified in stating that policy document was delivered to the complainant in time. The policy holder received the policy document on 11.12.2006 and made request for cancellation of the policy on 12.12.2006 to the company. Thus, the complainant had applied to the company for cancellation of the policy within the free look period. The company had not placed on record any evidence to the effect that the policy document was delivered to the complainant earlier than 11.12.2006. Accordingly, the insurance company is duty bound to accede to the request of the complainant to cancel the policy and refund the premium paid. It is awarded accordingly.
4. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
5. Copies of the Award to both the parties.

It was further informed to the complainant that the policy cannot be cancelled on the ground of personal reasons. However, later on the company reconsidered the request of the complainant to cancel the policy. During the course of hearing, as a matter of fact, it has been informed that the policy has been cancelled and amount has been refunded. However, there is no information on record to the fact that the policy has been cancelled by the insurer and the payment has been made to the complainant. As a matter of fact, vide letter dated 31.03.2010, the company informed this forum that it was in the process of cancellation of the policy of the complainant and therefore, complaint maybe dismissed. The complaint will be resolved by the company to the satisfaction of the complainant.

7. I have considered the submissions made by the complainant and have also perused the written reply submitted on behalf of the insurer. After due consideration of the matter, I found that though the insurer is willing to cancel the policy as requested by the complainant but it appears that it had not so far cancelled the policy and refunded the premium amount. However, the company had agreed to accede to the request of the complainant to cancel the policy. In a letter dated 16.04.2010, the company informed the complainant that a sum of Rs.35950/-has been credited to his account but the complainant during the course of hearing stated that such amount was not credited to his account. Accordingly, Award is passed with the direction to the company to refund a sum of Rs.35950/-after cancelling the policy immediately and also make payment of penal interest @8% from 01.09.2009 till the time the payment is made.
8. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.

9. Copies of the Award to both the parties.

Case No.LI/64/Max/10

In the matter of Smt.Smitha P,N.

Vs

Max New York Life Insurance Company Limited

**AWARD dated 21.10.2010 - non-cancellation of the policy
and refund of premium**

1. This is a complaint filed by Smt.Smitha P.N. (hereinafter referred to as the complainant) against the Max New York Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of non-cancellation of the policy and refund of premium.
2. The complainant submitted that despite her efforts, telephone calls and e-mails to the company, the insurer is not willing to cancel her policy. The company is not responding to her letters. She submitted that she had requested her bank to stop the payment against the ECS but her bank also refused saying that it has to be done by Max New York Life Insurance Company Limited. She requested this forum to resolve the issue. The sum and substance of the complaint is that the policy holder wanted to cancel the policy and to get the refund of premium paid.
3. The policy holder did not attend the hearing. However, hearing was attended by the representative of the company Ms. Ritu Yadav who promised that the company has accepted the request of the policy holder to cancel the policy.
4. I have considered the submissions of the complainant. After going through the facts and circumstances of the case, the insurance company is hereby directed to accept the request of the policy holder to cancel the policy and refund the premiums paid as per norms. The complaint is resolved accordingly.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/67/HDFC/10

In the matter of Shri Ratnesh Sharma

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 21.10.2010 – Mis selling of the policy

1. This is a complaint filed by Shri Ratnesh Sharma (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant submitted that he had been thoroughly cheated by the representative of the HDFC Standard Life Insurance Company Limited. He pointed out that process of the company are so flawed that despite contradictory information, the policy was issued to him. They just take the premium and services are poor. The company seems to be ignorant completely and seems to exist in the market for their benefit. He requested that the company be instructed to cancel the policy and refund the premium paid by him.
3. During the course of hearing, representative of the company agreed to cancel the policy and refund of premium paid by him.
4. The complaint has been examined and complainant was also heard. After going through the facts and circumstances of the case, the insurer is hereby directed to cancel the policy and refund the premium paid to the policy holder as per norms. As mentioned earlier, the representative of the company agreed to do the needful in the matter.
5. The complaint is disposed of accordingly.
6. Copies of the Award to both the parties.

Case No.LI/65/Met-life/10

In the matter of Shri Yogender Rathi

Vs

Met Life Insurance Company Limited

AWARD dated 21.10.2010 – Mis selling of the policy

1. This is a complaint filed by Shri Yogender Rathi (herein after referred to as the complainant) against Met Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that the company had mis-sold the policy and is not refunding full premium paid by him.
2. The complainant submitted that he was issued an insurance policy by the Met Life Insurance Company Limited. He had applied for Housing Loan from Axis Bank Limited, Asaf Ali Road, New Delhi. The loan amount was Rs.8,00,000/- which was sanctioned by the bank. In the sanctioned letter, Bank also offered to take insurance policy for covering risk of paying EMIs from the Insurance Company with which the bank had arrangements. The bank had also offered to finance the one time premium of Rs.44000/-. While handing over the sanctioned letter of housing loan, an authorized agent of the bank and official of the insurance company informed him that unless he takes the insurance policy, no loan could be disbursed and when he pointed out that it was written in the sanctioned letter that taking insurance policy was optional but he was informed by such persons that it was not like that and every customer has to take this policy. He has also to take the insurance policy before the amount of loan is disbursed. Believing that taking this policy is compulsory, he signed on the application for taking this policy though he did not intend to take this policy. Thereafter the loan was disbursed and the insurance company issued the policy document which he received on 09.03.2009. Later on he came to know that taking insurance policy was only optional and it had no connection with sanctioning or disbursement of loan. On going through the policy document, he was shockingly surprised to see the terms and conditions laid down therein about which he was never told such as that policy is between the insurance company and the bank, the policy is a group insurance policy and this policy cannot be cancelled but only can be surrendered. As a matter of fact, he generally believed that it was an individual policy whereas it was a group insurance policy and was between the insurance company and the bank. On receiving the policy, he immediately contacted the officials of the insurance company who got his signature. He requested for cancellation of the policy and refund the premium of Rs.44000/-. He requested that his policy be cancelled and he be paid back the entire premium of Rs.44000/-.
3. Written submissions are placed on record on behalf of the company wherein it was mentioned that the complainant admittedly availed the loan from Axis Bank. During the course of transaction, he was informed of the availability of insurance

for borrowers to cover unfortunate contingency before repayment of the loan, through a single premium policy. It is a Group Policy issued in favour of Axis Bank for the benefit of such customers, whereby cover is made available at reasonable premium than individual policies. It is further submitted that decision to take policy was of the complainant. If he did not decide to avail the insurance, he was free not to submit any application. It was only on the basis of application, policy was issued. The complainant requested for surrender on 07.04.2009 and upon his request, the company surrendered the policy and paid a sum of Rs.21689/- and the cheque has been encashed on 30.04.2009.

4. I have very carefully considered the submissions of the complainant and have also perused the reply of the company which is placed on record. Both the policyholder as well as the representative of the company were also heard during the course of hearing. After due consideration of the matter, I hold that the company was not justified in issuing the policy to the complainant because it was optional and was not compulsory to buy such policy by the complainant while getting the loan from the Axis Bank. The complainant was virtually forced to take this policy. During the course of sanctioning of the loan, he was threatened to take this policy otherwise loan could not have been disbursed by the Axis Bank. From the reply of the company, it is clear that taking insurance policy under such circumstances was optional for taking loan from Axis Bank but the complainant was made to believe that it was compulsory. He never wanted to take such a policy. At the request of the complainant, the policy was surrendered but the complainant had to suffer as against a premium of Rs.44000/-, he had been given back only a sum of Rs.21689 but under the facts and circumstances of the case, the company is required to refund entire amount of premium. There is no justification on the part of the company to retain a sum of Rs.22311/- when the complainant requested the company to cancel his policy almost after receiving the policy. Accordingly Award is passed with the direction to the company to make the payment of Rs.22311/- immediately as the balance amount.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/54/Aviva/10

In the matter of Shri Kundan Veer singh Bhullar

Vs

Aviva Life Insurance Company Limited

AWARD dated 26.10.2010 - Non-cancellation of policy

1. This is a complaint filed by Shri Kundan Veer Singh Bhullar (hereinafter referred to as the complainant) against the Aviva Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of non-cancellation of policy during free look period.

2. The complainant stated that he was sold insurance policy stating that it is a onetime investment policy and he was not required to pay anything in recurring. It was in fact exemplified similar to FD. He was bound to take this policy as collateral security against his loan from Central Bank of Punjab. The premium or the investment amount was Rs.3.50 lakh. He further stated that he signed a blank proposal form for the same and there was no other document which was signed by him. He had not received any policy document for almost one and a half years. He has purchased this policy in March, 2008. After almost a year, he started getting calls for the renewal of the policy in which he always mentioned that he had not received the policy bond and secondly he did not have any regular policy. He requested the executives of the company who called him that policy documents be made available to him but there was no response. The sum and substance of the complaint is that whereas he had the bonafide belief that he would have to pay the premium only once but he was issued a policy whereby he was to pay a sum of Rs.3.5 lakh annually.
 - a. The complainant was shocked to know this state of affairs. He applied for cancellation of the policy within the free look period but the company had rejected his request for cancellation of the policy within the free look period on flimsy ground. He also requested the company to make his policy as one time investment policy but the same was not done. The complainant further stated that he had received the policy on 12.08.2009 after one and a half years of the issuance of the policy and on the same day he submitted the request for cancellation of the policy. He placed on record a letter to this effect that he made the request for cancellation of his policy on 12.08.2009 and the letter was received in the office of the company on 12.08.2009.

3. The policy holder did not attend the hearing. The representative of the company attended the hearing. She also submitted detailed written submissions which are placed on record. During the course of hearing, the representative of the company stated that the policy holder did not apply for cancellation of the policy within the free look period. The policy documents were dispatched to the policyholder and the same were received. However, during the course of hearing, she was required to state as to whether she has any evidence to this effect that the policy documents were received by the policy holder. She stated that she did not have any documentary evidence to this effect. She also stated in the reply that the policy

was rightly sold by the company and the complaint filed by the complainant is false, misconceived and deserved to be dismissed.

4. I have considered the submissions of the complainant very carefully and have also perused the reply given by the insurance company and also verbal submissions made by the representative of the company. After due consideration of the matter, I hold that the company was not justified in stating that policy documents were served upon the policy holder well in time because no evidence could be placed on record by the company that the policy documents were served upon the policy holder. It only stated that the documents were dispatched but no proof of service of such documents on policy holder was placed on record. In the absence of any reliable evidence with regard to the service of policy documents to the policy holder by the company one has to accept the submissions of the complainant that policy documents were received by him after one and a half years of issue of the policy, that is, on 12.08.2009 and on the same day, he requested for cancellation of the policy and documents were submitted in the office of the company.
 - a. There are enough reasons to accept the submissions of the complainant that he had applied for cancellation of the policy within the free look period because he received the policy documents only on 12.08.2009 and applied on the same day for cancellation of the policy. Accordingly, in my considered view, the insurance company was duty bound to consider the request of the policy holder to cancel the policy within the free look period. **Accordingly the insurance company is directed to cancel the policy of the policy holder and refund the premium paid by him as per norms.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/102/Max/10

In the matter of Shri Gaurav Gupta

Vs

Max New York Life Insurance Company Limited

AWARD dated 26.10.2010 - Non-cancellation of the policy

1. This is a complaint filed by Shri Guarav Gupta (hereinafter referred to as the complainant) against the Max New York Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of non-cancellation of the policy and refund of premium.
2. The complainant submitted that he had taken a policy No.424903268 in his name from Max New York Life Insurance Company Limited in July, 2006. He paid the quarterly premium of Rs.4000/- in the month of July, 2006 but he did not receive the policy at that time. He further stated that policy was delivered only on 11.12.2006 after 5 months of policy issuance date. He desired to cancel the policy within the free look period. Accordingly, he requested the insurance company on 12.02.2007 to cancel the policy but the company had not cancelled the policy and paid him the premium amount. During the course of hearing, the representative of the company did not turn up. However, it has been gathered that the company had submitted reply to Insurance Ombudsman Office, Lucknow because the address of the complainant was given of Noida(U.P.). A copy of reply sent to Insurance Ombudsman Office, Lucknow was procured and placed on record wherein it has been stated that since policy was delivered to the complaint in time there is no case of cancellation of the policy within the free look period as stated by the complainant.
3. I have considered the submissions of the complainant and have also perused written submissions placed on record on behalf of the company. After due consideration of the matter, I hold that the insurance company was not justified in stating that policy document was delivered to the complainant in time. The policy holder received the policy document on 11.12.2006 and made request for cancellation of the policy on 12.12.2006 to the company. Thus, the complainant had applied to the company for cancellation of the policy within the free look period. The company had not placed on record any evidence to the effect that the policy document was delivered to the complainant earlier than 11.12.2006. Accordingly, the insurance company is duty bound to accede to the request of the complainant to cancel the policy and refund the premium paid. It is awarded accordingly.
4. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
5. Copies of the Award to both the parties.

Case No.LI-Bajaj/126/10
In the matter of Shri Pitam Chand
Vs
Bajaj Allianz Life Insurance Co. Ltd.

AWARD dated 18.11.2010 - Mis-selling and non cancellation of policy

1. This is a complaint filed by Shri Pitam Chand (herein after referred to as the complainant) against the decision of Bajaj Allianz Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for mis-selling and non cancellation of policy.
2. Complainant submitted that he had taken a policy bearing no. 0124970818 from Bajaj Allianz Life Insurance Co. Ltd. He submitted the complaint to the Grievance Redressal Officer of the Insurance Company on 20.02.2010 but he had not received any reply. During the course of hearing the complainant stated that the policy had been mis-sold to him. He is a driver and has limited source of income. He was told by the agent that he will be required to make the payment of premium only once i.e. to say the complainant intended to take single premium policy. He was also assured by the person who approached him for taking the policy that he will also be entitled to medical benefits in case of some disease such as heart attack and fracture, but he found that the policy issued to him was a regular premium policy and he was required to make the payment yearly. He submitted that looking to the amount of premium and source of income he is not in a position to make the payment of Rs.99,900/-. He submitted that he does not want to continue the policy and he is not a position to make the payment of premium every year of a sum of Rs.99,900/- as he is merely a driver and has limited source of income. He decided to discontinue the policy as the policy was mis-sold to him. He was given false promises and he was not much literate also. He desired to have single premium policy. He further stated that he had not received the policy bond and other related documents. He had approached the office when he came to know about the contents of the policy, he was mis-behaved by the officers of the Pitampura Branch and was not shown due courtesy by the staff of Company at its office at Pitampura.
3. During the course of hearing, the representative of the Insurance Company attended and stated that the regular premium policy taken by the policy holder cannot be converted into single premium policy. In the written submissions Insurance Company stated that policy was issued on the basis of proposal filed and signed by the policy holder wherein the policy holder had opted for "New Unit Gain" with a regular mode and not a single premium and frequency selected as yearly, which is a market linked policy and the value of the policy is dependent on the unit prices. On receipt of the proposal form, the Insurance Company had issued the policy bearing no. 0124970818 and the policy bond was issued and sent through Speed Post on 10.04.2009 which was not received as undelivered. It is further mentioned in the reply that the complainant had received the policy in the year 2009 and the request for cancellation was made on 19.03.2010 which was beyond free look period. Further, duplicate policy bond was issued on 28.04.2010 based on the request. The Insurance Company had not acceded to the request of the policy holder to cancel the policy because the same was made beyond the free look

period. The policy cannot be cancelled and premium cannot be refunded as requested by the policy holder after the lapse of said free look period.

4. I have considered the submissions of the complainant very carefully. I have also perused the reply given on behalf of the Insurance Company which was placed on record. After due consideration of the matter I hold that it appears to be case where the policy was mis-sold to the policy holder. The policy holder is almost an illiterate person and has no sufficient income as he is a driver, he cannot be expected to be issued a policy wherein he is required to make payment of the premium yearly for 20 years amounting to Rs.99,900/-. He had approached the Insurance Company's office immediately after knowing the contents of the policy. He appears to have been cheated by the person who approached him for taking the policy. He had been given false promises about the returns and benefits of the policy. In my considered view, to me it appears to be a fit case where the request of the policy holder to cancel the policy is to be acceded to because there was gap between what he desired and what was issued by the Insurance Company so much so he desired single premium policy whereas he had been issued a regular premium policy. Having due regard to the evidence and circumstances of the case, I direct the Insurance Company to cancel the policy and refund the premium paid as per norms immediately.

5. Copies of the Award to both the parties.

Vs
Bajaj Allianz Life Insurance Co. Ltd.

AWARD dated 18.11.2010 - Mis-selling and non cancellation of policy

1. This is a complaint filed by Shri Pheeray Ram (herein after referred to as the complainant) against the decision of Bajaj Allianz Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for mis-selling and non cancellation of policy.
2. Complainant submitted that he had taken a policy bearing no. 0126885036 from Bajaj Allianz Life Insurance Co. Ltd. He submitted the complaint to the Grievance Redressal Officer of the Insurance Company on 20.02.2010 but he had not received any reply. During the course of hearing the complainant stated that the policy had been mis-sold to him. He is a driver and has limited source of income. He was told by the agent that he will be required to make the payment of premium only once i.e. to say the complainant intended to take single premium policy. He was also assured by the person who approached him for taking the policy that he will also be entitled to medical benefits in case of some disease such as heart attack and fracture, but he found that the policy issued to him was a regular premium policy and he was required to make the payment yearly. He submitted that looking to the amount of premium and source of income he is not in a position to make the payment of Rs.99,900/-. He submitted that he does not want to continue the policy and he is not a position to make the payment of premium every year of a sum of Rs.99,900/- as he is merely a driver and has limited source of income. He decided to discontinue the policy as the policy was mis-sold to him. He was given false promises and he was not much literate also. He desired to have single premium policy. He further stated that he had not received the policy bond and other related documents. He had approached the office when he came to know about the contents of the policy, he was mis-behaved by the officers of the Pitampura Branch and was not shown due courtesy by the staff of the company at its office at Pitampura.
3. During the course of hearing, the representative of the Insurance Company attended and stated that the regular premium policy taken by the policy holder cannot be converted into single premium policy. In the written submissions Insurance Company stated that policy was issued on the basis of proposal filed and signed by the policy holder wherein the policy holder had opted for "New Unit Gain" with a regular mode and not a single premium and frequency selected as yearly, which is a market linked policy and the value of the policy is dependent on the unit prices. On receipt of the proposal form, the Insurance Company had issued the policy bearing no. 0126885036 and the policy bond was issued and sent through Speed Post on 28.05.2009 which was not received as undelivered. It is further mentioned in the reply that the complainant had received the policy in the year 2009 and the request for cancellation was made on 19.03.2010 which was beyond free look period. Further, duplicate policy bond was issued on 28.04.2010 based on the request. The Insurance Company had not acceded to the request of the

policy holder to cancel the policy because the same was made beyond the free look period. The policy cannot be cancelled and premium cannot be refunded as requested by the policy holder after the lapse of said free look period.

4. I have considered the submissions of the complainant very carefully. I have also perused the reply given on behalf of the Insurance Company which was placed on record. After due consideration of the matter I hold that it appears to be case where the policy was mis-sold to the policy holder. The policy holder is almost an illiterate person and has no sufficient income as he is a driver, he cannot be expected to be issued a policy wherein he is required to make payment of the premium yearly for 20 years amounting to Rs.99,900/-. He had approached the Insurance Company's office immediately after knowing the contents of the policy. He appears to have been cheated by the person who approached him for taking the policy. He had been given false promises about the returns and benefits of the policy. In my considered view, to me it appears to be a fit case where the request of the policy holder to cancel the policy is to be acceded to because there was much gap between what he desired and what was issued by the Insurance Company so much so he desired single premium policy whereas he had been issued a regular premium policy. Having due regard to the evidence and circumstances of the case, I direct the Insurance Company to cancel the policy and refund the premium paid as per norms immediately.

5. Copies of the Award to both the parties.

Vs
Met Life Insurance Company Limited

AWARD dated 18.11.2010 - Non cancellation of policy

1. This is a complaint filed by Shri Nasim Khan (herein after referred to as the complainant) against the decision of MetLife Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for non cancellation of policy.
2. Complainant submitted that he had received a policy document on 18.12.2009 and found the terms and conditions of the policy entirely different from what he had been told at the time of taking the policy, so he sent back the policy document within the free look period for cancellation to the Connaught Place Branch on 23.12.2009 but the Insurance Company had not responded to his request for cancellation of the policy within the free look period.
3. Written submissions were placed on record on behalf of the Insurance Company. Though the policy holder did not attend on the date of hearing, but the Insurance Company's representative attended the hearing and stated that the request was received for cancellation of the policy much beyond the free look period. Complainant did not state anything with regard to policy till 18.11.2008 though the policy was issued on 10.01.2008, the policy documents were dispatched to him via Blue Dart Couriers on 24.10.2008. However, on 18.11.2008 complaint was received by the Insurance Company that he had not received the policy and the Insurance Company believed him and had issued the policy document again on 18.12.2009. Since complaint of mis-selling was made almost after 2 years of the policy, the request of the policy holder to cancel the policy was not considered bona fide and such request was turned down. Complainant had not made complaint against the Insurance Company within the free look period; it appears to be an afterthought.
4. I have considered the submissions of the complainant; I have also perused the submissions placed on record on behalf of the Insurance Company. After due consideration of the matter, I hold that the Insurance company was not justified in not acceding to the request of the complainant to cancel the policy because complainant had stated clearly that he had received the policy documents only on 18.12.2009 and not before. Had he received the policy document earlier he would have not made complaint to the Insurance Company on 18.11.2008. As a matter of fact, Insurance Company acted upon his complaint of not receiving the policy document and again issued the policy document on 18.12.2009. The complainant had made request on 23.12.2009 for cancellation of the policy which appears to be well within the free look period. Accordingly, Insurance Company is directed to cancel the policy as requested by the complainant and refund the premium as per norms.
5. Copies of the Award to both the parties.

In the matter of Smt. Usha Jaggi
Vs
HDFC Standard Life Insurance Company Limited

AWARD dated 22.11.2010 – Mis selling

1. This is a complaint filed by Smt. Usha Jaggi (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) regarding misselling.

2. Complainant stated that she was not properly briefed by the agent while selling this product. She was told that she would have to deposit Rs.1 Lacs only once and in subsequent 2 years she would be required to deposit only Rs.1800/- and she would get Rs.3 Lacs after 3 years. But when she received the policy documents she came to know that she had to deposit premium every year for 10 years and she would get only Rs.8,41,480/- incase she deposit Rs. 1 Lac every year for 10 years. She stated that it is a complete fraud case. She did not receive the policy document even when she was told to pay Rs.1 Lac every year for 10 years. She had taken the policy in good faith but the Insurance Company had played fraud with her. She made request to reduce the premium but the Insurance Company did not allow the reduction of the premium and she was told that she have to pay premium for 3 years. She states that she does not want to continue relationship with the Insurance Company and wants her money back with interest.

3. Written submissions were placed on record on behalf of the Insurance Company. The charge of mis-selling was denied by it, the complainant was informed the due date for making the payment vide letter dated 01.10.2009. it was stated by the Insurance Company that complainant had another policy also wherein she was required to pay premium of Rs.10,000/- per year but the same was reduced to Rs.1800/- subsequently. She had not exercised her option to cancel the policy within free look period. Complaint is devoid of any substance and is without any merit and deserves to be dismissed.

4. I have considered the submissions of the complainant. I have also perused the reply of the Insurance Company which was placed on record. After due consideration of the matter I considered it fair and reasonable to direct the Insurance Company to cancel the policy issued to her because she was given false promises while issuing the policy. Moreover, she had not received the policy documents and also Insurance Company had not placed on record any evidence that policy document was received by the policy holder. Therefore, her request for cancelling the policy is acceptable. Accordingly, Award is passed with a direction to the Insurance Company to cancel the policy bearing no. 12286937 and refund the premium as per norms.

5. Copies of the Award to both the parties.

Case No.LI-HDFC/90/10
In the matter of Shri Bhanwar Lal
Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 22.11.2010 - Non cancellation of policy

1. This is a complaint filed by Shri Bhanwar Lal (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) regarding non cancellation of policy.

2. Complainant stated that he had gone to the bank to make fixed deposit but he was forced to make investment in the Insurance policy and his amount was invested in the Insurance Company. He had made payment of only 1 premium. He needs his money back on account of marriage of his daughter. But when he demanded the money back, he was told that he would get the money on the maturity of the policy. The agent had misled him and instead of making fixed deposit he had invested his money in the policy. He is an illiterate person and when he had approached the bank after one year to take his money back, he came to know that investment was made in the policy. He is not in a position to make the payment every year of Rs.75000/- as he has limited source of income. He wants to cancel his policy and wants the premium paid by him.

3. During the course of hearing, nobody attended on behalf of the Insurance Company. The Insurance Company had not submitted also any written reply. The case is decided on merits

4. I have considered the submissions of the complainant. After due consideration of the matter, I feel that the policy has been mis-sold to him. He had gone to the bank with a particular purpose of making fixed deposit so that he could earn some income and be in a position to perform the marriage of his daughter. He does not have proper means to pay annual premium of Rs.75000/-. Looking to the facts and circumstances of the case, it appears reasonable that the policy issued to him is required to be cancelled. Accordingly, Award is passed with a direction to the Insurance Company to cancel the policy and refund the premium received as per norms.

5. Copies of the Award to both the parties.

Case No.LI-Reliance/124/10
In the matter of Shri Ashok Soni
Vs

Reliance Life Insurance Company Limited

AWARD dated 22.11.2010 - Non cancellation of policy

1. This is a complaint filed by Shri Ashok Soni (herein after referred to as the complainant) against the decision of Reliance Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) regarding non cancellation of policy.
2. Complainant stated that the employee/agent of the Insurance Company fraudulently forged his signatures and changed the plan which he had opted due to earn more commission. He requested to this forum to help him to receive the amount of Rs.20000/- because he did not want to deal with this Insurance Company, if such type of person are working who are playing with the public money. He submitted that he had been given different product from what he sought. He had lost his confidence in the Insurance Company and wants his money back.
3. Written submissions were placed on record on behalf of the Insurance Company wherein it has been stated that only after satisfying himself with terms and conditions of the policy, the complainant had got the policy. He had made request on 29.01.2010 for cancelling the policy but such request was made beyond the free look period and cannot be entertained. As regards the allegation of misselling by the Insurance Company's representative, the same was denied vehemently. It has been stated that none of the employee of the Insurance Company had taken part in any fraudulent activity and complaint is put to strictest proof of the same. The policy document was dispatched to him on 23.06.2009.
4. I have considered the submissions of the complainant. I have also perused the written submissions placed on record on behalf of the Insurance Company, also considered the submissions of the representative of the Insurance Company.

After due consideration of the matter I considered it fair and reasonable if the policy issued to policy holder is cancelled by the company and refund the premium received. Accordingly, award is passed with a direction to the Insurance Company to cancel the policy and refund the premium received as per norms.

5. Copies of the Award to both the parties.

Case No.LI-Aviva/113/10
In the matter of Shri Deep Bhagat
Vs
Aviva Life Insurance Company Limited

AWARD dated 22.11.2010 - Non cancellation of policy

1. This is a complaint filed by Shri Deep Bhagat (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) regarding non cancellation of policy.

2. Complainant stated that at the time of signing the proposal, he was told that these are the pure investment policies for 3 years only and after completion of three years policies will be finished and he would get 2 or more than twice of what he would pay by the way of premium in 3 years. He was sold these policies by Centurian Bank of Punjab; the person who sold was wearing the I-card of Aviva Insurance Company and also gave him the visiting card of Aviva. He was under the impression that policy would mature after 3 years and he had under good faith had taken the policy. He stated that he was not briefed properly and had not given the proper knowledge about the policy. He was surprised to receive the renewal premium notice because he was under the bona fide belief that he would be required to pay only for 3 years and policy would mature after end of 3 years. Therefore he had gone to the office to cancel the policies immediately but at the office of the Insurance Company nobody was prepared to understand his problems and he was told by the executive of the Insurance Company that policies are for minimum period for 30 years and the policies cannot be cancelled now as he was late for making such request. He was further told that his surrender money value is near by 25% of his investment due to early redemption i.e. to say about 70% charges will be levied. He states that he had been cheated by the Insurance Company and there has been mistrust because the policy was not that he wanted. As a matter of fact he had taken the policies due to some pre-planned financial goal for the family this is the time he needed the money to admit his children in a coaching institute for preparation of examination. He had approached the Insurance Company again but he was advised to continue these policies for some more time.

He states that he is running a small photography and printing business and managing affairs of the family. Due to new technology computer printing is started, the competition is very tough as well as the margins are decreasing day by day. He had already policies from LIC and other insurance policies and it is difficult for him to continue these policies. He had already paid premium for 3 years and he desires to have his money back along with the interest.

3. Written submissions were placed on record on behalf of the Insurance Company wherein it has been stated that the policies have been issued on the basis of proposal signed by the complainant. Complainant had paid a sum of Rs.90,000/- as premium in respect of the policy bearing no. WTG1312428. The complainant stops making payment after 3 years. The current Fund Value of the policy is Rs.91795/- as on 04.11.2010 and surrender value of Rs.41, 780 as on 04.11.2010. Another policy bearing no. WTG1347310 was also issued to the complainant wherein he had paid a sum of Rs.60000/- he made payment for 3 years and its current fund value is Rs.64847 as on 04.11.2010 and surrender value is Rs.30,744/-. Complainant had an option to reinstate the policy within 2 years from the date of first unpaid installment. The representative of the Insurance Company stated that it is not possible to cancel the policy as the request

was not made within the free look period. The complainant was fully aware of the lock in period for surrender of the policy and the allegation that he was not aware of the same and was never informed is false and frivolous and hence is denied. It has been argued in the written reply that complaint deserved to be dismissed.

4. I have considered the submissions of the complainant very carefully. I have also perused the reply submitted by the Insurance Company which was placed on record and also considered the verbal submissions of the representative of the Insurance Company and also of the policy holder. After due consideration of the matter I hold that the complainant's request for cancelling the policy deserves to be accepted by the Insurance Company because the policies had been mis-sold to him. Accordingly, Award is passed with the direction to the Insurance Company to cancel both the policies and refund the premiums received by the Insurance Company as per norms.

5. Copies of the Award to both the parties.

Case No.LI-Aviva/112/10
In the matter of Shri Ravi Kumar Bhagat
Vs
Aviva Life Insurance Company Limited

AWARD dated 22.11.2010 - Non cancellation of policy

1. This is a complaint filed by Shri Ravi Kr, Bhagat (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) regarding non cancellation of policy.

2. Complainant stated that at the time of signing the proposal, he was told that these are the pure investment policies for 3 years only and after completion of three years policies will be finished and he would get 2 or more than twice of what he would pay by the way of premium in 3 years. He was sold these policies by Centurian Bank of Punjab; the person who sold was wearing the I-card of Aviva Insurance Company and also gave him the visiting card of Aviva. He was under the impression that policy would mature after 3 years and he had under good faith had taken the policy. He stated that he was not briefed properly and had not given the proper knowledge about the policy. He was surprised to receive the renewal premium notice because he was under the bona fide belief that he would be required to pay only for 3 years and policy would mature after end of 3 years. Therefore he had gone to the office to cancel the policies immediately but at the office of the Insurance Company nobody was prepared to understand his problems and he was told by the executive of the Insurance Company that policies are for minimum period for 30 years and the policies cannot be cancelled now as he was late for making such request. He was further told that his surrender money value is near by 25% of his investment due to early redemption i.e. to say about 70% charges will be levied. He states that he had been cheated by the Insurance Company and there has been mistrust because the policy was not that he wanted. As a matter of fact he had taken the policies due to some pre-planned financial goal for the family this is the time he needed the money to admit his children in a coaching institute for preparation of examination. He had approached the Insurance Company again but he was advised to continue these policies for some more time.

He states that he is running a small photography and printing business and managing affairs of the family. Due to new technology computer printing is started, the competition is very tough as well as the margins are decreasing day by day. He had already policies from LIC and other insurance policies and it is difficult for him to continue these policies. He had already paid premium for 3 years and he desires to have his money back along with the interest.

3. Written submissions were placed on record on behalf of the Insurance Company wherein it has been stated that the policies have been issued on the basis of proposal signed by the complainant. Complainant had paid a sum of Rs.90,000/- as premium in respect of the policy bearing no. WTG1313196. The complainant stops making payment after 3 years. The current Fund Value of the policy is Rs.90963/- as on 04.11.2010 and surrender value of Rs.41, 310 as on 04.11.2010. Another policy bearing no. WTG1346997 was also issued to the complainant wherein he had paid a sum of Rs.60000/- he made payment for 3 years and its current fund value is Rs.64055 as on 04.11.2010 and surrender value is Rs.30,235/-. Complainant had an option to reinstate the policy within 2 years from the date of first unpaid installment. The representative of the Insurance Company stated that it is not possible to cancel the policy as the request

was not made within the free look period. The complainant was fully aware of the lock in period for surrender of the policy and the allegation that he was not aware of the same and was never informed is false and frivolous and hence is denied. It has been argued in the written reply that complaint deserved to be dismissed.

4. I have considered the submissions of the complainant very carefully. I have also perused the reply submitted by the Insurance Company which was placed on record and also considered the verbal submissions of the representative of the Insurance Company and also of the policy holder. After due consideration of the matter I hold that the complainant's request for cancelling the policy deserves to be accepted by the Insurance Company because the policies have been mis-sold to him. Accordingly, Award is passed with the direction to the Insurance Company to cancel both the policies and refund the premiums received by the Insurance Company as per norms.

5. Copies of the Award to both the parties.

Case No.LI-ICICI Pru/84/10
In the matter of Shri Vikas Nigam
Vs
ICICI Prudential Life Insurance Company Limited

AWARD dated 24.11.2010 - Allocation of units

1. This is a complaint filed by Shri Vikas Nigam (herein after referred to as the complainant) against the decision of ICICI Prudential Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) regarding allocation of units.
2. Complainant in relation to policy no. 01830616 stated that he deposited a lump sum of Rs.43500/-. The company had desired PDR form and the same was submitted by him with the Insurance Company in March 2009. He had not received any other requirement such as Medical test from the Insurance Company. In April 2009, he received a letter from the Insurance Company that stated about the PDR which was ignored by him because he had already submitted PDR while making payment of Rs.43,500/- in the month of March 2009. The Insurance Company had not given any proof of delivery of medical trigger letter. He was surprised to receive the payment back. The amount was subsequently deposited in June 2009 and requested the allotment of units on NAV applicable in the month of March 2009. His fund was blocked by the Insurance Company and did not receive any communication regarding medical trigger. The Insurance Company had not provided any proof of delivery of requirement of medical trigger. The gist of the argument of the complainant is that since he had made the lump sum payment in the month of March 2009, the Insurance Company be directed to allot the units, on NAV applicable in March 2009, as against allotment of the same in the month of June 2009 because the amount remained deposited with the Insurance Company.
3. Written submissions were placed on record on behalf of the Insurance Company. It has been submitted therein that the complainant had submitted the proposal for Insurance policy the same was accepted by the Insurance Company and policy bearing number as mentioned earlier was issued.

It has been further stated by the Insurance Company that the complainant is well educated person and was well aware of the fact that policy given to him is a regular premium paying policy. He had made regular payments only till October 19, 2006 and had not paid any premium since November 2006. Nor he approached the Insurance Company for any reason thus the policy acquired "lapsed status for non-payment of premium. However, in the month of March 2009, the complainant suddenly made payment towards all his due premiums since November 2006, on March 21, 2009 amounting to Rs.43500 through SBI cheque no. 834912 along with Personal health Declaration Report (PDR). As per the underwriting norms of the company, MER was triggered and a letter intimating the same was sent to the customer on March 26, 2009. Since the letter was sent through ordinary post, the Insurance Company is not in a position to provide any evidence of proper delivery of the letter. However, several calls were made by the Insurance Company officials to the complainant on mobile phone. However, the complainant was not contactable. Since the complainant did not submit medical till May 2009, the Insurance Company refunded back the entire premium amount to the complainant in May 2009 vide cheque no. 204346 drawn on ICICI Bank. It was only after the refund that the complainant visited the branch of the company in the month of

June 2009 whereupon the Insurance Company's official reminds of the MER. Complainant submitted the MER to the Insurance Company. Accordingly on June 22, 2009 the premium paid has been applied towards his policy. On June 25, 2009, the Insurance Company received a letter from the complainant requesting for backdating of units allocation on NAV of March 2009. There is time gap when he paid all his due premiums but Insurance Company stated that it received the complete medical examination report only in the month of June 2009, therefore, his request for backdating cannot be accepted. It is further submitted by the Insurance Company that the complaint is devoid of any material particulars and has been filed merely to harass and gain undue advantage and unjustified and hence the complaint deserves to be dismissed.

4. I have considered the submissions of the complainant very carefully. I have also perused the written submissions placed on record on behalf of the Insurance Company. After due consideration of the matter I hold that the complainant's request for backdating of allocation of units on NAV of March 2009 deserves to be accepted by the Insurance Company because in the month of March 2009, the complainant had deposited all due premium along with the interest due on the policy amounting to Rs.43500/- as lump sum. He had already submitted PDR. As regards MER the letter of the Insurance Company requiring complainant to submit MER had not reached to the complainant. Insurance Company also admitted in its written reply that requirement of MER was sent via ordinary post and the Insurance Company's efforts to contact him on phone were also in vain.

Therefore as and when the complainant came to know about the requirement of MER he had complied with it. Complainant came to know of this requirement only when amount was refunded to him by way of cheque but it appears that Insurance Company had issued a cheque for refunding the amount paid by him but such cheque was not encashed by the Policy holder. The money amounting to Rs.43500/- remained all along with the Insurance Company and requirement of submission of MER was not communicated to him and when the same was communicated to him he had complied with the requirement. Therefore, in my considered view, the policy holder was not at fault in not making non compliance of MER. Accordingly, the policy holder's request for backdating of allocation of units on NAV applicable in the month of March 2009 appears acceptable. Accordingly, award is passed with a direction to the Insurance Company to allot units at the NAV applicable on the date of deposit of Rs.43500/- as is requested by the complainant.

5. Copies of the Award to both the parties.

Case No.LI-Aviva/130/10
In the matter of Shri Pawan Kr. Ram
Vs
Aviva Life Insurance Company Limited

AWARD dated 22.11.2010 - Non cancellation of policy

1. This is a complaint filed by Shri Pawan Kr. Ram (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) regarding non cancellation of policy.

2. Complainant submitted that he had been approached by one of the agent of the Insurance Company. He influenced him after giving rosy picture about investment in Aviva's Life Long Policy and he agreed to take the policy trusting on the agent's promise. He signed the proposal and filed only basic information about himself and handed over the cheque of Rs.5000/- to the agent. Thereafter the agent manipulated the money and invested the money in different heads and category about which he was never told. He had paid the policy premium continuously for 5 years to complete the lock-in-period as stated by the agent Shri Siraj Ahmed. He approached the Insurance Company to know about the status of his investment and withdrawal of partial amount. He was informed that policy is lifelong policy and he had to pay premium at least for 15 years. He had so far paid a sum of Rs.50,000/- as premiums and fund value has been told to him at Rs.35,000/-. He stopped making further payment. He stated that he had complete faith and trust in the private company and also their agent but he does not want to keep any further relationship with the Insurance Company. During the course of hearing he submitted that he wants his money back because he feel cheated as his hard earned money had been reduced considerably. It is further stated by him that, number of complaints had been filed against the Insurance Company leveling the charges of mis-selling. The charges of the Insurance Company are very high. The agents of the Insurance Company are not stating correct facts about the policies to the policy holder before selling the policy.

3. Written submissions were placed on record on behalf of the Insurance Company which was placed on record. It has been stated that on 09.02.2007 complainant had approached the Insurance company with a request to address change, the confirmation of which had been sent to the complainant by the Insurance Company vide letter dated 12.03.2009. He desires to know the surrender value on 07.01.2008 and he was duly informed. Due to non-payment of renewal premium towards the policy, the policy got paid up on 24.02.2010 and paid-up intimation was sent to the complainant vide letter dated 27.02.2010. The paid-up value of the policy as on 11.11.2010 was Rs.33619/-. He approached the Insurance Company again and stated that the charges and term of the policy were not correctly explained to him. It has been stated that the Insurance Company had sold the policy to the complainant explaining all the terms of the policy. The complainant had signed and submitted the proposal form after going through the key features of the policy and after being satisfied with the terms and conditions as it is clear from the declaration made in the proposal form. The complainant had full knowledge of the features of the policy. He had approached this forum with a motive to extort illegal money from the company. It has been prayed that complaint lodged by the complainant is false and misconceived and deserves to be dismissed.

4. I have considered the submissions of the complainant. I have also perused the written submissions placed on record on behalf of the Insurance Company. I have also considered the verbal submissions made by the representative of the Insurance Company and also as done by the policy holder. After due consideration of the matter I hold that it appears to be a fit case where policy issued to the policy holder deserves to be cancelled because the policy holder was not properly briefed before taking the policy about its benefits and charges. The policy holder is not desirous to continue his relationship with the Insurance Company, therefore, policy issued to him is to be cancelled and amount of premiums received from the policy holder is to be returned. Accordingly, award is passed with the direction to the Insurance Company to cancel the policy and refund the premiums received so far as per norms.

5. Copies of the Award to both the parties.

Case No.LI-Aviva/125/10
In the matter of Shri D.N. Vishwakarma
Vs
Aviva Life Insurance Company Limited

AWARD dated 22.11.2010 - Non cancellation of policy

1. This is a complaint filed by Shri D.N. Vishwakarma (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) regarding non cancellation of policy.

2. Complainant submitted that he had been approached by one of the agent of the Insurance Company. He influenced him after giving rosy picture about investment in Aviva's Life Long Policy and he agreed to take the policy trusting on the agent's promises. He signed the proposal and filled only basic information about himself and his wife and handed over the cheque of Rs.7500/- to the agent. Thereafter the agent manipulated the money and invested the money in different heads and category about which he was never told. He had paid the policy premium continuously for 3 years to complete the lock-in-period as stated by the agent Shri Siraj Ahmed. He approached the Insurance Company to know about the status of his investment and withdrawal of partial amount. He was informed that policy is lifelong policy and he had to pay premium at least for 15 years. He had so far paid a sum of Rs.75,000/- as premiums and fund value has been told to him at Rs.20,000/-. He stopped making further payment. He stated that he had complete faith and trust in the private company and also their agent but he does not want to keep any further relationship with the Insurance Company. He further stated that he had paid total premium of Rs.37500/- in his case and Rs.37500/- in case of his wife Smt. Pratima Sharma. During the course of hearing he submitted that he wants his money back because he feel cheated as his hard earned money had been reduced considerably. It is further stated by him that, number of complaints had been filed

against the Insurance Company leveling the charges of mis-selling. The charges of the Insurance Company are very high. The agents of the Insurance Company are not stating correct facts about the policies to the policy holder before selling the policy.

3. Written submissions were placed on record on behalf of the Insurance Company which was placed on record. Complainant had submitted the proposals for himself and his wife on 29.09.2004 proposing the issuance of Life Long Combo Unit Linked Insurance Policy. The policy was issued with a sum assured of Rs.150000/- in his case and Rs.157500/- in case of his wife. Total premium paid by the complainant in respect of his policy is Rs.37500/- and Rs.35625/-. Due to non-payment of renewal premium towards the policies, the policies got paid up on 04.11.2009 in case of 1st policy and 10.08.2009 in case of another.. The paid-up value in respect of the policy no. CLG1117448 as on 11.11.2010 was Rs.22557/- and in respect of policy no. CLG 1117454 as on 11.11.2010 was Rs.24682/-. He approached the Insurance Company again and stated that the charges and term of the policy were not correctly explained to him. It has been stated that the Insurance Company had sold the policy to the complainant explaining all the terms of the policy. The complainant had signed and submitted the proposal form after going through the key features of the policy and after being satisfied with the terms and conditions as it is clear from the declaration made in the proposal form. The complainant had full knowledge of the features of the policy. He had approached this forum with a motive to extort illegal money from the company. It has been prayed that complaint lodged by the complainant is false and misconceived and deserves to be dismissed.

4. I have considered the submissions of the complainant. I have also perused the written submissions placed on record on behalf of the Insurance Company. I have also considered the verbal submissions made by the representative of the Insurance Company and also as done by the policy holder. After due consideration of the matter I hold that it appears to be a fit case where policies issued to the policy holder deserve to be cancelled because the policy holder was not properly briefed before selling the policy about its benefits and charges. The policy holder is not desirous to continue his relationship with the Insurance Company, therefore, policies issued to him is to be cancelled and amount of premiums received from the policy holder is to be returned. Accordingly, award is passed with the direction to the Insurance Company to cancel both the policies and refund the premiums received so far as per norms.

5. Copies of the Award to both the parties.

Case No.LI/58/Reliance/10

In the matter of Shri Arvinder Singh

Vs

Reliance Life Insurance Company Limited

AWARD dated 10.11.2010 – Mis selling of policy

1. This is a complaint filed by Shri Arvinder Singh (herein after referred to as the complainant) against Reliance Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that the agent of the company had mis-guided and mis-sold the policy to him.
2. The complainant stated that the insurance company is making efforts to close the matter without any solution. As per Mr.Thakkar on 18.12.2007 courier dispatched to him policy document but he did revert back within so called free look period. He mentioned in his earlier mail dated 25.12.2009 which was given to the advisor for making necessary changes like name of the child which was wrongly mentioned in the policy. He was advised to contact the nearest branch for making changes. The name of his daughter was wrong in the policy and the same was not corrected even after the correction made. But the major complaint was that he wanted to make payment of premium only once that is, he wanted one time investment policy but he was given a policy wherein he was supposed to pay annually. He was suffering on account of fault of others. He desired to cancel his policy and get back the refund amount.
3. Written submissions are placed on record on behalf of the company. It has been stated in the reply that the correction in the name of the child has been done and thus grievance of the complainant is redressed partly. As regards, request for cancellation of the policy is concerned, the same cannot be entertained as the request was received much after the free look period.
4. I have considered the submissions made by the complainant and have also perused the reply of the insurance company. After due consideration of the matter, I hold that it appears to me to be a fit case where request of the policy holder to cancel the policy has to be acceded to. The policy holder immediately on receipt of the policy document appraised the deficiency in policy document; the name of the child was wrongly mentioned and as against single premium policy, it was made regular annual premium policy for 20 years. **In my considered view, having due regards to the facts and circumstances of the case, it is a fit case wherein the request of the policy holder to cancel the policy is to be accepted. Accordingly, the insurance company is directed to cancel the policy and refund the premium received as per norms.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/275/HDFC/10

In the matter of Mrs.Poonam Verma

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 10.11.2010 – Mis selling of policy

1. This is a complaint filed by Mrs.Poonam Verma (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that she had got HDFC Unit Linked Pension Plus Policy NO.11294722 by paying one time premium of Rs.10 lakhs in September,2007. She was informed by HDFC Bank Sales Branch Manager that subsequent premium is to be paid of Rs.10 lakhs for two years. She had taken the policy only on the ground that she had to make the premium of Rs.10 lakhs once and subsequently reduced premium of Rs.10000/-But she was informed by the insurance company vide letter dated 14.12.2009 that she had to deposit a sum of Rs.10 lakhs for years 2008 and 2009 respectively. That is to say, the company had not acceded to her request for making payment of Rs.10000/-. She stated that her husband, the only bread earner of the family is on regular dialysis in the hospital due to failure of both the kidneys, causing tremendous financial crunch. Her mother is also dependent on her, after the death of her father. She is a cancer and kidney patient and is on regular dialysis. She is a house wife with three school going kids, have to spend for their education and living. During the course of hearing, she stated that she wants to cancel the policy and desired to get back her amount paid to the company as she is not in a position to make further deposits under the policy.
3. Written replies are placed on record on behalf of the company wherein it has been stated that the cancellation of the policy was denied as the same could not be processed since the cancellation request was made much after the expiry of the free look period. The hearing was also attended by the representative of the company who was requested, keeping in view the fact and circumstances of the case, to consider sympathetically the request of the policy holder to cancel the policy. Moreover keeping in view the financial position of the complainant, who being a house wife, also looks after her ailing husband and mother, how the company considers she will be able to pay Rs.10 lakhs every year for 10 years to which the representative of the company stated that there seems to be some error on this aspect.
4. I have considered the submissions of the complainant and also perused the written replies as placed on record on behalf of the company and also verbal submissions

made during the course of hearing by the representative of the company. After due consideration of the matter, I deem it proper to direct the insurance company to accept the request of the policy holder to cancel the policy because due to financial position of the policy holder, she is not able to bear the burden of paying the premium of Rs.10 lakhs every year. She is a house wife and her husband is ailing and is on dialysis. She has to support her mother after the death of her father and also to look after her three children. There seems to be no source of income with her to deposit Rs.10 lakhs every year. Therefore, in such circumstances, it appears justified to accept the request of the policy holder to cancel the policy. **Accordingly, the insurance company is directed to cancel the policy and refund the premium paid by the policy holder as per norms. Policy holder is advised to submit the policy documents to the insurance company for cancellation.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/140/Aviva/10

In the matter of Shri Anil Kumar Syal

Vs

Aviva Life Insurance Company Limited

**AWARD dated 15.11.2010 - Mis-selling and non-cancellation
of policy during free look period**

1. This is a complaint filed by Shri Anil Kumar Syal (hereinafter referred to as the complainant) against the Aviva Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-selling and non-cancellation of policy during free look period.
2. The complainant stated that he had made the payment of Rs.4 lakhs at the rate of Rs.1,00,000/- for a year and in case he now wants to surrender the policy, the company states that he will be entitled to only Rs.1,87,000/-. He submitted that the agent who approached him described that premium is to be paid only 3 to 5 years and after which he can get the refund with handsome return of 12 to 15% per year. He was issued a policy for 30 years at the age of 57 years which is not possible for him to maintain because he is a retired Government employee and cannot afford to pay a sum of Rs.1,00,000/- as premium as he is a pensioner. Nobody likes to surrender the policy because there is a huge loss. He submitted

that the company has cheated him as he was told that he was required to pay only 3 to 5 years premium and would get handsome return. But now he was told that he will be paid only Rs.1,87,000/- as against total premium of Rs.4,00,000/. He further stated that when the policy was taken by him, he was 57 years of age and the policy was issued for 30 years which he never desired. The agent has mis-sold the policy to him. He therefore requested that his money be paid back and he does not want to continue the policy as the policy was mis-sold to him.

3. The representative of the company stated that it is not possible to cancel the policy. The policy was issued as per proposal signed by him. He denied the charges of mis-selling the policy to the complainant. Written replies are placed on record on behalf of the company where in Para 2 it has been mentioned that -

“At the time of issuance of the policy, the complainant was provided with the policy schedule, first premium receipt, standard terms and conditions copy of the proposal form and the ‘Right to Reconsider’ Notice. The complainant was informed through the ‘Right to Reconsider’ Notice that if he disagreed with any of the terms and conditions of the policy then he can cancel the policy within fifteen days from the date of receipt of the policy documents (Free look Period). The complainant was also provided with “Premium Quotation and Illustration Statement” giving full information as to projected maturity/death benefits/ surrender value at an assumed rate of interest. It was clearly stated in the document that the assumed rates of return in the “Premium Quotation and Illustration Statement” are not guaranteed and they are not in the upper or lower limits of what the complainant might get back, as the value of the policy is dependent on a number of facts which includes future investment performance. The policy documents were dispatched to the complainant and duly received by him on 16.01.2007.”

She further stated that in case he wants to surrender the policy, he has the opportunity to do so but he had to suffer certain charges which are as per policy which he had taken.

4. I have considered the submissions of the complainant and have also perused the replies placed on record on behalf of the company and have also considered the verbal submissions made by the representative of the company. After due consideration of the matter, I hold that the company was not justified in issuing he policy to the policy holder for 30 years at the age of 57 years and with the requirement of payment of premium of Rs.1,00,000/- each year for number of years. The complainant is a pensioner and cannot afford to make payment of premium of Rs.1,00,000/- each year for 30 years. The agent who sold the policy to the policy holder made false promises and the policy holder appears to have fallen in the trap. The policy holder desired to invest money for a short period and when the policy was taken by him, he was in the vicinity of retirement and expected handsome return which was promised to him by the agent. I find that

the policy has been mis-sold to him under false promises and needs to be cancelled as the policy holder desired. **Accordingly I consider fair and reasonable to direct the insurance company to cancel the policy and refund the premium received so far to the policy holder as per norms.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/111/Max/10

In the matter of Smt. Kaushalya Devi

Vs

Max New York Life Insurance Company Limited

AWARD dated 15.11.2010 - Mis-selling of the policy

1. This is a complaint filed by Smt. Kaushalya Devi (hereinafter referred to as the complainant) against the Max New York Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-selling of the policy.
2. The complainant stated that she had been issued two policies by the insurance company. She had not received the policy documents. She had also approached Grievance Redressal Officer of the Insurance Company. The policies were mis-sold to her. She was given false promises by the agent that her investment will become double in three years. She approached the company to cancel the policies but the company had not acceded to her request. She desired to cancel the policies and wanted to get her money back. During the course of hearing, she stated that she has been mis-sold the policies and she wants to cancel the policies and get the refund of premiums paid.
3. Written replies are placed on record on behalf of the company wherein it has been stated the request of the policy holder to cancel the policy cannot be acceded to as the request was made beyond the free look period. It was further stated in the reply that the complainant after due deliberations had taken the policies and signed the proposal on which the policies were issued. The complainant was very much well aware of the terms and conditions of "Life Maker Premium Plan" and she again chose the same plan and obtained the same policy on the basis of proposal dated 14.07.2008. If she was not satisfied with the policy terms and conditions, she was not supposed to take 2nd policy and it has been requested that

since the complaint has no merit, it deserved to be dismissed. During the course of hearing, the insurance company was not represented by any person.

4. I have considered the submissions of the complainant and also perused the reply of the insurance company placed on record. After due consideration of the matter, I hold that since the policies were mis-sold to the policy holder and given false promises about the return, the request of the policy holder to cancel the policies deserved to be accepted. I, therefore, direct the insurance company to cancel the policies of the policy holder and refund the premium received so far to the policy holder as per norms.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI-Aviva/74/10
In the matter of Shri Amrik Singh Kappor
Vs
Aviva Life Insurance Company Limited

AWARD dated 11.01.2011 - Less payment of surrender value

1.. This is a complaint filed by Shri Amreek Singh Kapoor (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for less payment of surrender value.

2.. Complainant stated that he had taken a policy bearing no. LLG1240054. Two representatives approached him and persuaded him to take a policy as this policy would help him in old age. It was stated by them he had to pay premium for only 3 years as this is a lock-in-period. After that if he wanted to carry on with the policy he could have done so, but in case he did not want to continue the policy he would get the amount but payment of three premiums are a must. It was also promised that in case he wanted to withdraw money he could have done it. He is a retired person and not in a position to pay premiums any more. He wanted his money back and on check status of the policy, he was told he had to pay premium for at least 20-25 years, then only he will be eligible. In case he wanted money now he would be paid only Rs.3463/- as against total amount of premiums paid by him so far amounting to Rs.150000/-. During the course of hearing the complainant stated that it would be unthinkable for him that he would get only a sum of Rs.3463/- after making the payment of Rs.150000/- to Insurance Company for in 3 years. He stated that he was mis-sold the policy and was not explained various provisions of the policy. He is a retired person; he cannot pay the premium for the term of the policy. He wanted his money back as he felt cheated by the Insurance Company.

3.. The insurance Company had submitted the detailed written submissions which are placed on record, wherein it was submitted that the policy was given to the policy holder and he was briefed properly about the policy. The policy holder is provided with the right to reconsider notice and in case he was not satisfied with the various terms and conditions of the policy, he could have approached the Insurance Company within the free look period. Policy was issued as per proposal form duly signed by the policy holder and in case he continued for further period of 3 years the charges would be less. The insurance Company had denied the charges of mis-selling of the policy.

4.. I have considered the submissions of the complainant. I also perused the reply of the Insurance Company which was placed on record. After due consideration of the matter I hold that there is a considerable force in the argument of the complainant that policy was mis-sold to him. It is unthinkable if one finds entitled to secure only a sum of Rs.3463/- after making the payment of 3 premiums in three years amounting to Rs.150000/-. If one wishes to discontinue the policy and having due regards to the request of the policy holder, in my considered view there is a case for cancellation of the policy. Accordingly, I direct the Insurance Company to cancel the policy of the policy holder and refund the premiums paid so far.

5.. Copies of the Award to both the parties.

Case No.LI-HDFC/200/10
In the matter of Shri Rajesh Aggarwal
Vs
HDFC Standard Life Insurance Company Limited

AWARD dated 11.01.2011 - Non-cancellation of policy

1. This is a complaint filed by Shri Rajesh Aggarwal (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non-cancellation of policy.

2. Complainant submitted that he had taken a policy of HDFC Saving Assurance Plan, bearing no. 13282222 wherein he had appointed his wife Smt. Seema Aggarwal as appointee but when he received his policy document, he found that the date of birth of his wife was mentioned written as 09.02.1974 instead of 01.08.1969. He received the policy document on 26.11.2008, he found that bank had deliberately changed the date of birth of the appointee in the form. He requested the bank to correct or cancel his policy but after 3 months of the request, the Insurance Company had sent the same policy without any correction. He further pointed out that one Ms. Charu Gupta and Ms. Meghna of HDFC Kalkaji Branch gave him the wrong information. He met them in the bank when he was trying to make the Fixed Deposit in the name of his daughter. Ms. Charu Gupta and Meghna assured him that he would get better return in the saving assurance plan of

HDFC than a fixed deposit. Believing them he took the policy. After receiving the policy document, he found that the information contained in the policy was different and the bank intentionally changed the date of birth in the form. He met Charu Gupta and Meghna and showed his anger for giving wrong information. He requested them to cancel the policy but he was advised to request first to make correction in the policy and thereafter request for cancelling the policy. He had done as advised but almost 3 months were taken for making correction. When he received the corrected policy, he found that there was no correction done as requested. He again wrote to cancel the policy and surrendered the original document to HDFC but the Insurance Company refused to cancel the policy and returned the policy document stating that free look period was already over. Thereafter 2 ladies did not talk to him. He submitted that he did not desire to continue the policy.

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He wants his money back. During the course of hearing the complainant stated that he had gone in the bank to take Fixed deposit in the name of his daughter but under wrong promises he was persuaded to take the policy. He wishes to cancel the policy.

3. The Insurance Company had submitted detailed written submissions which are placed on record wherein it has been submitted that complainant was provided with detailed and adequate information with regard to present policy and only after understanding the contents, terms and conditions of the policy the complainant had signed the same. The Insurance Company had denied the allegation as levied by the complainant. The allegation raised by the complainant regarding mis-selling is false and mischievous.

4. I have considered the submissions of the complainant. I also perused the written reply of the Insurance Company. After due consideration of the matter I hold that there is a considerable force in the argument of the complainant that the policy has been mis-sold to him because he had the intention of taking fixed deposit from the bank but instead under the false promises made by certain persons he had taken the policy. He found certain deficiencies in the policy document and requested for correction but no correction was made as a matter of fact he wanted to cancel the policy but he was advised first to request for correction of mistakes in policy document and that had taken considerable time and meanwhile the free look period had gone. In my considered view the request of the policy holder to cancel the policy deserved to be accepted. Accordingly I direct the Insurance Company to cancel the policy and refund the premium.

5. Copies of the Award to both the parties.

Case No.LI-HDFC/188/10
In the matter of Ms. Sudesh Kanta
Vs
HDFC Standard Life Insurance Company Limited

AWARD dated 13.01.2011 - Non-cancellation of policy

1. This is a complaint filed by Smt. Sudesh Kanta (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non-cancellation of policy.

2. Complainant stated that the HDFC Standard Life Insurance Co. Ltd had given policy bearing no. 12592284 and for which she had deposited Rs.2 Lacs. She realized that the policy issued to her was not according to her need and such policy was sold to her on the basis of lies. She had approached the Insurance Company but the Insurance Company is not paying proper attention to her problems. She wanted her money to be refunded to her along with interest. During the course of hearing she stated that she had taken the policy with the intention that she would be making payment only once but yearly paying premium policy was issued to her, which she never intended. She wanted to invest only once. Moreover, she is a house wife and has very limited source of income and she is not in a position to deposit a sum of Rs.2 Lacs every year for the term of policy for 10 years. Since she cannot continue the policy she wants to cancel the policy and wants back the amount deposited by her. She stated clearly that she is not in a position to deposit premium every year as the amount of premium is very high and she has no source of income to deposit the same.

3. Detailed submissions were given by the Insurance Company which is placed on record. It has been stated that the request of the complainant for cancellation of the policy was denied as the same could not be processed since the request was made after the free look period. The complainant had submitted the proposal and accordingly policy was issued on the basis of the information contained therein. It was stated further that on account of non receipt of the renewal premium the policy has acquired the paid-up status and the same has been informed to the policy holder.

The complainant had made allegation of mis-selling only on 29.03.2010 i.e. almost one year after taking the policy. It was stated that the complaint is devoid of any merit and substance and deserves to be dismissed.

4. I have considered the submissions of the complainant. I have also perused the detailed written submissions as given by the Insurance Company. After due consideration of the matter I hold that the insurance Company was not justified in not accepting the request of the complainant to cancel the policy because the policy has been mis-sold to her. She wanted onetime payment policy whereas she had been issued a policy whereby she had to deposit every year Rs.2 Lacs for 10 years for the term of the policy. It appears that while giving the policy the source of income of the policy holder was not examined properly. She is a house wife and cannot afford to pay Rs.2 Lacs for 10 years. Therefore, there is a considerable force in her argument that policy was mis-sold to her and under such circumstances it only appears fair and reasonable that the policy be cancelled. Accordingly, I direct the Insurance Company to cancel the policy and refund the premium paid by her at the earliest.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-HDFC/185/10
In the matter of Ms. Sarita Gandhi
Vs
HDFC Standard Life Insurance Company Limited

Revised Award dated 13.01.2011 - Non-cancellation of policy

1. This is a complaint filed by Smt. Sarita Gandhi (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non-cancellation of policy.

2. Complainant stated that she had purchased the policy from HDFC in March 2009 and paid a premium of Rs.90,000/-, but she had not received the policy document despite several requests made to the Insurance Company. She contacted Customer care of the Insurance Company where at she was informed that the policy document had been dispatched and delivered on 13.04.2009 and received by one Mr. B.S. Gandhani but she stated that she was not aware as to who had received the policy document. One thing is certain that she had not received the policy document. During the course of hearing the husband of the complainant stated that policy document was not received till 03.12.2009 and it has been stated by him on her behalf that policy should be cancelled. On 09.12.2009 request was made to the Insurance Company to cancel the policy.

3. On behalf of the Insurance Company written reply was submitted wherein it has been stated that policy document was dispatched at the mailing address of the complainant and must have been received.

4. I have considered the submissions of the complainant. I have perused the written submissions of the Insurance Company which is placed on record. After due consideration of the matter I hold that since the policy document was not received by the policy holder till 03.12.2009 and request was made to cancel the policy on 09.12.2009, the policy issued by the Insurance Company, is required to be cancelled. Admittedly the insurance Company cannot provide any evidence to the effect that policy document was served on the policy holder.

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Accordingly, it can be taken that request to cancel the policy was made within free look period. Accordingly, I direct the Insurance Company to cancel the policy and refund the premium paid by the policy holder.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Kotak/189/10
In the matter of Shri Vinod Kr. Singh
Vs
Kotak Mahindra Old Mutual Life Insurance Company Limited

AWARD dated 13.01.2011 – mis selling of policy

1. This is a complaint filed by Shri Vinod Kumar Singh (herein after referred to as the complainant) against the decision of Kotak Mahindra Old Mutual Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) relating misspelling of policy.

2. Complainant stated that in the month of May, 2009 Shri Ashwani Kumar and Adil Hashmi visited his house. Both of them gave him false and incomplete information about the policy. It has been stated by them that it is a onetime premium policy and loan facility up to 14 lacs at the rate of 5% interest. Believing them he had taken a policy and deposited premium of Rs.50,000/-, but after getting policy document, he came to know that he had to deposit at least for 3 years, but he is not in a position to deposit at any cost. He contacted Shri Ashwani Kumar, and he said that this is a banking norm and policy is good. He was informed by the Insurance Company that he has to deposit premium for at least 3 years. He had gone to Ambadeep Building, Kotak Insurance Office on 12th June within 15 days, for the cancellation of the policy but they refused and did not take the application. They sent Shri Bhawneet Singh to his office regarding same matter and he assured him that he would get the policy cancelled within a week. He was eagerly waiting for cancellation of the policy. He also talked to one Shri Bilprit Bagga who is an officer in the Kotak Life Insurance Office on his mobile phone who also agreed for cancellation of the policy and after 20 days he gave him the name of his senior officer. He requested to take action against Insurance Company's employees and also to cancel the policy. He had approached the grievance cell of the company, but he could not get any relief from there too. He requested further to cancel the policy as he was not in a position to pay Rs.50,000/- for 3 years. During the course of hearing complainant stated that he had signed the proposal form and all entries were filled in by the person who persuaded him to take the policy.

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He approached the Insurance Company within free look period to cancel the policy but no action was taken by the office of the Insurance Company. He was harassed by the Insurance Company's officer.

3. Detailed written submissions were placed on record on behalf of the Insurance Company wherein it has been stated that the complaint filed by the complainant does not fall within the ambit of provisions contemplated under Rule 12 of the Redressal of Public Grievances Rules 1998 and as such the complainant is not entitled to claim any relief from this Hon'ble Forum. The complainant had applied for cancellation vide e-mail dated 07.07.2009 and the same was replied by the Company vide its email dated 08.07.2009 stating that policy holder is offered 15 days free look period to get the policy cancelled. The term of the policy is 20 years. The policy holder has an option to get the policy cancelled only within free look period.

4. I have considered the submissions of the complainant. I have also perused the written submissions submitted on behalf of the Insurance Company which are placed on record. After due consideration of the matter I hold that the Insurance Company was not justified in not accepting the request of the complainant to cancel the policy. There is no reason not to accept the version of the policy holder that he had approached the Insurance Company for cancellation within 15 days of free look period. The complainant had admitted that he had signed only the proposal form and rest were filled by the person so approached him to take the policy. Since request is made by the complainant to the Insurance Company to cancel the policy within free look period, the insurance Company is bound to cancel the policy. Accordingly, I direct the Insurance Company to cancel the policy and refund the premium at the earliest.

5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the same is needed to be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Aviva/164/10
In the matter of Ms. Manju Kapur
Vs
Aviva Life Insurance Company Limited

AWARD dated 13.01.2011 - Non- payment of surrender value

1. This is a complaint filed by Ms. Manju Kapoor (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non- payment of surrender value.

2. Complainant stated that she had purchased 2 insurance policies from Aviva Life Insurance Company Ltd. Through one Shri Bikramjeet Singh Kapoor Branch Head Centurion Bank of Punjab, Jungpura Extension as Insurance Company had tie up with the bank and she was the account holder in the bank. Therefore Shri Bikramjeet approached her with life insurance scheme and explained to her that it would be beneficial to her to pay the required premium for 3 years and in case she wants, she can withdraw after 3

years. She was told that the policy was based on market risk; whenever the market rises she can withdraw the amount with good benefit. Accordingly, she paid premium of Rs.30,000/- per year for 3 years and the policy was not renewed in 4th year, because she intended to pay only for 3 years and when the call came to pay in the 4th year she was told that the policy became paid up for not making payment in the 4th year. She was told that in case she now decides to discontinue the policy, she would suffer a deduction of 73% of the premium paid. She stated that there was no such provision in the policy but the Insurance Company is not ready to listen. She stated that she was told by Shri Bikramjeet Singh that she would be entitled to not only the principle amount paid by her but also the interest. During the course of hearing she stated that she felt cheated by the Insurance Company in the sense that after making payment for 3 years roughly about 1,80,000/- she would be entitled only to Rs.88,000/- and there will be abnormal high reduction. She stated that high charges were never told to her while giving the policy, therefore she felt that she was cheated by the Insurance Company.

3. Detailed submissions were placed on record on behalf of the Insurance Company wherein it was stated that the policy holder was provided with the policy schedule and also right to reconsider notice in case she disagrees with any of the terms and conditions of the policy. She could have made the request within free look period to the Insurance Company to cancel the policy. Policies have been issued on the basis of 2 proposal forms duly signed by the complainant. She had made a complaint for misspelling after making payment for 3 years.

4. I have considered the submissions of the complainant very carefully. I have also perused the detailed reply submitted by the Insurance Company and also verbal submissions made by the representative of the Insurance Company. After due consideration of the matter I hold that request of the complainant to cancel the policy on the ground that policy was mis-sold to her deserves to be accepted. The complainant had paid a sum of Rs.180000/- in respect of 2 policies and the complainant feels cheated when it was told to her that she would be required to pay 73% of the fund value by way of Surrender Charges, such charges were never told to the policy holder before taking the policy. When the policy holder goes to the Insurance Company after 3 years and she was told that she will be entitled only about 1/3rd of what she had invested, obviously the investor feels cheated and would not like to continue the policy under such circumstances. In my view it appears justified if the Insurance Company accepts the request to cancel the policy and refunds the premium. Moreover, the term of the policy is so long that anyone hardly survives up to the maturity of the policy. Accordingly, I direct the Insurance Company to cancel the policies as requested by the complainant and refunds the amount of premiums paid by her.

5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the same is needed to be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Aviva/158/10
In the matter of Ms. Sheetal Mahajan
Vs
Aviva Life Insurance Company Limited

AWARD dated 13.01.2011 - Less payment of surrender value

1. This is a complaint filed by Ms. Sheetal Mahajan (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for less payment of surrender value.

2. Complainant stated that one of the Insurance Company's brokers had sold her the policy bearing no. LLG1201930 in January 2006. At the time of sale of the policy he did not give details of charges on the surrender of policy. Now she approached the Insurance Company and it was stated that to her that she would get her money after deduction of 73% of the paid premium. She submitted that the non-disclosure of all the terms and condition of policy at the time of selling the policy is not a proper sale and hence is valid, because there is no identity of views between the insured and the insurer. She was told while selling the policy that she would be able to withdraw her full money after 3 years and will get all benefits but now she came to know that incase she wants to surrender she will have to suffer by surrender charges which are abnormally high. During the course of hearing she stated that since she was felt cheated by the Insurance Company, she would like to withdraw, from the policy and would like to have her money back. She requested that her policy be got cancelled and whatever premium she had paid be got refunded to her.

3. Representative of the Insurance Company who attended the hearing opposed the version of the complainant. It was stated by him that the complainant should have read the policy document carefully and could have approached the Insurance Company within time in case she was not satisfied with the terms and conditions of the policy. It was nothing but the second thought whatever charges are to be deducted on surrendering the policy are provided in the policy document.

4. I have considered the submissions of the complainant. I have also considered the verbal arguments of the representative of the Insurance Company. After due consideration of the matter I hold that there is a case for cancellation of the policy. Contention of the complainant that she was not completely briefed about all aspects of policy appears to be correct. All benefits of the policy were not properly told to her, various charges were also not stated before taking the policy particularly negative aspects of the policy were not told. Moreover the term of the policy is unusually long. Accordingly in my view the request of the complainant to cancel the policy needs to be accepted by the Insurance Company. Accordingly, I direct the Insurance Company to cancel the policy and refund the premium paid by her.

5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the same is needed to be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Aviva/196/10
In the matter of Mr. Vinod Kumar Watts
Vs
Aviva Life Insurance Company Limited

AWARD dated 18.01.2011 - Non-cancellation of policy

1. This is a complaint filed by Shri Vinod Kr. Watts (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non-cancellation of policy.

2. Complainant stated that he was forced by the Centurion Bank of Punjab while disbursing him Home Loan for Rs.9,59,000/- for taking the policy. As a matter of fact first premium of the policy was directly paid by the Bank to the Insurance Company by debiting his home loan account. He had requested the Customer care to cancel the Insurance policy and to refund the amount of Rs.95920/-, but the Insurance Company did not hear his request to cancel the policy. He again wrote on 13.09.2007 and it was told that it was not possible to cancel the policy. He again requested and sent e-mail but of no use. During the course of hearing it was stated by him that he was forced to take the policy though for securing loan from bank he was not supposed to take insurance policy. The bank and the Insurance people virtually forced him to take the policy. He wanted to cancel the policy at the earliest and had requested the Insurance Company to do so, but the Insurance Company had not done so. During the course of hearing it was stated by the complainant that policy was not received by him as a matter of fact policy was received by the bank and only when the premium amount was deducted from his home loan installment he came to know that policy was issued to him though he never intended to get the policy. Therefore he approached the customer care cell of the Insurance Company to cancel the policy.

3. Detailed written submissions are placed on record on behalf of the Insurance Company, wherein it has been submitted that on the basis of proposal and upon completion of formalities the policy was issued to the policy holder commencing on 04.07.2006 with an assured sum of Rs.959000/- with an annual premium of Rs.95920/-. Policy holder was given Right to Reconsider notice but such right was not exercised by the policy holder i.e. to say the policy holder did not approach the Insurance Company within free look period to cancel the policy.

4. I have considered the submissions of the complainant. I have also perused the detailed written submissions placed on record on behalf of the Insurance Company. After due

consideration of the matter I hold that policy was thrust upon the policy holder. The bank and the Insurance Company were in collusion and they had given unintended policy to the policy holder. The policy holder came to know of the policy only when he was informed that the amount of premium was debited out of his home loan account and as and when he came to know of this, he requested the customer care cell of the Insurance Company to cancel the policy. I have no reason not to believe the version of the complainant that policy under reference was issued to the policy holder without his request. He was wrongly made to believe that policy is to be taken for getting the loan sanctioned whereas there is no connection between bank loan and for taking the policy, because Insurance Company issues the policy whereas Bank sanctions the loan. Loan sanctioning authority and policy issuing authority are separate and distinct. In my view the request of the policy holder to cancel the policy deserves to be accepted. Accordingly, Insurance Company is directed to cancel the policy of the policy holder and refund the amount of premium deducted from his home loan account.

5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the same is needed to be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Bajaj/195 & 228/10
In the matter of Dr. Vikram Singh
Vs
Bajaj Allianz Life Insurance Company Limited

AWARD dated 18.01.2011 – Mis selling and non-cancellation of policy

1. This is a complaint filed by Dr. Vikram Singh (herein after referred to as the complainant) against the decision of Bajaj Allianz Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for mis-selling and non-cancellation of policy.

2. Complainant stated that he had filled the form to purchase onetime single premium policy in 2007 of Bajaj Allianz Life Insurance Co. Ltd through one Shri Vivek Gathania who was the agent of the Insurance Company. He received lapsed notice dated 20.11.2008 and also dated 07.12.2008 and tried to contact the person through which the policy was purchased to pursued him that whereas he demanded single premium policy but he had been given yearly paying premium policy. During the course of hearing he stated that he got the assurance to pay and had intended clearly to invest by paying single premium but he was surprised to find that he had to pay Rs.30000/- yearly. He stated that he was given a product which he never intended. He is not in a position to pay every year as receipt of arrears is once in a while in the service cadre of an employee. He had other obligations and had he had no other obligations he would have continued the policy and continued to pay premium but it was not possible for him to continue the policy with

obligation to make payment every year. He had contacted several persons but he got contradictory reply and in fact felt cheated after investing Rs.30,000/-. He stated that his policy be cancelled and Insurance Company be directed to refund the amount of premium. He had already purchased another policy in 2008 and wants to cancel this policy.

3. Insurance Company had stated that policy was issued to him which was demanded by him. The request to cancel the same was not given within the free look period. The Insurance Company is bound by terms and conditions of the policy which are approved by IRDA.

The grievances raised by the Policy holder are not in accordance with the terms and conditions of the policy and the insurance company is not in a position to redress the grievance. During the course of hearing the representative of the Insurance Company also stated that it is not possible to cancel the policy as per terms and conditions of the policy, considerable time is gone.

4. I have considered the submissions of the complainant. I have also perused the reply which is placed on record on behalf of the Insurance Company. After due consideration of the matter I hold that the request of the complainant to cancel the policy is to be accepted because, he had not got the product which he wanted. He wanted only a policy wherein he was required to deposit only once whereas he was given policy wherein he is under obligation to make payment of premium every year for a certain term. He is a salaried employee and has other obligations also. He had expressed inability to deposit premium every year. In my considered view it would be fair and reasonable if the policy is cancelled. Accordingly, the Insurance Company is hereby directed to cancel the policy and refund the premium to the complainant with norms.

5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the same is needed to be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Max/150/10
In the matter of Shri Dinesh Kumar Surana
Vs
Max New York Life Insurance Company Limited

AWARD dated 18.01.2011 - Non-cancellation of policy

1. This is a complaint filed by Shri Dinesh Kumar Surana (herein after referred to as the complainant) against the decision of Max New York Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non-cancellation of policy.

2. Complainant stated that he had purchased a policy on 17.06.2008 and he wanted to cancel the same because whatever was narrated to him about the policy, the same was not found on receipt of the policy bond. After receipt of the bond call centre was contacted on 01.07.2008 and lodged the request for cancellation of the policy, in fact he wanted to know the procedure as to how the policy is to be cancelled but such information was not provided to him ultimately Insurance Company's Branch Officer, Jaipur was contacted and in fact wanted to hand over the bond to the Insurance Company but he was advised that instead of handing over the bond, application may be written for cancellation of the policy, but nothing was done and even notice was sent through an advocate for cancelling the policy but the policy was not cancelled and had not refunded the premium along with the interest. He requested this forum to get his policy cancelled and premium paid be got refunded along with interest.

3. The Insurance Company informed the complainant vide its letter dated 29.03.2010 that it was unable to proceed with his request to cancel the policy as the same was outside the free look period. The insurance company also informed the complainant vide its letter dated 12.03.2010 wherein it has considered to have received the request for UL-Cancellation outside the free look period and same is in the process of reviewing it. The Insurance Company also submitted the detailed submissions dated 04.06.2010 wherein it has been sated that the complainant submitted the written request for cancellation of the policy on 30.07.2008 whereas the complainant had received the policy bond on 01.07.2008 that is the request was made after 30 days from the receipt of the policy.

4. I have considered the submissions of the complainant. I have also perused the written submissions as placed on record on behalf of the Insurance Company. After due consideration of the matter I hold that the Insurance Company was not justified in not accepting the request of the policy holder to cancel the policy stating that such request was made outside the free look period because complainant had purchased the policy on 17.06.2008 and had contacted the call centre with request to cancel the policy on 01.07.2008 that means the complainant had expressed his desire to cancel the policy within free look period. Therefore, in my considered view the Insurance Company ought to have accepted the request of the complainant to cancel the policy. Accordingly, Award is passed with a direction to the Insurance Company to cancel the policy and refund the premium immediately.

5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the same is needed to be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Max/153/10
In the matter of Shri Surender Kumar Surana
Vs
Max New York Life Insurance Company Limited

AWARD dated 18.01.2011 - Non-cancellation of policy

1. This is a complaint filed by Shri Surender Kumar Surana (herein after referred to as the complainant) against the decision of Max New York Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non-cancellation of policy.

2. Complainant stated that he had purchased a policy on 13.06.2008 and he wanted to cancel the same because whatever was narrated to him about the policy, the same was not found on receipt of the policy bond. After receipt of the bond call centre was contacted on 01.07.2008 and lodged the request for cancellation of the policy, in fact he wanted to know the procedure as to how the policy is to be cancelled but such information was not provided to him ultimately Insurance Company's Branch Officer, Jaipur was contacted and in fact wanted to hand over the bond to the Insurance Company but he was advised that instead of handing over the bond, application may be written for cancellation of the policy, but nothing was done and even notice was sent through advocate for cancelling the policy but the policy was not cancelled and had not refunded the premium along with the interest. He requested this forum to get his policy cancelled and premium paid be got refunded along with interest.

3. The Insurance Company informed the complainant vide its letter dated 26.03.2010 that it was unable to proceed with his request to cancel the policy as the same was outside the free look period. The insurance company also informed the complainant vide its letter dated 12.03.2010 wherein it has considered to have received the request for UL-Cancellation outside the free look period and same is in the process of reviewing it. The Insurance Company also submitted the detailed submissions dated 04.06.2010 wherein it has been stated that the complainant submitted the written request for cancellation of the policy on 30.07.2008 whereas the complainant had received the policy bond on 01.07.2008 that is the request was made after 30 days from the receipt of the policy.

4. I have considered the submissions of the complainant. I have also perused the written submissions as placed on record on behalf of the Insurance Company. After due consideration of the matter I hold that the Insurance Company was not justified in not accepting the request of the policy holder to cancel the policy stating that such request was made outside the free look period because complainant had purchased the policy on 13.06.2008 and had contacted the call centre with request to cancel the policy on 01.07.2008 that means the complainant had expressed his desire to cancel the policy almost within free look period. Therefore, in my considered view the Insurance Company ought to have accepted the request of the complainant to cancel the policy. Accordingly, Award is passed with a direction to the Insurance Company to cancel the policy and refund the premium immediately.

5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the same is needed to be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Max/151/10
In the matter of Ms. Garima Surana
Vs
Max New York Life Insurance Company Limited

AWARD dated 18.01.2011 - Non-cancellation of policy

1. This is a complaint filed by Ms. Garima Surana (herein after referred to as the complainant) against the decision of Max New York Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non-cancellation of policy.

2. Complainant stated that she had purchased a policy on 17.06.2008 and she wanted to cancel the same because whatever was narrated to her about the policy, the same was not found on receipt of the policy bond. After receipt of the bond call centre was contacted on 01.07.2008 and lodged the complaint for cancellation of the policy, in fact she wanted to know the procedure as to how the policy is to be cancelled but such information was not provided to her ultimately Insurance Company's Branch Officer, Jaipur was contacted and in fact wanted to hand over the bond to the Insurance Company but it was advised to her that instead of handing over the bond, application may be written for cancellation of the policy, but nothing was done and even notice was sent through an advocate for cancelling the policy but the policy was not cancelled and had not refunded the premium along with the interest. She requested this forum to get her policy cancelled and premium paid be got refunded along with interest.

3. The Insurance Company informed the complainant vide its letter dated 29.03.2010 that it was unable to proceed with her request to cancel the policy as the same was outside the free look period. The insurance company also informed the complainant vide its letter dated 12.03.2010 wherein it has considered to have received the request for UL-Cancellation outside the free look period and same is in the process of reviewing it. The Insurance Company also submitted the detailed submissions dated 04.06.2010 wherein it has been sated that the complainant submitted the written request for cancellation of the policy on 30.07.2008 whereas the complainant had received the policy on 01.07.2008 that is the request was made after 30 days from the receipt of the policy.

4. I have considered the submissions of the complainant. I have also perused the written submissions as placed on record on behalf of the Insurance Company. After due consideration of the matter I hold that the Insurance Company was not justified in not accepting the request of the policy holder to cancel the policy stating that such request was made outside the free look period because complainant had purchased the policy on 17.06.2008 and had contacted the call centre with request to cancel the policy on 01.07.2008 that means the complainant had expressed her desire to cancel the policy within free look period. Therefore, in my considered view the Insurance Company ought to have accepted the request of the complainant to cancel the policy. Accordingly, Award is passed with a direction to the Insurance Company to cancel the policy and refund the premium immediately.

5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the same is needed to be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-IDBI/122/10
In the matter of Smt. Preeti Sandhya
Vs
IDBI Fortis Life Insurance Company Limited

AWARD dated 13.01.2011 - Non- cancellation of policy

1. This is a complaint filed by Smt. Preeti Sandhya (herein after referred to as the complainant) against the decision of IDBI Fortis Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non- cancellation of policy.

2. Complainant stated that she had handed over a sum of Rs.50,000/- to one Mr. Neeraj Sanadhya of IDBI Fortis Life Insurance Company Ltd.. He promised her to buy a fixed deposit for this amount. She received an envelope thinking that she had received a Fixed Deposit but when she checked the documents of the envelope she found that documents related to insurance policy. She further found that the policy was for the period of 20 years. She contacted the person through whom she got this policy. She found that he was no more in the service. She is in need of money. She requested this forum for an order for refunding the amount paid by her.

3. Detailed written submissions were furnished on behalf of the Insurance Company wherein it has been stated that on 09.03.2010 Insurance Company had received a letter from the complainant to the effect that she wanted to invest a sum of Rs.50,000/- in Fixed Deposit but the Insurance Company's agent invested the same in the policy. Due to this reason the complainant requested for cancellation of the policy and refunding the premium paid by her. It further stated that complainant had received the policy on 14.09.2009 and she was offered a free look period of 15 days thereafter to cancel the policy. However, the request for cancellation was made approximately 6 months after the receipt of the policy bond. The Insurance Company cannot cancel the policy as per her request as the request was not made within free look period.

4. I have considered the submissions of the complainant. I have also perused the detailed written submissions as placed on record on behalf of the Insurance Company.

After due consideration of the matter I hold that the Insurance Company was not justified in not acceding to the request of the policy holder to cancel the policy because the policy has been mis-sold to the policy holder by the agent of the Insurance Company. Policy holder obviously wanted to invest in the fixed deposit and she believed the agent that she would be receiving fixed deposit receipt but instead the policy was issued to her that too

for a term of 20 years. The policy holder intended to make onetime investment. The complainant did not intend to make investment in the policy probably because she was not intending to deposit every year as premium. It is to be seen that the policy holder immediately reacted on receipt of the policy bond and tried to contact the person through whom the policy was received and to whom she paid a sum of Rs.50000/- for getting fixed deposit. Therefore the request of the policy holder may be taken to have been made to cancel the policy within free look period. Accordingly, in my view the request of the complainant to cancel the policy deserves favourable consideration by the Insurance Company. Accordingly, Award is passed with a direction to the Insurance Company to cancel the policy and refund the premium paid by her.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-IDBI/123/10
In the matter of Shri Sandeep Sharma
Vs
IDBI Fortis Life Insurance Company Limited

AWARD dated 13.01.2011 - Non- cancellation of policy

1. This is a complaint filed by Shri Sandeep Sharma (herein after referred to as the complainant) against the decision of IDBI Fortis Life Insurance Co. Ltd (herein after referred to as respondent Insurance Company) for non- cancellation of policy.

2. Complainant stated that he had handed over a sum of Rs.50,000/- to one Mr. Neeraj Sanadhya of IDBI Fortis Life Insurance Company Ltd.. He promised him to buy a fixed deposit for this amount. He received an envelope thinking that he had received a Fixed Deposit but when he checked the documents of the envelope he found that documents related to insurance policy. He further found that the policy was for the period of 20 years. He contacted the person through whom he got this policy. He found that he was no more in the service. He is in need of money. He requested this forum for an order for refunding the amount paid by him.

3. Detailed written submissions were furnished on behalf of the Insurance Company wherein it has been stated that on 09.03.2010 Insurance Company had received a letter from the complainant to the effect that he wanted to invest a sum of Rs.50,000/- in Fixed Deposit but the Insurance Company's agent invested the same in the policy. Due to this reason the complainant requested for cancellation of the policy and refunding the premium paid by him. It further stated that complainant had received the policy on 14.09.2009 and he was offered a free look period of 15 days thereafter to cancel the policy. However, the request for cancellation was made approximately 6 months after

the receipt of the policy bond. The Insurance Company cannot cancel the policy as per his request as the request was not made within free look period.

4. I have considered the submissions of the complainant. I have also perused the detailed written submissions as placed on record on behalf of the Insurance Company.

After due consideration of the matter I hold that the Insurance Company was not justified in not acceding to the request of the policy holder to cancel the policy because the policy has been mis-sold to the policy holder by the agent of the Insurance Company. Policy holder obviously wanted to invest in the fixed deposit and he believed the agent that he would be receiving fixed deposit receipt but instead the policy was issued to him that too for a term of 20 years. The policy holder intended to make onetime investment. The complainant did not intend to make investment in the policy probably because he was not intending to deposit every year as premium. It is to be seen that the policy holder immediately reacted on receipt of the policy bond and tried to contact the person through whom the policy was received and to whom he paid a sum of Rs.50000/- for getting fixed deposit. Therefore the request of the policy holder may be taken to have been made to cancel the policy within free look period. Accordingly, in my view the request of the complainant to cancel the policy deserves favourable consideration by the Insurance Company. Accordingly, Award is passed with a direction to the Insurance Company to cancel the policy and refund the premium paid by him.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Reliance/60/10
In the matter of Shri Rajender Mehta
Vs
Reliance Life Insurance Company Limited.

AWARD dated 13.01.2011 - Non-cancellation of policy

1. This is a complaint filed by Shri Rajender Mehta (herein after referred to as the complainant) against the decision of Reliance Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for non-cancellation of policy.

2. Complainant stated that he holds two policies of the Insurance Company. He was approached by the agent of the Insurance Company and he told him that he wanted to have a single premium paid policy and he was not required to pay every year. He stated further that he was under the bonafide belief that he would not have to pay payment in the next year. He received the policy document somewhere in the last week of October 2009 and he found that policies issued to him are regular premium paying policies and he is required to make payment for 10 years. He was also told by the agent that he will get

maximum guarantee of 8% p.a. but he did not find this mentioned in the policy document. He had gone to one of the Branch of the Insurance Company where at he was informed that Insurance Company will not accept his request for cancellation of the policy. As the same is out of the free look period. He says that he is a layman and does not understand the technicalities of trade. He stated that he has been cheated by the Insurance Company agent and requested this Forum to get both the policies cancelled and refund of the money.

3. Detailed written submission were placed on record on behalf of the Insurance Company wherein it has been stated that the complainant had applied for Reliance Premier Life Plan Policy with yearly premium of Rs.150000/- and the policies bearing no. 15339433 and 15339431 were issued. The policy documents were duly dispatched at the mailing address through courier. The complainant sent e-mail to the Insurance Company on 02.01.2010 and requested for cancellation of the policies. Since the request of the complainant was beyond the free look period, the Insurance Company was unable to process the request of the complainant.

4. I have considered the submissions of the complainant. I have also perused the written submissions of the Insurance Company. After due consideration of the matter I hold that Insurance Company was not justified in not accepting the request of the complainant to cancel the policies mainly because the policies have been mis-sold to him. He had taken the policies under impression that he is required to make payment only once i.e. he wanted single premium paid policy whereas Insurance Company had issued him regular premium paying policies for the period of 10 years. He was also guaranteed minimum 8% p.a. which he also did not find mentioned in the policy document. In my view since the policies have been mis-sold to him, the request of the complainant to cancel the policy deserves favourable consideration. Accordingly, Award is passed with the direction to the Insurance Company to cancel the policies and refund the premiums received by it.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI/141/HDFC/10

In the matter of Ms.Sarabjit Kaur

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 03.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms.Sarabjit Kaur (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that she had gone to the HDFC bank to get a Fixed Deposit but she was persuaded to get a plan. She was persuaded to deposit a sum of Rs.10000/- instead of getting an F.D. She was assured that she would get interest of Rs.2500/- every year. She was also told that she has to make payment for three years at the most and she would get an amount of Rs.25000/- after three years. It is on this basis, she had taken the policy. When she received the policy document, she came to know about the terms and conditions of the policy were such which she did not want and she could not meet the person who had persuaded her in the bank to take the policy and had narrated various benefits of the policy. She felt cheated. She stated that she was in fact mis-sold the policy. She is a teacher in a school and gets paltry salary. She is not in a position to deposit a sum of Rs.10000/- every year for 10 years. During the course of hearing, she stated that it was virtually impossible for her to continue the policy for 10 years and to deposit annual premium of Rs.10000/- every year. She further stated that her signatures were forged in the policy. She requested that her policy be got cancelled and amount paid by her as premium be got refunded to her. She had made a request to the company also for cancellation of the policy but the company informed her vide its letter dated 22.03.2010 that her request to cancel the policy cannot be acceded to and the policy was correctly sold to her.
3. The company also submitted written reply which is placed on record wherein it has been mentioned that the allegation of the complainant regarding mis-selling and forging of signatures are not correct. The features of the plan had been explained to her at the time of filing the proposal form and after understanding the contents, terms and conditions of the policy, the policy was taken by her. It is submitted further that the complaint is devoid of any substance and is without any merit and deserves to be dismissed.
4. I have considered the submissions of the complainant and have also perused the reply of the company which is placed on record. After due consideration of the matter, I hold that the policy under reference appears to have been mis-sold to the policy holder. In view of the contents of the complaint, it appears to me justified that this is a fit case for cancellation of the policy. There is a considerable force in the argument of the complainant that she is not in a position to continue the policy for 10 years paying Rs.10000/- premium every year. She had not sufficient source of income. The benefit which was narrated to her while taking the policy is not going to accrue from the policy. Thus her request to cancel the policy deserves to be acceded to by the company. **Accordingly, I direct the insurance**

company to cancel the policy as requested by the insured and make the payment of premium paid by her.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/142/HDFC/10

In the matter of Shri Raj Pal Singh

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 03.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Raj Pal Singh (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policies by the company.
2. The complainant stated that he was sold two insurance policies by the insurance company in the year 2009. The premium of each policy was Rs.1,00,000/-. He submitted further that the policy details were not explained in details to him by the bank executive/Relationship Manager. He was made to believe by the executive/Relationship Manager that it was an investment making worth and it was a good investment. He was not properly explained the benefits of the policy. He was not briefed properly about various deductions and charges which are required to be borne by him on such policies. The policies have been taken by the company and were not returned. He requested this forum to get his premium refunded by the company as the policies were mis-sold to him. There was a breach of trust by the company. The complainant did not attend the office on the date of hearing. He also submitted as under:

“* I was not told that I am applying for a insurance or pension scheme as I have asked for a FD and that too by your bank employee as she said that since funds are lying your account so get the funds invested for better returns.

* I was not even told that there are huge allocation charges up to a tune of 40% of my investment.

* I was not told that I need to invest for 10-15 years regularly as it was a onetime investment for me.

- *. I asked categorily that I have only this year to invest but then also I was given a long term product.
 - *. I did not want my money to get locked in even for 6 months where as I have a lock in of 3-5 years in the policy that is given to me.”
3. Written submissions are placed on record on behalf of the company wherein it has been stated the complainant had taken two policies within an interval of two months; first was taken with effect from 26.03.2009 and another with effect from 16.05.2009. The complainant had understood the terms and conditions of the policies and accordingly policies were taken by him. He also signed ECS mandate in respect of policy No.12904387 for the purpose of direct debit of premium from his bank account which also showed that he was well aware about the terms and conditions of the policy. Policy documents were dispatched to the policy holders. The request of the complainant for cancellation of the policies was denied as such request was made after the expiry of one year of taking the policies. The complainant vide his letter dated 26.12.2009 alleged the mis-selling of the policies and that was after the expiry of free look period. It has been stated further that charges of mis-sellinfg of the policies are wrong and baseless and the same are denied vehemently. The complainant had paid the premium. The complainant is a qualified person and raised the issue of mis-selling after a considerable period of time. He had not made use of free look period. It is submitted further that the complaint is devoid of any substance and is without merit and deserves to be dismissed. During the course of hearing also, the representative of the company denied the charges of mis-selling and submitted the fact that the complainant had taken second policy after two months of taking first policy which shows that the complainant was convinced about the benefits of the policies and understood the terms and conditions of the policies.
 4. I have considered the submissions of the complainant and have carefully examined the written reply as placed on record on behalf of the company and also verbal submissions made by its representative. After careful consideration of the matter, it appears to me that this is a fit case for cancellation of these policies. Though he had not made request to cancel the policies during the free look period but had levied serious allegations against the company which of course are difficult to establish and in the fitness of things **I consider it appropriate to direct the insurance company to cancel the policies taken by the insured and refund the premiums with usual norms.**
 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.

Case No.LI/146/DL-II/10

In the matter of Smt. Seema Kohli

Vs

Life Insurance Corporation of India

**AWARD dated 03.01.2011 – Incorrect settling the surrender value
under the policy**

1. This is a complaint filed by Smt. Seema Kohli (hereinafter referred to as the complainant) against the decision of Life Insurance Corporation of India (hereinafter referred to as respondent insurance company) for incorrect settling the surrender value under the policy.
2. The complainant stated that the insurance company had wrongly settled her surrender value. She had written e-mail but she did not get any reply though 7 months have elapsed. On 02.02.2010, she received an e-mail from LIC, Divisional Office-II stating that it had forwarded her e-mail to Branch Office 11-P. She requested this Forum to get the matter settled at an early date. She stated further that she had taken a Future Plus Policy No.122645546 on 17.08.2006. She applied for surrender value of the policy and received a cheque of Rs.35033/- vide cheque No.553746 dated 22.08.2009 against the premium of Rs.50000/- which she had deposited during three years. Her husband too had taken the same policy for the same amount but on surrendering such policy, he received a cheque of Rs.92000/-. Thus, almost double the amount which was given by LIC of India to her husband. On 09.12.2009, she received a letter from Branch Unit 11-P stating that she had applied for yearly mode while taking the policy which is not correct. She personally visited the office and apprised that she had taken single premium policy. It was a mistake of the office to make it single premium policy instead of yearly. During the course of hearing which was attended by her husband, it was found that she was made payment of Rs.92043/-on 02.11.2010 vide cheque No.580552 for Rs.57010/-and cheque No.580555 for Rs.35033/-. The amount almost equal to her husband; she had not accepted the cheque sent earlier amounting to Rs.35033/-. Since she has received the surrender value late, LIC of India is required to pay the interest on such delayed payment.
3. During the course of hearing, the representative of LIC of India stated that as per the request, the policies have been surrendered and amount has been paid. However, it is a fact that the complainant was paid the surrender value late on 02.11.2010. The complainant had not accepted the cheque for an amount of Rs.35033/- sent earlier.

4. I have considered the submissions of the complainant and have considered the verbal submissions of the representative of LIC of India. After due consideration of the matter, I hold that LIC of India was not justified in withholding the amount. The complainant had applied for single premium policy where as she was given policy for yearly mode of payment and that was the mistake of the office. She was justified in stating that she could have been given the same amount as her husband got on surrendering the policy because both of them had taken the same policy on the same day under the same terms and conditions. Thus there appears to be justification on the part of the company to pay penal interest to the complainant for making delayed payment of surrender value. Admittedly she had got the payment on 02.11.2010. **Accordingly Award is passed with the direction to make payment of penal interest @ 8% from the date her first request for surrender was considered to the date of actual payment.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/154/Kotak/10

In the matter of Dr.Ripdaman Singh Panesar

Vs

Kotak Mahindra Old Mutual Life Insurance Limited

AWARD dated 03.01.2011 - Mis-selling of the policy and refund of premium

1. This is a complaint filed by Dr.Rapdaman Singh Panesar (hereinafter referred to as the complainant) against the Kotak Mahindra Old Mutual Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-selling of the policy and refund of premium.
2. The complainant submitted that he had invested Rs.2.56 lakh in five policies issued by the insurance company out of his hard earned pension arrears given by Government on 01.01.2006. He is a senior citizen and also physically handicapped old man of 78 years. The five policies were purchased in the assessment year 2010-11. He submitted that such policies were mis-sold to him. Since he was not able to attend the hearing due to his deteriorating health, his wife attended the proceedings. She stated that the policies which were given to him deserve to be cancelled as the policies were mis-sold to him.

3. Written submissions were submitted on behalf of the company which are placed on record wherein it has been stated that the complaint filed by the complainant does not fall within the ambit of provisions contemplated under the provisions of Rule 12 of the Redressal of Public Grievances Rules, 1998 and as such the complainant is not entitled to claim any relief from this forum. The complainant had given the proposals for taking the policies. The complainant himself had forwarded the satisfaction letter dated 04.11.2009 through e-mail to Mr. Ankit Kumar and Shri Paramjit Ahuja of the company stated that he is ready to continue with the policies. The complainant has filed the complaint by suppressing the material facts.

The complainant had enjoyed the benefits of policies for more than 4 years and the request for refund of premiums is not justifiable. The policy documents along with proposals were delivered in time by the company and were also received by the complainant/policy holder. The policy holder was provided 15 days time, known as free look period. In case he was not satisfied with the policies, he could have approached the company for cancellation of the policies within the free look period. It is further submitted that there is no default or wrong commitment on the part of the company and the company had acted diligently

4. I have very carefully considered the submissions of the complainant and have also perused the written submissions as placed on record on behalf of the company. I have also considered verbal submissions made by the complainant's wife and also the representative of the company. After due consideration of the matter, I hold that having due regards to the circumstances of the complainant, it appears to be a fit case wherein the request the policy holder to cancel the policies is to be accepted by the company. The complainant had given pathetic circumstances in which the policies were sold to him. The policy holder is a senior citizen and is of advanced age who had invested his arrears of pension while taking the policies. **In my considered view, the request of the policy holder to cancel the policies deserves to be accepted. Accordingly I direct the insurance company to cancel all the five policies of the policy holder and refund the premiums received by it. The arguments of the company that the complaint filed by the complainant is not tenable under Rule 12 are not tenable as these have no substance.**
5. The Award is required to be implemented within 30 days of receipt of the same. The compliance of the Award is to be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/156/HDFC/10

In the matter of Ms. Madhu Jain

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 11.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Madhu Jain (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that she applied for a single premium policy in July, 2009 but the company had issued her the policy which is a regular premium policy. She had called many times to the agent but the agent is not giving proper response to her. It has been requested that her policy be made a single premium payment policy from the date yearly premium paying policy was issued. Her husband was contacted on phone today by this office. He stated that in case it is not possible to convert the policy in single premium policy, the policy be cancelled and amount be refunded.
3. During the course of hearing, the representative of the company was requested to consider the request of the policy holder to convert yearly premium paying policy into a single premium policy. It was stated by him that since such policy was discontinued, it is not possible to convert the policy now into a single premium policy. However, a fresh policy can be issued to her now but the same will not be effective from the previous date when the yearly premium paying policy was issued.
4. I have considered the submissions of the complainant and have also considered the submissions as made b y the husband of the complainant. I have also considered the arguments of the insurance company. After due consideration of the matter, I hold that since the company had not issued the policy as demanded by her, the policy issued to her deserved to be cancelled. She had demanded/requested for the single premium policy but she was issued yearly premium policy. In such circumstances, it appears appropriate to accept the contention of the policy holder that she was not issued the policy which she demanded. **Accordingly it is held appropriate that in case it is not possible to convert the present policy into a single premium policy from the date yearly premium policy was issued, then the company is under obligation to cancel the present policy and refund the amount because such policy was the policy which was not demanded by her. It is awarded accordingly.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/157/Aviva/10

In the matter of Shri Tarun Arora

Vs

Aviva Life Insurance Company Limited

AWARD dated 04.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Tarun Arora (hereinafter referred to as the complainant) against the Aviva Life Insurance Company Limited (hereinafter referred to as respondent insurance company) stating that company has mis-sold the policy.
2. The complainant stated that the policy No.NLG1253690 was sold by misguiding and mis-representing the facts to him. He was told that policy was a Unit Linked Insurance policy and there will be a lock in period of three years. One can redeem the entire fund value if one wishes without any kind of charges after three years. The agent of the company thoroughly convinced him to opt for this policy by just showing him the rosy picture so he opted this policy. He paid Rs.20000/- as premium yearly for three years. He was not briefed about the allocation of charges of any kind. After three years, he called upon the customer care department to check the status, that is, the fund value of the policy. He was told that the value was around Rs.55000/-. He wanted to encash the policy but was shocked to learn that in case he wished to withdraw from the policy, he will be getting only Rs.23000/- out of the total fund value of Rs.55000/- and the balance amount will be deducted on account of surrender charges. He was further told that the policy which he has taken will mature after 52 years. He requested to this Forum to do justice by directing the insurance company to give him fund value without deducting surrender charges and any other relief which he deserves under the facts and circumstances of the case. During the course of hearing also, the complainant stated that he had been mis-sold the policy.
3. The company had submitted written submissions which are placed on record wherein it has been submitted that the complainant approached the company on 16.05.2009 alleging that the policy was mis-sold to him. The company responded to the complainant vide letter dated 23.05.2009 declining the request of the complainant as complete information of the policy was explained to him at the time of filling the proposal form. The complainant was also informed that the

company had provided him with a 'Right to Reconsider' notice but he did not approach the company within the 15 days period. The complainant again wrote to the company reiterating the grievance of mis-selling. The company again declined vide letter dated 20.06.2009. The complainant had paid only three years @ Rs.20000/- per year and did not pay renewal thereafter and the policy was converted into paid up status. It is further stated that the company had sold the policy to the complainant after explaining all the features of the policy and the complainant filed by him is false, mis-conceived and deserves to be dismissed.

4. I have considered the submissions of the complainant and have also perused the reply of the company which is placed on record. After due consideration of the matter, I hold that the contention of the complainant that policy was mis-sold to him appears to be justified and acceptable. It would not be appropriate to make payment of Rs.23000/- after three years when the policy holder had paid premiums for three years totaling to Rs.60000/-. Normally the prospective policy holder are not completely briefed while giving the policy particularly the negative aspects such as payment of surrender charges, allocation of charges are not stated clearly while giving the policies to the prospective policy holders. Thus there is no doubt that when he tries to surrender the policy after three years and when one hears that one will be entitled to only 1/3rd of total premiums paid, one feels cheated and regrets to purchase such policy. Moreover, the term of the policy is unduly long for which one hardly expects to survive. The present policy is for 52 years and will mature when the policy holder would turn 86 years. It would be inappropriate if this office issues direction to the insurance company to make payment of surrender value because that would be against the terms and conditions of the policy. **Therefore, having due regards to the facts and circumstances of the case, I consider it appropriate to direct the insurance company to cancel the policy and refund the premiums received to the policy holder.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/174/Future/10

In the matter of Shri Anil Kumar

Vs

Future Generali India Life Insurance Company Limited

AWARD dated 04.01.2011 – Mis selling of the policy

1. This is a complaint filed by Shri Anil Kumar (hereinafter referred to as the complainant) against the Future Generali India Life Insurance Company Limited (hereinafter referred to as respondent insurance company) stating that company has mis-sold the policy.
2. The complainant stated that he had taken a policy from the insurance company in the second week of February, 2010. He received the policy bond on 27.02.2010. After going through the policy document, he found that terms and conditions of the policy are not acceptable to him and therefore, he applied for cancellation of the policy on 09.03.2010 that is, within the free look period. However he got the denial letter from the company. He also approached the Grievance Redressal Officer of the company but so far his request to cancel the policy has not been acceded to.
3. I have been informed that the policy holder has also submitted the original policy bond to the company to enable it to process his request to cancel the policy. During the course of hearing, the representative of the insurance company was agreeable to accept the request of the complainant to cancel the policy subject to submission of the original policy bond which had already been submitted by the policy holder.
4. I have considered the submissions of the complainant and have also considered the verbal submissions of the representative of the insurance company and also written reply dated 01.06.2010 as placed on record. After due consideration of the matter, I hold that the company was not justified in not accepting the request of the complainant to cancel the policy within the free look period. If a policy holder applies to the insurance company within the free look period to cancel the policy, to my mind, the insurance company is bound to act upon such request. **As mentioned above, the policy document has already been submitted by the policy holder with the company, therefore, the company is hereby directed to cancel the policy and refund the premium paid as per norms at the earliest possible time.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

In the matter of Shri Jai Bhagwan Yadav

Vs

SBI Life Insurance Company Limited

AWARD dated 04.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Jai Bhagwan Yadav (herein after referred to as the complainant) against SBI Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that the company had mis-sold the policy and is not refunding full premium paid by him.
2. The complainant stated that two policies No.34029497209 and 24089702307 have been taken from the SBI Life Insurance Company Limited. Policy No.34029497209 was taken in the name of Jai Bhagwan Yadav and Policy No.24089702307 was in the name of Shri Ram Kishan, taken on 15.12.2009. He stated further that he made a complaint on phone within the free look period of the policy and requested the company to cancel the policy and refund the amount paid by him. He stated that Smt.Namratta and Shri Chawla assured him that the policies will be cancelled and amounts will be deposited within 15 to 20 days in his bank account but so far amounts have not been deposited. He also approached Grievance Redressal Officer of the company from where he got a reply that since he had not made request in writing, money will not be refunded to him. He requested this Forum to take suitable action in the matter.
3. The company had submitted written submissions which are placed on record. It is submitted that Shri Ram Kishan is the life assured with regard to the policy No.24089702307 whereas the complainant was filed by Shri Jai Bhagwan Yadav who had taken a policy No.34029497209.

Since "contract of insurance" is a confidential contract between the insurer and insured, Shri Jai Bhagwan Yadav has no stand to file any complaint with regard to policy No.24089702307. The complainant Shri Jai Bhagwan Yadav had submitted a proposal on 03.12.2009 along with a deposit of Rs.15000/- for insurance under SBI Life Maha Anand Plan for a term of 10 years. The policy was issued based on the details furnished in the proposal form. Shri Ram Kishan had submitted a separate proposal on 07.12.2009 along with an initial deposit of Rs.15000/- for insurance under SBI Life Unit Plus II plan for a period of 10 years. It has been submitted further that the complainant's allegation that he had already registered free look cancellation request with the company had to prove by evidence. The insurance company is not liable because what has transpired between the agent and the complainant is not within the knowledge of the company. The complainant has not provided any evidence to prove that he has requested the insurance company for free look cancellation within the stipulated time. The company had received letter only on 09.03.2010 and the same was replied. It was further informed that Shri Chawla and Ms. Namratta are not employees of the company and the company had not received any request in writing within the

free look period. Therefore, the company denies all allegations made in the complaint by the complainant against the company.

4. I have considered the submissions of the complainant and have also perused carefully the reply of the company which is placed on record. I have also heard both the parties. After due consideration of the matter, I hold that the contention of the company that in case of policy owned by Shri Ram Kishan, it is the Ram Kishan who has to file complaint against the company and not any other person, has considerable force and is acceptable. It can be said that Shri Jai Bhagwan Yadav had made a request to cancel the policy within the free look period. There is no reason for me to disbelieve what he mentioned in the complaint. Therefore, in my considered view, his request for cancellation of the policy issued in his name deserves to be accepted. In case of Shri Ram Kishan, in case he desires to cancel the policy, he is required to submit a complaint in this regard separately as per rules for settling the grievance. Under RPG Rules 1998, anyone who has complaint against the company has to file a complaint in writing himself or through his legal heirs. **Accordingly, I direct the insurance company to cancel the policy taken by Shri Jai Bhagwan Yadav and refund the premium paid by him in respect of his policy.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/180/Kotak/10

In the matter of Shri Vijayendra Mahajan

Vs

Kotak Mahindra Old Mutual Life Insurance Limited

AWARD dated 05.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Vijayendra Mahajan (hereinafter referred to as the complainant) against the Kotak Mahindra Old Mutual Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-selling of the policy and refund of premium.
2. The complainant stated that the direct agent of the Bank had offered him the policy with a promise that he would provide him a loan of Rs.3.2 lakh at 13.5%. At the time of taking the cheque as premium for the policy, he also took a cheque to open a Kotak Saving Bank Account and filled the form for life insurance, credit

card, saving account and personal loan. The agent promised him that he would get a loan within 15 days after he gets his policy documents that is why, he could not get the policy cancelled within the free look period. He submitted that he told the agent that the money he had given him was supposed to be used to pay his MBA fees even then he assured him that he would get the loan within 30 days of providing him the documents. After 30 days, he was told by the same person that the verification has failed and he would request the bank to send the file to the branch and at the branch level, he would provide him a loan for Rs.2.8 lakh without verification. He was dragging this for 3 months after which he complained to the Kotak Bank and provided the details of the agent. But the company refused to cancel his policy. He requested this forum to help him in getting his policy cancelled and get him the refund of the premium paid. During the course of hearing, the policy holder repeated the same arguments and allegations which are mentioned in the complaint that he had been given this policy with a promise to sanction loan but such promise was never kept. Therefore, he wanted this policy to be cancelled.

3. The company had submitted written submissions which are placed on record. The company had denied all allegations made by the complainant against the company. The company had denied that the complainant was given any commitment of granting loan by the employee of the company and by Kotak Mahindra Bank Ltd. The policy holder has had the option to cancel the policy within the free look period or he can opt for surrendering the policy after paying three consecutive premiums. The company had not made any false promise and the company has acted diligently. The sum and substance of the arguments of the company is that no assurance was given to the complainant for granting loan and all allegations as made by the complainant against the company are denied vehemently.
4. I have considered the submissions of the complainant and have also perused the reply of the company which is placed on record. After due consideration of the matter, I hold that the policy which had been given to the complainant under false promises deserves to be cancelled. I have no reason to disbelieve the version of the complainant. He was befooled by someone. He was given promise to get the loan sanctioned as assured by him in case he takes the policy. He took the policy because he wanted to take the loan but the loan was not sanctioned to him. **Accordingly, in my view, the request of the complainant to cancel the policy deserves to be accepted. Accordingly, I direct the insurance company to cancel the policy of the complainant and refund the premium paid by him.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/205/HDFC/10

In the matter of Mrs. Meena Bhaskar

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 06.01.2011 – Mis selling of policy

1. This is a complaint filed by Mrs.Meena Bhaskar (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant has grievance against the non-responsive and non-professional behaviour of the company's employees. She wants to withdraw from the policy and wants to get her refund of Rs.7500/- which she had paid to the HDFC Standard Life Insurance Company Limited about eight months back as first premium. She had requested this Forum to intervene in the matter and arrange to get her money refunded at the earliest. During the course of hearing, she stated that she has lost faith in the company and she wants to withdraw from the company.
3. Representative of the Insurance Company stated during the course of hearing that she is required to furnish indemnity bond to the company and the complaint of the complainant will be taken up by it. The detailed written submissions are placed on record on behalf of the company wherein it has been stated that the contents of the present complaint are wrong, baseless and lacks merits and hence denied. It is further stated that the features of the plan were explained to the complainant at the time of taking policy. The in action on the part of the complainant to provide/furnish indemnity bond for the purpose of issuance of duplicate policy documents disentitles her to claim anything from the company. Thus the present complaint is liable to be dismissed. The company had received a letter from the complainant stating that the policy document has not been received. The facts were verified from the office and it was found that the policy document was already dispatched to the complainant's address.
4. I have considered the submissions of the complainant and have also perused the written replies submitted by the company. After due consideration of the matter, I hold that the request of the policy holder to cancel the policy and to refund the premium is required to be acceded to by the company. **Accordingly, I direct the Insurance Company to accept the request of the complainant to cancel the policy and refund the premium.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/162/Met-life/10

In the matter of Shri Ashok Kumar

Vs

Met Life Insurance Company Limited

AWARD dated 07.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Ashok Kumar (herein after referred to as the complainant) against Met Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that the company had mis-sold the policy and is not refunding the premium.
2. The complainant stated that policy No.20072830 was wrongly sold to him by the agent of the company. The policy document was also received by him through the agent only. He stated that he had submitted the policy documents in the company's office for cancellation within 15 days and he had not committed any type of mistake. The agent has misguided and mis-sold him this policy. He requested that his policy may kindly be got cancelled and he be refunded the amount paid by him along with interest. The agent of the company who had mis-sold he the policy needs to be dealt with sternly and the case should be filed against such person. The sum and substance of the complaint is that the complainant wants his policy to be cancelled and refund of the premium paid. During the course of hearing also, the complainant insisted to cancel the policy and to refund the premium paid.
3. Represented of the insurance company also attended the hearing who has agreed to consider the request of the complainant to cancel the policy.
4. I have considered the submissions of the complainant and have also considered the verbal submissions of the representative of the insurance company. After due consideration of the matter and having due regards to the circumstances of the case and contents of the complaint, it appears to me a fit case where request of the complainant to cancel the policy is required to be accepted by the company. **Accordingly, I direct the insurance company to accept the request of the policy holder to cancel the policy and refund the premium paid.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/206/HDFC/10

In the matter of Mrs. Asha Joshi

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 06.01.2011 – Mis selling of policy

1. This is a complaint filed by Mrs.Asha Joshi (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that the insurance company had sold her policies without disclosing the complete details and without explaining properly the terms and conditions of the policies. She had taken two policies from HDFC Standard Life Insurance Company Limited. Policy No.12116366 with unique identification No.101NO14V01 dated 25.08.2008 with premium of Rs.1,00,000/- per annum till 25.08.2017. The other Policy No.12875974 with unique identification No.101NO14v01 dated 24.04.2009 with a premium of Rs.1,00,000/- per annum till 24.04.2018. She further stated that her case is a case of extremely aggressive and malicious salesmanship by the company wherein two insurance policies with annual premium of Rs.1,00,000/- each for the next 10 years have been sold to her in the garb of Investment Plan without disclosing the actual terms and conditions. The papers were drawn in her name due to the age constraints of her husband as advised by the dealing agent. Her husband is a retired Army Officer running 68 and she is running 60 years of age. The first policy was given on 25.08.2008 as one time investment plan. On receipt of the policy documents, she realized that it was a recurring premium of Rs.1,00,000/- per year for the next ten years and not a onetime payment policy.

She had represented to the Branch Manager Shri Gurmeet Sinigh and corporate agency manager Shri Amit Anand for cancellation. This was not accepted due to delay in representation but it was assured that the amount would be reduced during the subsequent years. All of a sudden, her husband had to leave for Vietnam for about one year assignment in February, 2009 and all responsibilities fell on her shoulder and she

was again lured by the bank in April, 2009 to take one more policy of the same investment plan. She is a housewife and was not well versed with the technicalities of the investment. The company rejected the requested of cancellation of the policies. The matter was again taken up with the company but with same result. She requested to this forum to cancel both the policies and to refund her the premium paid along with interest. She further stated that dealing staff who were defaulted in a number of ways would be dealt with suitably and the company be advised to review its salesmanship policies. This could possibly be achieved by paying her a nominal compensation of Rs.1,00,000/- towards the mental torture and domestic unrest. She stated that the field staffs while dealing with the prospective policy holders are requested to disclose complete terms and conditions of the policy. The role of Grievance Redressal Officer remains quite obscure. The complainant was neither consulted or any clarification sought for nor worthwhile reasons were given for rejection of the complaint.

3. Written submissions are placed on record on behalf of the company wherein it has been stated that the complainant had taken two policies one with effect from 25.08.2008 and another is with effect from 24.04.2009. The policy documents were dispatched to the complainant along with option to return. It has been submitted that the contents of the complaint are wrong, baseless and hence denied. Allegations raised by the complainant regarding mis-selling are false and are unwarranted. The features of the plan were explained to the complainant at the time of filing the proposal form and after fully understanding the contents and terms and conditions of the policies, the policies were taken by the policy holder. The complainants, for the first time, vide her e-mail dated 15.07.2009 made allegations of mis-selling and requested for cancellation of the policies. The complainant had taken two policies, if there was any mis-selling then second policy would not have been purchased by the complainant. It is submitted by the company that the complaint is devoid of any substance and without any merit and deserves to be dismissed.
4. I have considered the submissions of the complainant very carefully and have also perused the detailed written submissions as placed on record on behalf of the company. **After due consideration of the matter, I hold that the policies issued to the complainant deserve to be cancelled as such policies, in my considered view, were mis-sold to her. Accordingly Award is passed with the direction to the company to cancel both the policies and refund the premium paid by her under both the policies.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/172/Aviva/10

In the matter of Shri Pravesh Sehgal

Vs

Aviva Life Insurance Company Limited

AWARD dated 06.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Pravesh Sehgal (hereinafter referred to as the complainant) against the Aviva Life Insurance Company Limited (hereinafter referred to as respondent insurance company) stating that the agent of the company has mis-sold the policy.
2. The complainant stated that he had made investment in pension plan slated to be with locking period of 3 years with pension commencement during 6th year. After a lapse of one year, he received premium notice instead of policy bond that too with enhanced amount of Rs.3.15 lakhs as against Rs.3.00 lakhs invested initially. In the absence of policy bond, it was not clear to him if the premium amount so demanded is valid and that the policy contents are in consonance with agreed plan initially informed while filling up the application as most of the features were verbally explained without getting into depth of the things as one always accepts the facts on face value while dealing with company's of international repute. He approached the insurance company vide his letter dated 18.11.2008 informing it about non receipt of policy bond. The insurance company vide its letter dated 17.12.2008 informed him that policy bond was delivered to some Shri Sanjay on 23.11.2007 and asked him to check and revert. He informed the insurance company vide his letter dated 19.12.2008 that there is nobody in his family nor in the whole building where with resides Sanjay. He also questions as to why the company did not inform this fact on phone or SMS him about the dispatch of vital document.

The company did not inform him the correct policy number and after taking up the matter, it informed the correct policy number. He continued complaining to the company about non-receipt of policy bond. In absence of policy bond, he was deprived of using the option of the free look period. Feeling helpless, the complainant had registered his complaint with this office and had sought help in bringing relief to him by getting the refund along with interest and due compensation on account of mental torture and harassment. Having under gone tremendous mental agony, he is complaining with this forum to kindly take up the case on merits. During the course of hearing also, the complainant requested to cancel the policy and refund the premium paid.

3. The representative of the insurance company at the time of hearing stated that the policy document was delivered to the policy holder by courier and produced the

evidence. No written submissions were placed on record on behalf of the company.

4. I have considered the submissions of the complainant and have also perused various correspondences between the complainant and the company. After due consideration of the matter, it appears to me that the request of the policy holder to cancel the policy deserves to be accepted. I have perused the POD and found that the service of policy document is on some Sanjay but as stated by the complainant, Sanjay does not reside at the place where the complainant resides. Thus, the policy document, it appears, never reached the policy holder. **Therefore, it is a fit case wherein request of the policy holder to cancel the policy is to be accepted. Accordingly Award is passed with the direction to the company to cancel the policy and refund the premium paid by the policy holder.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/197/Kotak/10

In the matter of Shri Sudhir Kumar Arora

Vs

Kotak Mahindra Old Mutual Life Insurance Limited

AWARD dated 06.01.2011 - Mis-selling of the policy

1. This is a complaint filed by Shri Sudhir Kumar Arora (hereinafter referred to as the complainant) against the Kotak Mahindra Old Mutual Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-selling of the policy.
2. The complainant stated that he had purchased policy No.16216676 from Kotak Mahindra Old Mutual Life Insurance Company Limited. He was advised by the agent of the company that a premium of Rs.3000/- will be payable only for three years. He agreed and signed at two places. On receipt of the policy bond, he found that period of payment of premium had been increased to 15 years and his signatures had been forged. He did not make a complaint in the first 15 days since he was a regular customer of Kotak Mahindra bank. He submitted that the forged signatures on the documents made the policy null and void ab-initio. The forging of his signatures can be established as he had also signed on some other places. He stated that action should be taken against the person who has forged

- his signatures. He requested that he may be given full refund along with the interest which he had paid and his policy may kindly be got cancelled.
3. Detailed written submissions were placed on record on behalf of the company wherein it has been submitted that the complainant was issued a policy under Kotak Smart Advantage plan for a term of 15 years and premium payment for 15 years of monthly premium of Rs.3000/-. The allegation made against the company by the complainant is denied. It is stated further that the proposal form as well as benefit illustration were signed by the complainant very clearly. The company officials did not assure the term of the policy only for 3 years, that is to say, that the company's officials did not state that premium should be payable only for three years. The complaint had been filed by making payment of premiums for one year. The company had not made any false commitment to the policy holder.
 4. I have considered the submissions of the complainant and have also perused the detailed written submission as placed on record on behalf of the company. After due consideration of the matter, I hold that there is considerable force in the submission of the complainant that since his signatures have been forged, the contract between him and the company become void ab-inito. He was given the impression that he would be required to pay only for three years, Rs.3000/- per month whereas he had been issued the policy whereby he is required to make payment for 15 years @ Rs.3000/- per month. There appears to be some cutting on the term mentioned in the policy. He stated clearly that he did not put his signatures and such signatures have been forged by the officials of the company. He reiterated that he never intended to take a policy for 15 years and the same had been wrongly sold to him. **In my considered view, it appears worthwhile that the policy issued by the company is cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid by the policy holder.**
 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.

Case No.LI/170/Tata-AIG/10

In the matter of Shri Vinod Kumar Sharma

Vs

Tata AIG Life Insurance Company Limited

AWARD dated 07.01.2011 - Non-providing of units against the paid amount

1. This is a complaint filed by Shri Vinod Kumar Sharma (hereinafter referred to as the complainant) against the Tata AIG Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of non-providing of units against the paid amount.
2. The complainant stated that he had paid a sum of Rs.10000/- on 04.02.2009 for top-up. He was told that top-up was done. When he had gone for making deposit of renewal amount, he came to know that a sum of Rs.10000/- was in the suspense account. He submitted that when he applied for top-up and paid Rs.10000/- then there was a rate of Rs.14/- per unit but subsequently the rate became Rs.29/-, that is to say, the company did not accept his request for top-up when he paid a sum of Rs.10000/- on 04.02.2009. It is his request that the company ought to have purchased units when he made payment of Rs.10000/- for top-up on 04.02.2009. Since the company had not purchased the units as per payment made, he had suffered a loss. He requested that the company be directed to credit the units in his account when he made payment of top-up on 04.02.2009.
3. The company was not represented by any officer on the date of hearing. However, the company had submitted written statement dated 27.05.2010.
4. I have considered the submissions of the complainant and have also perused the written reply submitted by the company which is placed on record. After due consideration of the matter, I find force in the argument of the policy holder that the company should have credited units equivalent to top-up amount of Rs.10000/- paid by him on 04.02.2009 and by not doing so, he had suffered loss in terms of units. The company also admits to have received top-up amount of Rs.10000/- in the month of February, 2009 but the company intended to adjust this amount against the next premium due in the month of February, 2010. The complainant had already paid premium due for the year 2009. In my considered view, the company was under obligation to accept the request of the policy holder for top-up and should have credited equivalent number of units in the account of the policy holder as and when request was made for top-up on 04.02.2009. **Accordingly, I direct the insurance company to credit the units equivalent to the top-up amount paid by the policy holder on 04.02.2009 at the time of making payment, that is, on the date of receipt of amount by the company as per rules.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/201/Kotak/10

In the matter of Shri D.S.Nenawati

Vs

Kotak Mahindra Old Mutual Life Insurance Limited

AWARD dated 07.01.2011 - Mis-selling of the policies

1. This is a complaint filed by Shri D.S. Nenawati (hereinafter referred to as the complainant) against the Kotak Mahindra Old Mutual Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-selling of the policies.
2. The complainant stated that he is of 71 years of age, a retired person since the last 3 years. He was an NRI based at Kenya and now settled at Jaipur. He wanted to utilize his savings in a way that could grow to a comfortable level. He was approached by Kotak Mahindra Bank, Jaipur Branch with a proposal of investing his hard earned savings across a portfolio of Mutual funds. The representatives of the bank Shri Hitesh Bhatnagar, Relationship Manager, Kotak Mahindra Bank and Shri Anoop Kalra, Regional Manager, convinced him to invest about Rs.76 lakhs. Shri Hitesh Bhatnagar suddenly approached him and told him to pull out a major portion of his equity holdings and maintain cash positions since the market had gone down drastically. He approached him with a usual proposal to invest the money into two plans. He asked Shri Hitesh if such plans will help him recoup the losses already incurred in the equity portfolio. Shri Hitesh told him that he would not only recoup the losses, but will also give better returns.

On his insistence and in good faith, he agreed and got the policy plans. But he was shocked to know the charges which were never disclosed to him. He had made investment in equity but Shri Hitesh had not disclosed various charges. Policy premium paying term was also not told to him in totality. He was required to pay premium for 10 years but he cannot pay premium for such a long time because he is a retired person. He was given a plan which was not asked for. He was told that he will be at liberty to pay reduced premium from the second year onwards which is not a case. In case, payment is made for three years and not thereafter then there will be huge incidence of

charges on his overall amount which were not properly told to him. He stated further that he had tried to sort out his problem with the bank and approached time and again, brought the facts to the notice of the management also stating that he has been cheated by Shri Hitesh by selling a different plan and when he confronted him on this, he has mentioned on the policy bond that this investment always performs better than any other product in every market condition. But he was smart enough to write this with a pencil instead of a pen. Even the application form has only been signed by him; it has been filled by somebody else. He visited the C-scheme branch and met the branch head. The reply he received was that since he had signed all the papers, it is his responsibility to bear the consequences. He only signed the papers whereas other entries were filled in by Shri Bhatnagar as per his wish. Though he made investment of about Rs.76 lakhs but his investments were reduced to Rs.39 lakhs and that too with annual liability of Rs.20 lakhs for the next 10 years. He had a bonafide belief that the bankers are honest and hence went ahead with the recommendations. He had a feeling that he was used by the bankers to meet their monthly target. The complainant stated that the policies were mis-sold to him. During the course of hearing, the complainant stated that dispute under policy No.01495469, he is prepared to resolve as per clause 6 of the company letter dated 12.08.2010. He requested the forum that insurance company be directed to cancel the policy No.01531048 and refund the money.

3. The representative of the company who attended the hearing stated that the request was not made within the free look period, therefore, the company cannot cancel the policy.
4. I have considered the submissions of the complainant very carefully and have also perused various correspondences which are placed on record. I have also perused letters written to various authorities of the company by the complainant. After due consideration of the matter, I hold that there is a case for cancellation of the policies. The policies have been mis-sold to the complainant. He is a senior citizen who had settled at Jaipur and I have no reason not to believe what he has stated in his complaint alleging mis-selling of the policies and not attended properly to his genuine grievance by the company's officials. This office received a mail from the complainant which stated that company is prepared to resolve the complainant's grievance against policy No.01495469 as per clause 6 of the company's letter dated 12.08.2010. The company is, therefore, directed to resolve the complaint as per Clause 6 of its letter dated 12.08.2010 in respect of policy No.01495469. As far as policy No.01531048 is concerned, Award is passed with the direction to the insurance company to cancel the policy and refund the amount paid by the complainant.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/242/HDFC/10

In the matter of Shri Pritam Kumar Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policies

1. This is a complaint filed by Shri Pritam Kumar Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policies by the company.
2. The complainant stated that policies were sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to him. Such policies were mis-sold to him because when such policies were received, the contents were found different from what had been discussed by these people while selling the policies. He requested them to return such policies and in fact he made such request almost within the free look period. However he was told that he need not worry because policies can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by him that the policies received were not which were desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policies but his request was not acceded to. While selling the policies, false promises were given with regard to the benefits of the policies. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policies is not found mentioned in the policies. The sum and substance of the argument of the complainant is that the policies have been mis-sold to him and his family members by showing false promises and unreal benefits and the complainant now desires to get the policies cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policies, such rate of interest is not found mentioned. He requested to this Forum to get the policies cancelled and refund the money because policies have been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policies. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policies. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policies. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policies was made

after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policies. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the complainant. After due consideration of the matter, I hold that policies were mis-sold to the complainant after showing false promises. His request for cancellation of the policies is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policies have been mis-sold to the policy holder under false promises and thus according to me such policies which were sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policies and refund the premiums paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/251/HDFC/10

In the matter of Shri Brijesh Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Brijesh Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to

file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/235/HDFC/10

In the matter of Shri Ramesh Kumar Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Ramesh Kumar Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance

is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/236/HDFC/10

In the matter of Shri Nirdesh Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Nirdesh Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the

representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/237/HDFC/10

In the matter of Shri Sidharth Goel

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Sidharth Goel (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made

after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/238/HDFC/10

In the matter of Shri Vishesh Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Vishesh Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to

file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/239/HDFC/10

In the matter of Shri Nirdesh Brijesh Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Nirdesh Brijesh Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policies by the company.
2. The complainant stated that policies were sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to him. Such policies were mis-sold to him because when such policies were received, the contents were found different from what had been discussed by these people while selling the policies. He requested them to return such policies and in fact he made such request almost within the free look period. However he was told that he need not worry because policies can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by him that the policies received were not which were desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policies but his request was not acceded to. While selling the policies, false promises were given with regard to the benefits of the policies. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policies is not found mentioned in the policies. The sum and substance of the argument of the complainant is that the policies have been mis-sold to him and his family members by showing false promises and unreal benefits and the complainant now desires to get the policies cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policies, such rate of interest is not found mentioned. He requested to this Forum to get the policies cancelled and refund the money because policies have been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policies. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policies. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policies. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policies was made

after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policies. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the complainant. After due consideration of the matter, I hold that policies were mis-sold to the complainant after showing false promises. His request for cancellation of the policies is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policies have been mis-sold to the policy holder under false promises and thus according to me such policies which were sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policies and refund the premiums paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

7.

Case No.LI/240/HDFC/10

In the matter of Shri Manish Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Manish Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to

file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/240/HDFC/10

In the matter of Shri Nitin Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Nitin Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/241/HDFC/10

In the matter of Ms. Reena Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Reena Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to her. The policy was mis-sold to her because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. She requested them to return the policy and in fact she made such request almost within the free look period. However she was told that she need not worry because policy can be cancelled even after three months, if satisfied. She had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately she was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that the complainant had approached the company and its officers almost within the free look period to cancel the policy but her request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in

- the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to her by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. She was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. She requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
 4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. Her request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions needs to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.

Case No.LI/243/HDFC/10

In the matter of Ms. Nidhi Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Nidhi Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to her. The policy was mis-sold to her because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. She requested them to return the policy and in fact she made such request almost within the free look period. However she was told that she need not worry because policy can be cancelled even after three months, if satisfied. She had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately she was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that the complainant had approached the company and its officers almost within the free look period to cancel the policy but her request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to her by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. She was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. She requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. Her request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions needs to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/244/HDFC/10

In the matter of Ms. Ruchi Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Ruchi Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to her. The policy was mis-sold to her because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. She requested them to return the policy and in fact she made such request almost within the free look period. However she was told that she need not worry because policy can be cancelled even after three months, if satisfied. She had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately she was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was

desired. He further stated that the complainant had approached the company and its officers almost within the free look period to cancel the policy but her request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to her by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. She was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. She requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. Her request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions needs to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/245/HDFC/10

In the matter of Ms. Savita Goel

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Savita Goel (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to her. The policy was mis-sold to her because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. She requested them to return the policy and in fact she made such request almost within the free look period. However she was told that she need not worry because policy can be cancelled even after three months, if satisfied. She had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately she was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that the complainant had approached the company and its officers almost within the free look period to cancel the policy but her request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to her by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. She was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. She requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance

is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. Her request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions needs to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/246/HDFC/10

In the matter of Ms. Kusum Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Kusum Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to her. The policy was mis-sold to her because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. She requested them to return the policy and in fact she made such request almost within the free look period. However she was told that she need not worry because policy can be cancelled even after three months, if satisfied. She had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately she was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that the complainant had approached the company and its officers

- almost within the free look period to cancel the policy but her request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to her by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. She was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. She requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
 4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. Her request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions needs to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.

Case No.LI/247/HDFC/10

In the matter of Ms. Raj Kumari Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Raj Kumari Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.

2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to her. The policy was mis-sold to her because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. She requested them to return the policy and in fact she made such request almost within the free look period. However she was told that she need not worry because policy can be cancelled even after three months, if satisfied. She had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately she was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that the complainant had approached the company and its officers almost within the free look period to cancel the policy but her request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to her by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. She was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. She requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. Her request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions needs to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/248/HDFC/10

In the matter of Ms. Santosh Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Santosh Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to her. The policy was mis-sold to her because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. She requested them to return the policy and in fact she made such request almost within the free look period. However she was told that she need not worry because policy can be cancelled even after three months, if satisfied. She had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately she was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that the complainant had approached the company and its officers almost within the free look period to cancel the policy but her request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in

the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to her by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. She was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. She requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. Her request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions needs to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/287/HDFC/10

In the matter of Ms. Sonika Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Sonika Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.

2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to her. The policy was mis-sold to her because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. She requested them to return the policy and in fact she made such request almost within the free look period. However she was told that she need not worry because policy can be cancelled even after three months, if satisfied. She had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately she was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that the complainant had approached the company and its officers almost within the free look period to cancel the policy but her request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to her by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. She was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. She requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance

is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. Her request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions needs to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/286/HDFC/10

In the matter of Shri Siddharth Goel

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Siddharth Goel (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint

before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/252/HDFC/10

In the matter of Shri Brijesh Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Brijesh Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance

is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/250/HDFC/10

In the matter of Shri Ram Avtar Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Ram Avtar Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that policy was sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawalan Town to him. The policy was mis-sold to him because when the policy was received, the contents were found different from what had been discussed by these people while selling the policy. He requested them to return the policy and in fact he made such request almost within the free look period. However he was told that he need not worry because policy can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by the representative of the complainant that the policy received was not which was desired.

He further stated that he had approached the company and its officers almost within the free look period to cancel the policy but his request was not acceded to. While selling the policy, false promises were given with regard to the benefits of the policy. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policy is not found mentioned in the policy. The sum and substance of the argument of the complainant is that the policy has been mis-sold to him by showing false promises and unreal benefits and the complainant now desires to get the policy cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policy, such rate of interest is not found mentioned. He requested to this Forum to get the policy cancelled and refund the money because policy has been wrongly sold by giving false impressions.

3. The company had stated that all features and details of the plan were explained at the time of taking the policy. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policy. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policy. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policy was made after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policy. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.
4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the representative of the complainant. After due consideration of the matter, I hold that policy was mis-sold to the complainant after showing false promises. His request for cancellation of the policy is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policy has been mis-sold to the policy holder under false promises and thus according to me the policy which was sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/249/HDFC/10

In the matter of Shri Satish Kumar Goel

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 17.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Satish Kumar Goel (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policies by the company.
2. The complainant stated that policies were sold jointly by Shri Ayush Srivastava, HDFC Model Town and Shri Viveka, HDFC Gujarawan Town to him. Such policies were mis-sold to him because when such policies were received, the contents were found different from what had been discussed by these people while selling the policies. He requested them to return such policies and in fact he made such request almost within the free look period. However he was told that he need not worry because policies can be cancelled even after three months, if satisfied. He had been meeting with such persons but had been given only false assurances and nothing positive was done and ultimately he was compelled to file the complaint before this Forum. During the course of hearing, it was stated by him that the policies received were not which were desired. He further stated that he had approached the company and its officers almost within the free look period to cancel the policies but his request was not acceded to. While selling the policies, false promises were given with regard to the benefits of the policies. Illustrations were given with calculations comparing the return of investment in the post office and viz-a-viz the company. The rate of interest which was stated while selling the policies is not found mentioned in the policies. The sum and substance of the argument of the complainant is that the policies have been mis-sold to him and his family members by showing false promises and unreal benefits and the complainant now desires to get the policies cancelled. He was given a written acknowledgement on Excel sheet duly stamped by the bank about 12% growth but on perusal of the policies, such rate of interest is not found mentioned. He requested to this Forum to get the policies cancelled and refund the money because policies have been wrongly sold by giving false impressions.
3. The company had stated that all features and details of the plan were explained at the time of taking the policies. Hence the company is unable to treat it as a mis-sale. The company had received the request to cancel the policies. The company had denied the charges of mis-selling. It further stated that the policy holder was given option to return/withdraw but such request could have been made within the period of 15 days from the date of receipt of policies. Policy once returned cannot be revived/ reinstated or restored at any point of time and a new proposal form has to be submitted for a new policy. It further stated that since the request for cancellation of the policies was made

after free look period, the company had regretted to inform that it is unable to process the request to refund the premium paid towards the policies. It further stated that the insurance is a long term contract and it is mutually advisable to continue the policy till the end of term to reap the full benefits of the plan.

4. I have considered the submissions of the complainant and have also perused the replies of the company which are placed on record. I have also heard the representative of the company as well as the complainant. After due consideration of the matter, I hold that policies were mis-sold to the complainant after showing false promises. His request for cancellation of the policies is required to be accepted. The complainant had placed on record an excel sheet wherein benefits of the policies have been compared with that of the investment in post office but it is anybody's guess that such benefits are real benefits. Moreover, policy documents nowhere mention the growth rate of 12%. **Therefore, it appears certain that the policies have been mis-sold to the policy holder under false promises and thus according to me such policies which were sold contrary to the desired terms and conditions need to be cancelled. Accordingly, I direct the insurance company to cancel the policies and refund the premiums paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/389/SBI/10

In the matter of Shri Kishore Singh

Vs

SBI Life Insurance Company Limited

AWARD dated 11.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Kishore Singh (herein after referred to as the complainant) against SBI Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that he is an ex-army Nayab Subedar with no employment. He is also visually handicapped. He had taken a policy No.27004782002 on 12.03.2007. He was told that he has to pay premiums only for three years. He had deposited the premiums for three years. He requested the insurance company that he wanted to close the policy as he is not in a position to pay Rs.30000/- as half yearly premium any more. He needs money for the marriage of his dependent children. He has no source of income and he is dependent solely on the economic assistance given to him by Government. Whatever he got by way of help from the government, he deposited in the policy. He

requested the company so many times but all in vain. He requested this Forum that he should be refunded the money he had deposited under the policy.

3. Written submissions are placed on record on behalf of the company wherein it has been stated that the complainant Shri Kishore Singh applied for SBI Life Horizon II Pension plan with an initial proposal deposit of Rs.30000/- as half yearly premium mode for a period of 10 years. Policy No.27004782002 was issued to the complainant. The company had received several letters from the policy holder and also replied to him that it is not possible to pay to him the entire policy premiums. It is submitted that the company had acted as per terms and conditions of the policy and there is no deficiency in the service. The complaint therefore deserves to be dismissed.
4. I have considered the submissions of the complainant and have also perused the written submissions as placed on record on behalf of the company. After due consideration of the matter and having due regards to the pathetic condition of the complainant, in my view, it is a fit case where policy has to be cancelled and premium paid is to be refunded. The complainant is a helpless ex-army person having dependent family to support and is having insufficient source of income. He is not in a position to make payment of yearly premium of Rs.60000/- for 10 years. He is visually handicapped person. In my view, this case is a fit case where the request of the complainant for cancellation of the policy and refund of premiums paid by him deserves to be accepted. **Accordingly, Award is passed with the direction to the insurance company to cancel the policy and refund the premiums paid by the complainant so far to the company.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/450/HDFC/10

In the matter of Shri Ramesh Bhojraj Dwivedi

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 11.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Ramesh Bhojraj Dwivedi (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after

referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.

2. The complainant stated that he had opened a saving bank account with HDFC bank as the bank was near to his office. Thereafter this branch was closed but he was having good relations with the banks officers. He was persuaded to get a fixed deposit in the bank. He was given the impression that money will be doubled after three years besides having tax benefit and life risk cover. He was told that life risk cover would be five times. He intended to get a fixed deposit and thus he paid Rs.one lakh as fixed deposit. He got the policy bond after 15 days. After reading the policy documents, he contacted the bank manager Shri Deepak Aggarwal and Shri Sandeep Mehta, Relationship Manager and stated that what was mentioned to him at the time of selling policy was not reflected in the policy. He was assured that this would be withdrawn from the policy within a year and he would not suffer any loss. Thereafter Branch was shifted somewhere else. He also wrote to the Grievance Redressal Officer of the company but he received negative replies from the company. He stated that he has been befooled by the officers of the bank and was persuaded to take policy which he never desired. He stated that he was given a policy where he was required to pay Rs.1,00,000/- premium every year which is not possible for him because he actually wanted to have a fixed deposit. He requested that his policy be cancelled and the insurance company be directed to refund the premiums paid.
3. No one came from the company on the date of hearing. It has been stated in the written submission on behalf of the company that the request of the policy holder to cancel the policy cannot be entertained. The company vide its letter dated 09.12.2010 agreed to cancel the policy provided the complainant submits policy document at any of the branch. But since the complainant wanted to bring the facts to the notice to Ombudsman, he had not deposited the policy documents for cancellation. During the course of hearing, the complainant advised to hand over the policy documents to the branch office so that his request to cancel the policy may be acceded to by the company.
4. I have considered the submissions of the complainant and have also perused the written submissions as placed on record on behalf of the company. After due consideration of the matter, I hold that there is a case for cancellation of the policy of the complainant. The complainant was mis-sold the policy and the company ought to have accepted the request of the complainant to cancel the policy. **Accordingly, Award is passed with the direction to the insurance company to cancel the policy and refund the premiums paid by the policy holder. The complainant is also advised to hand over the original policy documents to the**

company to enable it to process the request and complete the process of cancellation of the policy.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/165/ICICI-Pru/10

In the matter of Shri Rajinder Kumar

Vs

ICICI Prudential Life Insurance Company Limited

AWARD dated 12.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Rajinder Kumar (herein after referred to as the complainant) against the ICICI Prudential Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policies by the company.
2. The complainant stated that he desired to have single premium policies. He was assured while giving policy that amount will be doubled after three years. He was made to believe that he had to pay only for three years and after three years, amount will be doubled. He had borrowed the amount from the bank and got the policies. He stated that he has been cheated and mis-sold these policies because he was made to believe something which was not true. He requested that his policies be got cancelled and amount paid by him by way of premiums by got refunded to him. He had taken 10 policies after which two have been surrendered and 8 policies are to be cancelled.
3. Detailed written submissions are placed on record on behalf of the company where it has been stated that the complainant Shri Rajinder Kumar had submitted duly filled and signed proposal forms for insurance on his life. The company had given details of the policies taken by him which are 10 in numbers. The complainant had not approached the company with regard to any discrepancy in the proposal forms or the policy documents during the free look period, hence the above mentioned policies continued.

The complainant is a person having good financial back ground and has been active on the policy accounts. It has been denied by the company that after three years the money will be doubled. The policies issued to him are regular premium policies as opted by him at the proposal stage. The benefits under the policies are strictly in

accordance with the terms and conditions of the policies. The company had been given a request for surrender policy No.02138665 and 02495179 and the same were accepted by the company and full surrender value was given to him on 06.04.2009 and 09.03.2009 respectively. It is further stated that 10 policies were sold by six different advisors hence it is not possible that the complainant is mis-guided by all the six advisors with regard to the benefits of the policies. The policies were issued strictly on the basis of information provided by the complainant in the proposal forms. It has been requested that the complaint deserved to be dismissed.

4. I have considered the submissions of the complainant and have also perused the written submissions as placed on record on behalf of the company. After due consideration of the matter, I hold that the company was not justified in selling the policies by giving false promises. The complainant has taken 10 policies after borrowing from the bank under the belief that amounts would be doubled after three years and he would be benefitted immensely. Under the circumstances when policies are sold under wrong promises giving rosy picture, one can easily conclude that such policies were mis-sold to the policy holder. He desired to have only single premium payment policies whereas he had been given yearly premium payment policies which are beyond his means. In my view, it is a fit case where policies issued deserve to be cancelled. Therefore, Award is passed with the direction to the insurance company to cancel the policies issued to the policy holder and refund the premiums paid by him.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/169/HDFC/10

In the matter of Shri Subhash Chandra Gupta

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 12.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Subhash Chandra Gupta (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that he had taken a plan from HDFC on 20.11.2009 on persuasion of Sales Manager Shri Ashok Meena. He had promised him to give the risk cover of Rs.12.5 lakhs for a premium of Rs.2.50 lakh. He assured him

100% allocation and plan of high risk. He was also assured that he would have to pay only three instalment @ Rs.2.5 lakh and thereafter he would get assured amount of Rs.12.5 lakh after five years. He was accompanied by Shri Rakesh Sharma, Branch Manager and Shri Vipin, Operation Manager and after making him understand all this, he was made to sign a blank form and the rest was filled up by them. After sometime, he asked Shri Ashok Meena to give him the receipt but Shri Meena stated that he is down with fever and sometimes he states that he is busy and will be handing over the receipt after sometime. He also did not receive the policy bond. He approached the branch Manager of the company who had given the mobile number of Shri Meena who later informed him that policy bond was with him and he would hand over the same to him at his residence. After some days, he sent his accountant to Shri Meena's residence and got the policy bond on 22.02.2010.

After reading the policy bond, he came to know that what was stated by the Sales Manager, nothing was there in the bond. Thereafter he went to the Alwar Branch of the company and wanted to lodge a complaint but the complaint was not taken. Shri Rakesh Sharma, Branch Manager mediated on the issue and he had made him talk on this issue. Shri Meena apologized for his mistake. During the course of hearing, complainant stated that he was cheated and befooled by Shri Ashok Meena about this policy and policy was mis-sold to him. He does not want to continue the policy. In fact, he wanted to surrender it at the very beginning when he came to know the contents of the policy. He received the policy bond on 22.02.2010 and applied for the cancellation on 26.02.2010. As a matter of fact, as and when the policy bond came to him, he read it and came to know about the discrepancies over the terms and conditions of the policy vis-à-vis told to him by Sales Manager.

3. A detailed written submission was submitted on behalf of the company which is placed on record. Besides the representative of the company attended the hearing. It has been submitted in the written submission dated 02.03.2010 that the company received a complaint from the complainant alleging mis-selling of the policy. Such complaint was received at the Branch Office of the company and after free look period. The allegation leveled by the complainant regarding mis-sale is baseless. The request of the complainant to cancel the policy was not entertained because such request was made after the free look period. During the course of hearing, the representative of the company denied vehemently the allegations regarding mis-selling. The company suggested the complainant to continue the policy for its full term to reap the benefit of such policy.
4. I have considered the submissions of the complainant and have also perused the written submissions as placed on record on behalf of the company. After due consideration of the matter, I hold that the insurance company was not justified in rejecting the request of the complainant to cancel the policy because the policy was mis-sold to him. The complainant had approached the company almost on receipt of the policy bond to cancel the policy. After receiving the policy bond, he came to know that what was told to him about the policy was not mentioned in

- it. It is surprising that responsible officers of the company behaved in such a manner with the prospective policy holders. In my considered view, it is a fit case where request of the complainant to cancel the policy is to be accepted. Accordingly, the company is hereby directed to cancel the policy of the policy holder and refund him the premiums paid.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.

Case No.LI/291/Bajaj/10

In the matter of Smt. Kiran Saxena

Vs

Bajaj Allianz Life Insurance Company Limited

AWARD dated 25.01.2011 – Mis selling of policy

1. This is a complaint filed by Smt. Kiran Saxena (hereinafter referred to as the complainant) against the Bajaj Allianz Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.
2. The complainant submitted that she had taken pension plan policy No. 007116904 from Bajaj Allianz Life Insurance Company Limited in 2005 for a period of 5 years. The policy has run from 08.02.2005 to 08.02.2010. The policy matured in 2010. When the policy matured, agent of the company came to her and said to sign on certain documents stating that she will get the full refund of maturity money. When she actually got the amount, she came to know that only a sum of Rs.18629/- was credited to her saving bank account instead of maturity amount of Rs.56452/-. She further stated that she got another policy No. 0172767844 on 20.06.2010 for Rs.37823/- but she had not applied for such a policy for 19 years without any benefit whereas she was of 62 years of age. When she approached the company for free look cancellation, she was informed that it is not a policy which could be cancelled within the free look period. It was informed to her that she had given the option on the maturity of the policy but she did not file any form. She states that she has been cheated by the agent of the company who in fact forged her signatures. The concerned agent was Ms. Neelam Arora. She requested that action should be taken against such agents who mis-guide the customers. She wants her money back and has sought the help of this forum to get her money back.

3. The representative of the company stated during the course of hearing that the complainant has been paid on the maturity almost 1/3rd amount of the maturity proceeds as per option exercised by her. The policy which was taken by her clearly states that on maturity, option has to be exercised by the policy holder as to whether, she wanted 1/3rd amount of the maturity value as lump sum payment and remaining in the form of pension or she also had the option to get the entire maturity amount by way of pension. Since the complainant had exercised the option and she has been paid according to that, the company is not liable to pay the entire amount.
4. I have considered the submissions of the complainant and have also considered the verbal arguments of the representative of the company during the course of hearing. After due consideration of the matter, I hold that the complainant was under bonafide belief that she would be paid entire amount on the maturity of policy. The agent who had approached her at the time of maturity of the policy did not narrate entire facts. She was surprised to find 1/3rd amount credited in her bank account. She did not know that she would be issued policy in respect of remaining amount. She had approached for cancellation of such policy which she never wanted. In my view, as a special case being the policy holder at the advanced age, the request of the policy holder about the payment of entire amount needs to be accepted. **Accordingly Award is passed with the direction to the insurance company to make the payment of the remaining amount of Rs.37823/- to the complainant immediately after appropriating any amount of pension already paid to her.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/263/Aviva/10

In the matter of Shri Om Prakash

Vs

Aviva Life Insurance Company Limited

AWARD dated 25.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Om Prakash (hereinafter referred to as the complainant) against the Aviva Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.

2. The complainant stated that he is a senior citizen and is 60 years of age. He had gone to Centurian Bank, Ashok Vihar for getting Fixed Deposit in the name of his granddaughter amounting to Rs.20000/- In the bank, he was advised to make deposit with Aviva policy and he would be getting very good returns. He was advised to make payment for three years and he will be getting about Rs.1,00,000/-. He was desperate to make savings for his granddaughter as his son is not having regular source of income. Moreover, he is a habitual drinker. He wanted to save something for the future of his granddaughter. He had deposited Rs.60000/- so far in three instalments and when he approached the company, he was informed that he would be entitled to only Rs.26000/-. He found himself cheated because he was told that he would get Rs.1,00,000/- after three years but now he was told that he would get only Rs.26000/- after making investment of Rs.60000/-. The person through whom policy was taken has already left. He requested this forum that appropriate help be given to him for the recovery of the amount. He submitted that the policy has been mis-sold to him and he has been cheated by the agent of the company.
3. Detailed written submissions were submitted on behalf of the company wherein the company defended its action. It was submitted therein that features of the policy were explained to the policy holder at the time of proposal. It was stated that the complaint was false and deserved to be dismissed.
4. I have considered the submissions of the complainant and have also perused the detailed written submissions got placed on record on behalf of the company. After due consideration of the matter, I hold that the complainant was cheated by the agent of the company and the policy was mis-sold to him. He had gone to Centurion Bank for getting fixed deposit in the name of his granddaughter whereas policy was issued under the wrong promises. Having due regards to the facts and circumstances of the case, being a senior citizen with good intention to save something for the future of his granddaughter, I consider fair and reasonable if the request of the complainant to cancel the policy is accepted. **Accordingly I direct the insurance company to cancel the policy of the policy holder and refund the premiums paid so far.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/268/Max/10

In the matter of Ms.Neeta Kohli

Vs

Max New York Life Insurance Company Limited

AWARD dated 25.01.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Neeta Kohli (hereinafter referred to as the complainant) against the Max New York Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.
2. The complainant stated that she had sent e-mails to the company but despite many reminders and letters to the company, he had not received any satisfactory response from the company. She stated that the agent of the company mis-guided about the facts of the policy and mis-sold the policy fraudulently to her.
3. Detailed written submissions were given by the company wherein it has been stated that the complaint is baseless that she was mis-guided by the representative of the company and mis-sold the policy. Admittedly the complainant had received the policy documents but complainant had not approached the company within the free look period to cancel the policy. The onus to prove that the policy was mis-sold to the complainant is upon the complainant herself. Admittedly the request for cancellation was made by the complainant well beyond the period of 15 days. The policy in question was inforsed from 13.08.2008 and on 15.10.2008; the company had received a telephone call from the complainant alleging mis-selling of the policy. On 23.10.2008, the company informed the complainant that her request for cancellation of the policy could not be acceded to as the same was made beyond the free look period.
4. I have considered the submissions of the complainant and have also perused the written submissions as placed on record on behalf of the company. After due consideration, I hold that since the policy was mis-sold to the policy holder, the company ought to have accepted the request of the policy holder to cancel the policy. Accordingly, award is passed with the direction to the company to cancel the policy and refund the premium paid.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/290/Bharti Axa/10

In the matter of Shri Saket Rawat

Vs

Bharti Axa Life Insurance Company Limited

AWARD dated 25.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Saket Rawat (hereinafter referred to as the complainant) against the Bharti Axa Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.
2. The complainant submitted that one of the associates of Bharti Axa, that is, Jupiter Insurance sold him a policy stating that he will receive immediate bonus if he took a new policy worth Rs.50000/- on the basis of his old policy with Bharti-Axa claiming that this is a bonus scheme for existing aspire life customers from Bharti-Axa and he was calling from Bharti-Axa head office. He received the policy document on 29.09.2009. The person who sold him the policy over the phone gave him his name as Sameer Chaudhary and was in touch with him till end of November stating that the bonus is taking some time and he will surely receive the bonus. Suddenly he vanished from the scene and his phone numbers were switched off. He informed the company about this fact. There was no response from the company. Finally, he got the reply from the company that the policy cannot be cancelled as request is outside the 15 days period. The complainant stated that he wanted to cancel the policy and does not want to continue the relationship with the company. During the course of hearing also, he pleaded that the policy be cancelled as the same was sold to him mischievously and under the wrong promises. He tried to contact the agent through whom he had taken policy almost immediately but the agent had disappeared from the scene. He requested to this forum to intervene in the matter and help him in getting the refund of the policy.
3. The representative of the company stated that the policy cannot be cancelled as the request was not made within the free look period. The company also had placed on record detailed written submission wherein it has been stated that the complainant had been given insurance cover under the policy almost for a year and therefore as per terms and conditions of the policy, the policy cannot be cancelled. In fact, the company requested this forum to dismiss the complaint.
4. I have considered the submissions of the complainant and have also perused the detailed written reply which is placed on record on behalf of the company. After due consideration of the matter, It is held that the policy was sold to the complainant under wrong promises stating the benefits which were never intended to be given through terms and conditions of the policy. Therefore, the allegation of the complainant that policy was mis-sold to him appears to be justified. He tried to approach the company through the same agent but failed and meanwhile

the free look period had gone. In my considered view, it appears to be a fit case where request of the policy holder to cancel the policy is deserves to be accepted. **Accordingly Award is passed with the direction to the company to cancel the policy and refund the premium paid by him.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/299/Aviva/10

In the matter of Smt. Jamuna Devi

Vs

Aviva Life Insurance Company Limited

AWARD dated 25.01.2011 – Mis selling of policy

1. This is a complaint filed by Smt. Jamuna Devi (hereinafter referred to as the complainant) against the Aviva Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.
2. The complainant submitted that the agent of the company had mis-sold the policy to her. She received rental income monthly and this information was with the agent and with this information, the policy was sold to her. It has been stated that as a matter of fact, her bank account had Rs.80000/- but she was issued a policy with a premium of Rs.2,00,000/-. It has been further stated that she as well as her husband are illiterate. The agent had taken Rs.2,00,000/- through cheques and some forms were filled by such agents whereas she had signed only at the places mentioned to her. The agent had filled the form himself and therefore the policy was issued with a 15 years term. The only source of income to her is the rent and she is not in a position to deposit Rs.2,00,000/- every year. She had approached the company to cancel the policy but such request was not acceded to. It has been stated by her husband who attended the hearing that the complainant is suffering from many diseases. She is a heart patient and also suffering from kidney trouble. She has to go to hospital frequently. She has in fact no money even to get her treated in the hospital. She requested this forum to get her policy cancelled as her attempts to get the relief from the company failed. During the course of hearing, representative of the company was required to state as and how the complainant be expected to pay premium of Rs.2,00,000/- per year for full term of the policy when she has no source of income? But the representative of the company did not give any satisfactory reply to this aspect.

3. The company also placed on record the submissions wherein the stand of the company has been that the policy cannot be cancelled as the request to cancel the policy was made beyond the free look period.
4. I have considered the submissions of the complainant very carefully and have also perused the written submissions as placed on record on behalf of the company. I have also considered verbal arguments of the representative of the complainant. After due consideration of the matter, I hold that the policy was mis-sold to the policy holder. She was given a policy which she never wanted. The term of the policy is 15 years and she was required to deposit Rs.2,00,000/- every year whereas there is no source of income to her. She is suffering from many ailments. The representative of the company did not give any reply to my query that when there was no regular source of income of the complainant why the policy was given to her wherein she is required to pay Rs.2,00,000/- every year for a period of 15 years. The representative of the company did not give any reply. Thus it appears to me that the policy was mis-sold to her by the agent without letting her know the implications of the policy and without verifying the income of the complainant to pay the premium of Rs.2,00,000/- every year. **Accordingly award is passed with the direction to the insurance company to cancel the policy and refund the premiums paid by her.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/300/Aviva/10

In the matter of Shri Saurabh Agarwal

Vs

Aviva Life Insurance Company Limited

AWARD dated 25.01.2011 – Mis selling of policy

1. This is a complaint filed by Shri Saurabh Agarwal (hereinafter referred to as the complainant) against the Aviva Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.
2. The complainant stated that he got two policies No. LLG1248461 & EPG1928233 from Aviva Life Insurance Company Limited in 2006. The agent involved was Monila Sen Gupta, with Agent ID 605D4476. The complainant stated that he

explained all his requirements as an investor to the agent, such as premium of Rs.25000/- per annum with the premium paying period not exceeding 3-5 years and focus on returns than insurance coverage. He was shown some graphs on a laptop and after brief discussions; he was suggested to go for a EPG and a LLG policy. He was asked to sign on a blank proposal form which they said that they will fill in later. At no point during or after the conversation, long term premium paying period or surrender charges of these policies were disclosed to him. After three years mandatory lock-in-period, he felt that his investment is not giving him good returns and he asked the company people to reimburse the matured value. He came to know that these policies require long term premium paying period and the benefits would be achieved only at the end of complete tenure, which is up to 85 years in case of LLG policy. He stopped paying premiums and company imposed SC of 56% and 73% respectively on these policies. During the course of hearing, the complainant stated that in case the company reduces the term of the policy, he would continue with them.

The company's representative stated that the term of the policy will be reduced with regard to policy No.EPG 1928233 but it is not possible to reduce the term under policy No.LLG1248461. The representative of the company stated that there is no provision in the policy to reduce the term of LLG policy. Therefore, the request of the policy holder to reduce the term in respect of this policy cannot be entertained. But the complainant insisted that incase the term is not reduced in respect of this policy; the same may be cancelled as he is not ready to pay the premium till the age of 85 years. With regard to another policy No.EPG1928233, the company's representative agreed to reduce the term for which consent is to be given by the policy holder. The company also submitted detailed written submissions which are also placed on record.

3. I have considered the submissions of the complainant very carefully and have also perused the detailed written submissions as placed on record on behalf of the company. After careful consideration of the matter, I hold that since policy No.LLG1248461 has been mis-sold to the complainant, the same deserved to be cancelled. Since the representative of the company promised to the policy holder to reduce the term of the policy No.EPG1928233, the complaint of the complainant with regard to this policy will be resolved to the satisfaction of the policy holder. As promised, during the course of hearing, the complainant will give his consent for reduction of the term of the policy. Accordingly, complaint relating to the policy No.EPG1928233 stands resolved and with regard to policy No.LLG1248461, award is passed with the direction to the insurance company to cancel the policy and refund the premium to the complainant.
4. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
5. Copies of the Award to both the parties.

Case No.LI-Birla/139/10
In the matter of Shri Subba Lal
Vs
Birla Sun Life Insurance Company Limited.

AWARD dated 13.01.2011 - Non-receipt of policy bond

1. This is a complaint filed by Shri Subba Lal (herein after referred to as the complainant) against the decision of Birla Sun Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for non-receipt of policy bond.

2. Complainant stated that he had sent written representation to the Insurance Company for redressal of the grievance. He had visited twice the office of the Insurance Company at Neetaji Subhash Palace, New Delhi but no solution was provided to his problem. The Insurance Company had not given any reply/ solution to his problem. As an investor with the Private Life Insurance he feels helpless, cheated and feels as if he had robbed of his money and he has been befooled by smart gentleman of the Insurance Company. He is in depression on account of losing his money. He had approached this forum for intervention in the matter and to do the needful. He wants his money back and wishes that the case of fraud/ cheating against the persons responsible for his suffering be registered. He states further that there will be other persons also who have been similarly cheated as he had been cheated.

3. The representative of the Insurance Company attended the hearing before this forum on the date of hearing he stated that policies issued to the complainant could be cancelled and he has to return the policy bond. During the course of hearing complainant stated that he had not received the policy documents.

4. I have considered the submissions of the complainant. I have also heard the verbal arguments of the representative of the Insurance Company. After due consideration of the matter I consider fair and reasonable to direct the Insurance Company to cancel the policies issued to the complainant.

The complainant had not so far received the policy documents and there is no reason with me not to believe what he had said. Therefore there is no requirement for the complainant to hand over the policies. Accordingly, Award is passed with a direction to the Insurance Company to cancel the policies and refund the premium paid by the policy holder.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Birla/211/10
In the matter of Smt. Kashish Arora
Vs
Birla Sun Life Insurance Company Limited.

AWARD dated 13.01.2011 - Non-refund of premium

1. This is a complaint filed by Ms. Kashish Arora (herein after referred to as the complainant) against the decision of Birla Sun Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for non-refund of premium.

2. Complainant stated that she also approached the grievance redressal office of the Insurance Company but had not received the reply. She wants this forum to resolve this claim as soon as possible. During the course of hearing it was stated by the representative of the complainant that premium was paid through agent even than, the policy became lapsed. Premium certificates were also placed on record by the complainant.

3. Detailed written submissions were submitted by the Insurance Company wherein it has been submitted that complainant had submitted 2 applications for Insurance dated 25.10.2006 and based on such applications, 2 policies bearing no. 000781889 and 000782665 were issued. Complainant had made payment of the first premium of Rs.2831/- each for both policies. Complainant had opted for Semi Annual mode of payment for renewal premiums. Complainant was given detailed description about the policies including mode of payment of the premium and was also apprised with the terms and conditions of the policy before signing the proposal form. Insurance Company had sent payment notice and informed the complainant about the renewal premium due. The policies became lapsed due to non payment of premium on due date and the complainant had not approached the Insurance Company for revival of the policies. The Insurance Company had received the letter from complainant dated 18.06.2009 providing copies of the Premium Paid Certificates allegedly to have been issued by the Insurance Company.

The Insurance Company sent reply vide letter dated 03.07.2009 that it had not received any payments in the month of April 2007, October 2007 and April 2008 towards the policies. The Insurance Company further clarified that it had received only 2 payments amounting to Rs.2830.5/-. The Insurance Company further clarified that revival of the lapsed policy is permissible only within 2 years from the lapsed date as per terms and conditions stated in the policy contract and therefore Insurance Company would neither be able to refund the premiums paid by the complainant nor it could reinstate the policy. Moreover there is no provision in the law and the policy contract for refund of the premium paid. During the course of hearing representative of the Insurance Company stated categorically before the complainant that no premiums other than first premium of the policy were paid and received by the Insurance Company.

4. I have considered the submissions of the complainant. I have also perused the detailed written submissions which were placed on record on behalf of the Insurance Company. After due consideration of the matter I find that the complainant had not brought on record any evidence to the effect that renewal premiums were paid. As a matter of fact the complainant stated that payments were made through agents but no receipt of payment from the Insurance Company has been placed on record. May be that complainant had paid amounts to the agent but it is certain that amounts were not received by the Insurance Company and since premiums on due date were not received by the Insurance Company the policy became lapsed as per terms and conditions of the policy. Policies could be revived only within 2 years of the lapsation date, that too on payment of premiums along with other requirements. The complainant had also not exercised her Right within free look period. Under the evidence and circumstances of the case, in my view the complainant is not entitled to any relief as per terms and conditions of the policy under contract. Thus her request to refund the premiums paid by her could not be accepted. Accordingly, complaint filed by the complainant is dismissed.

5. Copies of the Order to both the parties.

Case No.LI-HDFC/274/10
In the matter of Shri Arvind C. Sharma
Vs
HDFC Standard Life Insurance Company Limited

AWARD dated 15.02.2011 - Non cancellation of policy

1. This is a complaint filed by Shri Arvind C. Sharma (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for non cancellation of policy.

2. Complainant stated that he had not so far received policy document. Complainant stated that he had expressed his concern in several telephonic conversations and in written correspondence to the insurance company. During the course of hearing he stated that he desired to cancel the policy. He was required to file FIR relating to non receipt of the policy documents but since he had not received the policy document so far he is unable to comply with the requirement of the insurance company for getting duplicate copy of the policy. As a matter of fact he was given an impression during the course of telephonic conversation that insurance company would cancel the policy and refund him the premium.

3. Insurance company had submitted detailed written reply wherein it stated that the life assured had submitted the proposal and on the basis of such proposal the policy was issued. Complainant was provided with opportunity of free look period but the same was not utilized. The features of the policy were explained to him at the time of filing

proposal and after having fully understood the terms and conditions of the policy, the policy was issued. Therefore it was wrong to state that policy was wrongly sold to the complainant. It is further stated that complainant is devoid of any merit and therefore it deserves to be dismissed.

4. I have considered the submissions of the complainant. I have also perused the reply of the insurance company. After due consideration of the matter I hold that since policy documents has not been received by the complainant and he expressed his desire to
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cancel the policy the policy may be cancelled. There is no evidence on records also that policy document was delivered to the complainant. In my view the insurance company is required to cancel the policy because policy holder requests to cancel the policy before receiving it. Accordingly, award is passed with the direction to the insurance company to cancel the policy and refund the premium to the complainant.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Max/295/10
In the matter of Shri Aashish Kr. Tripathi
Vs
Max New York Life Insurance Company Limited

AWARD dated 15.02.2011 – Mis selling

1. This is a complaint filed by Shri Ashish Kr. Tripathi (herein after referred to as the complainant) against the decision of Max New York Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling.

2. Complainant stated that he is holding policy of Max New York bearing no. 717342422 with annual premium of Rs.20000/-. While giving the policy it was assured by Shri Chetan and as well as Sale Manager Shri Vishal Singh that switching over of the fund will be carried out by the fund manager of the insurance company and company would charge @1.35 % from the premium paid by him. He stated that he did not desire the switching over of funds. He found later that the promise was totally fake. He was shocked to hear that there was loss of the value of the NAV. He contacted again the person who approached him and who had given promises to him. However, he was requested to withdraw the complaint against the company. During the course of hearing the complainant stated that the policy was mis-sold to him and he desires that policy be cancelled.

3. No written reply was submitted on behalf of the insurance company though the insurance company representative attended the hearing.

4. I have considered the submissions of the complainant. I have also considered the verbal arguments of the representative of the insurance company. After due consideration of the matter I hold that there is a case for cancellation of the policy as the policy has been issued giving false promises. Accordingly award is passed with the direction to the insurance company to cancel the policy and refund the premium paid by the complainant.

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5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Reliance/276/10
In the matter of Shri Ashok Kumar
Vs
Reliance Life Insurance Company Limited

AWARD dated 15.02.2011 - Cancellation of policy

1. This is a complaint filed by Shri Ashok Kumar (herein after referred to as the complainant) against the decision of Reliance Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for cancellation of policy.

2. Complainant stated that he had deposited a sum of Rs.99900/- by way of credit card on 29.09.2008 for the payment of premium in respect of policy no. 12685096 from reliance Life Insurance co. ltd. The insurance company was supposed to issue the documents immediately on receipt of the payment of premium so that undersigned could go through the contents of the policy. It was further submitted that policy document was sent to him on 16.02.2009. After going through the contents of the policy document he came to know that what was stated to him by the agent regarding the policy the same was not reflected in the policy document. He approached the insurance company on 28.02.2009 to cancel the above policy and refund the premium and the company had acknowledged the receipt on 02.03.2009. He had requested for the refund of the premium but of no avail. During the course of hearing complainant stated that he had received the cheque

for Rs.75835/- since he had made the request for cancellation of the policy within free look period, insurance company ought to refunded the entire amount paid by him.

3. Insurance company had filed the reply dated 30.12.2010. Wherein insurance company stated that request of the complainant for cancellation of the policy bearing no. 12685096 was accepted and the insurance company had given the cheque dated 27.12.2010 and reply dated 30.12.2010 was also sent to the complainant.

4. I have considered the submission of the complainant. I have also gone through the written n reply of the insurance company. After due consideration of the matter I hold that the insurance company was not justified in not refunding the entire amount of

premium paid by the complaint on cancellation of the policy. Complainant had approached the insurance company well within the free look period to cancel the policy. Complainant had paid a sum of Rs.99900/- and therefore on cancellation, the insurance company is under obligation to refund the entire amount of premium. Insurance company was not justified in refunding only a sum of Rs.74835/-. Accordingly, award is passed with the direction to the insurance company to refund the entire amount of premium paid by the complainant. In case the insurance company had paid/refunded lesser amount than premium paid, it is directed to make the payment of the balance amount.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Max/226/10
In the matter of Shri Anshul Aggarwal
Vs
Max New York Life Insurance Company Limited

AWARD dated 15.02.2011 – Mis selling

1. This is a complaint filed by Shri Anshul Aggarwal (herein after referred to as the complainant) against the decision of Max New York Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for misselling.

2. Complainant stated that he had been given a policy for which he paid a premium of Rs.20,000/-. He had received the policy document but was surprised to find that the Date of Birth was wrongly mentioned in the policy. Instead of correct Date of Birth of 21.05.1971, 1st January, 1971 has been shown in the policy. He immediately contacted Ms. Nitu and informed her about the mistake and requested to get the mistake corrected. On 29.11.2009 she assured the complainant that mistake would be corrected and fresh policy document will be issued. Someone had taken policy document from him along with PAN Card as per well as driving license as proof of date of birth for making necessary correction, but he had not received the corrected copy of the policy document.

Though he was assured that corrected policy document will reach him. However, policy document was received on 02.02.2010 with word duplicate but the mistake was not corrected. How he desires to get the policy cancelled. He requested this forum to direct the insurance company to cancel the policy and refund the premium.

3. Insurance company had furnished detailed written reply which is placed on record. During the course of hearing representative of the insurance company stated that the correction of desired by the complainant has been made and there is no case for cancelation of the policy.

4. I have considered the submissions of the complainant. I have also perused the submissions of the complainant and also considered the verbal submission of the representative of the insurance company made during the course of hearing. After due consideration of the matter I hold that policy issued to the complainant deserves to be cancelled because the complainant had approached the insurance company within free look period for making corrections of the date of birth and for issue of corrected policy documents but the same was not done despite many requests made by the complainant. Accordingly, award is passed with the direction to the insurance company to cancel the policy and refund the premium.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Aviva/272/10
In the matter of Shri Praveen Kumar Adlakha
Vs
Aviva Life Insurance Company Limited

AWARD dated 15.02.2011 – Mis selling

1. This is a complaint filed by Shri Praveen Kr. Adlakha (herein after referred to as the complainant) against the decision of Aviva Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for misselling.

2. Complainant stated that intervention of this office is required to resolve the issue of mis-leading the complainant by the sales executive of the insurance company. He submitted that insurance company executive has sold the policy to him by showing rosy performance of their policies and unexpected returns. He was virtually lured by the insurance company executive to purchase the policy but he felt cheated. The policy has been issued to him at the age of 53 for the term of 30 years. He believed the Sales

Executive so much so that he had not even looked at the terms and conditions of the policy and now he regrets to have faith in such officer. Had he dealt with the Government Insurance Company the things would have been different. He stated that after making payment of 3 premiums the valuation of investment is less than the first premium paid by him and he will have to continue and to pay the premium throughout his life, even upto the age of 83 years. He humbly request to this forum that his policy be cancelled because the policy has been mis-sold to him after stating the facts about the policy which were actually not available in the policy. During the course of hearing, he stated that he has another policy of the same company and incase the company transfers the amount paid by him in respect of this policy to that policy then he will not be having any grievance against the insurance company.

3. During the course of hearing representative of the insurance company clearly stated that it is not possible to transfer the premium paid in respect of the policy bearing no. LLG1212914 to other policy as desired by the complainant, because both the policies are separate and distinct. Insurance company also had filed the detailed written submissions wherein all allegation of the complainant have been denied. It has been stated that the policy has been issued to the policy holder on the basis of signed proposal and complainant was fully explained the features of the policy and thus the complaint filed by the complainant is false and misconceived and deserves to be dismissed.

4. I have considered the submission of the complainant. I have also perused the detailed written submissions of the company and also verbal arguments of the representative of the insurance company made during the course of hearing. After due consideration of the matter I hold that since the policy has been mis-sold to the complainant, the policy deserves to be cancelled. Accordingly, award is passed with the direction to the insurance company to cancel the policy (LLG1212914) and to refund the premium paid by him.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI-Reliance/303/10
In the matter of Shri Subodh Goel
Vs
Reliance Life Insurance Company Limited

AWARD dated 15.02.2011 - Non-receipt of premium payment

1. This is a complaint filed by Shri Subodh Goel (herein after referred to as the complainant) against the decision of Reliance Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) for non-receipt of premium payment.

2. Complainant stated that advisor Prithvi Insurance Consultants misguided him while taking the policy. It was stated to him that it is a onetime payment policy, but in fact policy was issued having the term of 5 years. It has been submitted by him that some agent persuaded him to take consolidated policy wherein the premium paid in respect of existing policy may be merged along with further sum of Rs.50000/- i.e. to say he was advised by the agent that he will be issued a policy with a single payment of Rs.103000/-, Rs.53000/- being the value of the earlier policy and further sum of Rs.50000/- was to be paid and he will be issued a single payment policy. However, new policy document was not issued to him but however, he has been given a policy no. 12462120. He submitted further that he wants to continue with the old policy but does not want to continue with the new policy which he infact he had not received so far. He also submitted that wrong details have been incorporated in the new policy. He had approached the grievance cell of the insurance company for redressal of the grievance.

3. Insurance company had filed a written reply dated 09.09.2010 wherein it has been stated that complainant had availed Reliance Market Return policy bearing no. 12462120 with yearly premium of Rs.50000/-. It also stated that the policy taken was dispatched through courier. Insurance company denied the allegations made by the complainant that official/representative of the insurance company had assured him that insurance company is sending a person to collect the cheque and instructed him to sign fresh proposal. The allegation of misselling was unjustified.

4. I have considered the submissions of the complainant. I have also perused the written reply of the insurance company. After due consideration of the matter I hold that there is a case for cancellation of the policy issued to the complainant, firstly because such policy bearing no. 12462120 was issued under misrepresentation of facts. He was made to believe that one consolidated policy will be issued to him with the single premium whereas this policy has been issued which is a term policy; secondly policy document did not actually reach him. Though the company claims to have sent him by courier. In my considered view it would be fair and reasonable if the insurance company cancels this new policy and refund him the premium of Rs.50000/-. Accordingly award is passed with the direction to the insurance company to cancel the policy bearing no. 12642120 and refund the premium.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

Case No.LI/223/HDFC/10

In the matter of Shri Anil Bhasin

HDFC Standard Life Insurance Company Limited

AWARD dated 01.02.2011 – Mis selling of policy

This is a complaint filed by Shri Anil Bhasin (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.

The complainant stated that he had approached the Grievance Redressal Officer of the company for redressal of this grievance but he had not received any response. He stated that he received a call from Chennai office and the concerned person had made discussions with him and assured him that the policy bond will be dispatched at the earliest but the complainant stated that he had not received the policy bond. He also discussed the issue with Shri Jagdeep, Executive Manager of the company. He was promised a growth of 10 to 20% and assured return of minimum 10% though he cannot provide anything in writing as evidence. He took the pension plan after discussing with the executive of the company who assured the complainant about the minimum assured return of 10%. Now he is surprised to see the first ever statement on 25.06.2009 which was given to him where the status of the policy was given. The complainant stated that the policy has been mis-sold to him. He has been misguided. The complainant requested to get the money refunded along with interest @ 24%.

During the course of hearing, the complainant submitted that he had not received the policy documents. No reply has been received on behalf of the company; neither the company was represented during the course of hearing.

I have considered the submissions of the complainant very carefully. After going through the detailed complaint filed by the complainant, I have come to the conclusion that the policy has been mis-sold to the complainant. The complainant had not received the policy documents and desired to get the policy cancelled. **Accordingly Award is passed with the direction to the insurance to cancel the policy and refund the premium.** The request of the complainant to allow interest @24% is not to be accepted as while cancelling the policy, only amount paid as premium is refunded after deducting the stamp duty charges and medical expenses.

The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.

Copies of the Award to both the parties.

Case No.LI/212/Bajaj/10

In the matter of Shri Satish Kumar

Vs

Bajaj Allianz Life Insurance Company Limited

AWARD dated 02.02.2011 – Mis selling of policy

1. This is a complaint filed by Shri Satish Kumar (hereinafter referred to as the complainant) against the Bajaj Allianz Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.

2. The complainant stated that he was approached by insurance agent Shri Raja Rohilla and Ms. Parveen Kalra, both of Bajaj Allianz Life Insurance Company Limited, Janak Puri, Delhi in August, 2008 and was offered the Bajaj Allianz Fortune Plus Policy. At the time of approaching him, both agents stated that the entire amount paid would be used in investment and deposited for the coverage. On their persuasion, he agreed for the policy and such persons obtained his signatures on the proposal form on 30.08.2008. He had made payment of Rs.37500/- vide cheque No.362385 dated 30.08.2008 drawn on State Bank of Mysore. Even while taking the payment, it was clearly stated to the complainant that entire amount will be invested and no deduction will be made. The complainant stated that he had taken the words of such persons as gospel truth and paid the amount. He did not know that these persons would get his signatures forged on the proposal form. He was contacted by Ms. Parveen Kalra in the month of August, 2009 and was asked to make payment of Rs.37500/- towards annual premium.

He wanted to know from such persons as to what was the amount invested out of the premium paid but there was no clear reply and, therefore, he became suspicious and went through the policy documents himself. Thereafter he came to know that he had been cheated and his signatures have been forged on Sample Benefit Illustration Fortune Plus. He was also further surprised to know that deductions have been made from the amount paid by him and premium was never fully invested even in subsequent years. It is stated by him that the complainant was not told about the various deductions and his signatures were forged on the Sample Benefit Illustration Fortune Plus. He tried to be in touch with Shri Raja Rohilla and Ms. Parveen Kalra but there was no response. Thus he alleged that the policy has been sold to him under misrepresentation of the facts. He also served a legal notice on 15.10.2009 on both the persons treating the policy issued to him as null and void and refund of the amount of Rs.37,500/- along with interest. During the course of hearing, the complainant stated that he wanted his policy to be cancelled. He stated that he was never briefed about the various deductions to be made out of the premium paid. He was given the impressions that entire premium paid by him would be invested. Thus, the policy was mis-sold to him and it deserved to be cancelled.

3. Written reply is received on behalf of the company. The company was also represented by its official during the course of hearing wherein it has been stated that the policy was issued on the basis of proposal signed by the complainant.

The bond was duly dispatched to the complainant and he could have approached the company for cancellation within the free look period. The policy is now in lapse condition because the complainant had not paid the premium subsequently. The company requested that the complainant being without merit deserved to be dismissed.

4. I have considered the submissions of the complainant and have also perused the written reply of the company and also considered the verbal arguments of the representative of the company made during the course of hearing. After due consideration of the matter, I hold that since policy has been sold to the complainant through false promises, the policy deserved to be cancelled. **Accordingly award is passed with the direction to the insurance company to cancel the policy and refund the premium to the complainant.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/304/Kotak/10

In the matter of Shri Kamlesh Pithwa

Vs

Kotak Mahindra Old Mutual Life Insurance Limited

AWARD dated 02.02.2011 – Mis selling of policy

1. This is a complaint filed by Shri Kamlesh Pithwa (hereinafter referred to as the complainant) against the Kotak Mahindra Old Mutual Life Insurance Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.
2. The complainant stated that he had opted for Kotak Super Advantage plan which he had opted for in the last week of March, 2010 on the basis of telephonic call from the Kotak Office in Delhi. He had a communication with Ms. Babita of Kotak who told him that it being year ending, if he opts for the policy now, he would get the benefit as mentioned subsequently. First premium certificate will be of FY 2010-11 as he had already done the investments of more than 1 lakh for the year 2009-2010. Fixed advantage will be fully repaid back after three years of policy starting. Additional bonus for life insured of a minor. When he received the policy documents, he came to know the promises made are not mentioned in

the policy document. He brought this fact to the notice of Ms. Babita immediately after receiving the policy who admitted that due to mistake, the office had sent the regular premium paying policy and not the one with the year end advantage and she would sort out the matter. But he could not get the answer. He called Ms. Babita so many times but she has not picked up the phone. When he contacted the customer care of the company for lodging the complaint and asking for the full refund along with interest, instead of solving the problem, he was informed by the company's officials saying that the free look period is already over and it is not possible to accept his request for cancellation of the policy.

The staff of the company assured him false promises which he never fulfilled and thus he felt cheated by the behaviour of the company was made to receive the policy which he never wanted. He requested this forum to intervene in the matter and to take appropriate steps. During the course of hearing also, it was stated by the complainant that the agent was contacted immediately after receiving the policy documents when it was found that the benefits which were told were not found mentioned in the policy.

3. Detailed written submissions are furnished by the company which are placed on record wherein it has been stated that the policy holder had the option to cancel the policy only within the free look period. The complainant now wants to get the benefit out of unjustified commitment. The company had not made any false commitment to the complainant and thus the company had denied all allegations labeled against the company. In the e-mail dated 15.06.2010, it has been stated that the company is unable to process the request for cancellation of the policy as the free look period had already been elapsed.
4. I have considered the submissions of the complainant and have also considered the detailed written submissions which are placed on record on behalf of the company. After due consideration of the matter, I hold that the company was not justified in not acceding to the request of the complainant to cancel the policy because the complainant had approached the company almost in the free look period in the sense that he had contacted the person through whom policy was received almost on its receipt for cancellation. If false promises are made to somebody while selling the policy, it is nothing but mis-selling and selling the product fraudulently. Therefore, in my considered view, in such cases, request of the policy holder to cancel the policy deserves to be accepted. **Accordingly, Award is passed with the direction to the company to cancel the policy and refund the premium paid by the complainant.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/232/SBI/10

In the matter of Mrs. Sita Khanna

Vs

SBI Life Insurance Company Limited

AWARD dated 02.02.2011 – Mis selling of policy

1. This is a complaint filed by Smt. Sita Khanna (hereinafter referred to as the complainant) against the SBI Life Insurance Company Limited (hereinafter referred to as respondent insurance company) in respect of mis-guiding and mis-selling of the policy.
2. The complainant stated that she wanted to lodge complaint against SBI Life Insurance Company Limited against mis-selling of two policies No. 34029633603 & 34029633410. She had deposited premiums of Rs.10000/- each in respect of both the policies and thus she had deposited Rs.20000/- as premiums in respect of both the policies. Both these policies were in the name of her daughter-in-law. She states further that these policies have been given fraudulently to her. Somebody rang her and enquired as to where she is a senior citizen. On hearing positive reply from her side, such person started canvassing about the policy that she would get a lot of benefits from such policy. Such person later on came to her residence and he was also having card of the insurer on which there was a photo and Tarun was mentioned thereon. Though she was convinced for the policies but the policies were issued in the name of her daughter-in-law. She was surprised to see the policies when such policies were not found issued in her name. She has approached the Branch Office just after getting such policies and narrated the facts. She was told that now nothing can be done and she has to continue such policies. Thereafter she approached the customer care cell of the company whereat she was told that she had received the policy late and she had to write an application. She was advised to deposit these documents along with application but she had got the rejection letter.

She had written a number of letters regarding return of premiums paid by her but nothing happened. She stated that she is of 72 years of age and is a widow lady and had deposited Rs.20000/- with great difficulty. She is not in a position to deposit such premiums after every six months. She wanted to have fixed deposits but she was given policies. She requested that the policies issued are required to be cancelled and premiums paid by her be refunded. She stated that the policies have been sold by telling lies and had been given to his person who is not in a position to continue such policies as she has no apparent source of income.

3. Detailed written submissions have been furnished by the company which are placed on record wherein the company had denied all allegations made in the complaint against the company. It also prayed that since the complaint is without

merit, the same deserved to be dismissed. The policies were issued on the basis of proposals. During the course of hearing also, the representative of the company defended the action and stated that the policies were issued as per proposals submitted to the company.

4. I have considered the submissions of the complainant and have also perused the details submissions as placed on record by the company and also heard the verbal arguments of the representative of the company. After due consideration of the matter, I hold that the company was not justified in issuing the policies in the name of complainant's daughter-in-law, that is, Smt.Sonia Khanna whereas payment was made by the complainant Smt. Sita Khanna. Smt. Sita Khanna was approached for taking the policies. As a matter of fact, she wanted to have fixed deposits for small amounts of Rs.20000/- but instead the policies were issued in the name of her daughter-in-law. The complainant did not have any source of income. She is a widow and an aged lady. She never intended to take insurance policies. The policies were thrust upon and were given to her fraudulently without verifying and ascertaining the source of income. In my considered view, the policies which were mis-sold in the name of complainant's daughter-in-law deserved to be cancelled. Though the complainant was not interested in the policies but perhaps as she is of advanced age, policies were issued in the name of her daughter-in-law though the payments have been taken from the complainant by way of cheque. Her daughter-in-law never wanted any policy. Under the circumstances, these policies were issued and the fact that the complainant had immediately approached the Branch Office after receiving the same for cancellation, the company ought to have cancelled such policies. **Accordingly Award is passed with the direction to the insurance company to cancel both the policies and refund the premiums paid by the complainant.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/262/HDFC/10

In the matter of Shri Syed Abdul

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 02.02.2011 – Mis selling of policy

1. This is a complaint filed by Shri Syed Abdul (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that he has sent a complaint by post but he had not been given any reply. He submitted that he has not received the policy bond so far. However, after sometime, duplicate policy bond was sent by the company. During the course of hearing, he desired that his policy be cancelled. He is a poor person and does not want to continue the policy. He had not so far received the original policy bond. He was mis-guided to take the policy. In fact, policy was mis-sold to him.
3. Detailed written reply was submitted by the company wherein it has been submitted that the features of the plan were explained to the complainant at the time of filing the proposal form and after fully understanding the contents and the terms and conditions of the policy, the complainant had signed the proposal and policy was issued to him. It was further submitted that the allegations of mis-selling are baseless. The complaint filed by him is without any merit and deserved to be dismissed.
4. I have considered the submissions of the complainant and have also perused the detailed written reply submitted by the company. After due consideration of the matter, I hold that it is a fit case where policy is deserved to be cancelled because policy appears to have been mis-sold to him. Policy holder appears to be semi-illiterate person and I have my doubt that he understood the complicated terms and conditions of the policy which had been given to him. Accordingly, in my view, the request made by him to cancel the policy deserves to be accepted. Accordingly, Award is passed with the direction to the insurance company to cancel the policy and refund the premium paid by him.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/309/Reliance/10

In the matter of Shri Virender Kumar Mahawar

Vs

Reliance Life Insurance Company Limited

AWARD dated 04.02.2011 – Mis selling of policy

1. This is a complaint filed by Shri Virender Kumar Mahawar (herein after referred to as the complainant) against Reliance Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that the agent of the company had mis-guided and mis-sold the policy to him.
2. The complainant stated that the senior executive of the company had cheated him by giving him wrong policies and when he got the policies cancelled, company had deducted a sum of Rs.27684.91. Besides the company did not make the payment immediately but used his funds for 5 months. He had written a letter on 07.06.2010 to the Grievance Redressal officer of Reliance General Insurance Company Limited, such letter was delivered on 11.06.2010 but he regrets to say that there is no reply from the Grievance Redressal Officer of the company so far. He also sent an e-mail to the company's CEO. During the course of hearing, the complainant submitted that after great persuasion on writing so much letters/e-mails regarding three policies which were taken were cancelled on 20.03.2010 but while making the payment the company had deducted a sum of Rs.27685.91. He requested this Forum to intervene in the matter and refund the deducted amount.
3. The company's representative argued during the course of hearing that the company had returned the amount after deducting the insurance charges. The company also filed detailed written reply wherein the company had denied the allegations of the complainant that any of the officials/representative of the company had cheated him. It is further stated in the reply that the request for cancellation was made after expiry of the free look period. However the company had honoured the request of the complainant and cancelled the policies No. 15891184, 15891174 & 15891130 and had paid the amount by transferring the same to the bank account of the complainant.
4. I have considered the submissions of the complainant and have also perused the detailed written reply of the company which is placed on record. After due consideration of the matter, I hold that the company was not justified in making deduction of Rs.27685.91 while cancelling the policies. When the company had accepted the request of the policy holder to cancel the policies then it is under obligation to refund the entire premiums paid by the policy holder, of course, after appropriating the expenditure relating to stamp duty and medical fees if any. The company had not given detailed reasons for deducting a sum of Rs.27685.91. The policy holder had taken three policies and was supposed to get entire premiums paid by him. Accordingly in my considered view the company is under obligation to refund a sum of Rs.27695.91 which had been deducted while refunding the premiums paid after cancellation of the policies subject to deduction of stamp duty and medical fees, if any. Accordingly Award is passed with the direction to the company to make payment of Rs.27695.91 subject to deduction relating to stamp duty and medical expenses.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/253/DL-III/10

In the matter of Ms. Santosh

Vs

Life Insurance Corporation of India

AWARD dated 04.02.2011 - Repudiation of DAB claim

1. This is a complaint filed by Ms. Santosh (hereinafter referred to as the complainant) against the Life Insurance Corporation of India (hereinafter referred to as respondent insurance company) in respect of repudiation of DAB claim.
2. The complainant stated that deceased life assured Shri Subhash Chand was her husband who was insured vide policy No.331809865. LIC of India had settled the death claim but had not paid the double accident benefit. She requested for payment of accident benefit claim but had not paid the same. She had also approached the senior officers for this purpose but she was advised to contact this office. She also approached the Northern Zonal office of LIC of India for settling the accident benefit claim but she had not received any reply. She requested this forum to get the accident benefit claim on the policy.
3. LIC of India had informed the complainant vide its letter dated 08.03.2010 that she is not entitled to double accident benefit claim. It was stated by LIC that no premium was paid on account of double accident benefit and therefore DAB claim is not payable. LIC was represented by its officer during the course of hearing who stated that DAB is not payable as deceased life assured has not paid premium towards DAB benefit.
4. I have considered the submissions of the complainant and have also considered the verbal arguments as made by the representative of LIC during the course of hearing. After due consideration of the matter, I hold that the insurer was not justified in repudiating the double accident benefit claim because deceased life assured had made payment of premium and it was the responsibility of the insurer to account for the premium, a part of which could have been appropriated on account of DAB premium and the balance could have been appropriated for investment purposes.

The deceased life assured was not supposed to pay separately the DAB premium. LIC of India had already paid the death claim but it had denied the payment of DAB stating

that premium was not paid for that purpose. In my considered view, LIC was not justified in rejecting the claim of the DAB. Such claim is payable as per terms and conditions of the policy as his proposal was accepted with Accident Benefit which he had opted in the proposal form. **Accordingly Award is passed with the direction to LIC of India to make the payment of Rs.1,00,000/- towards DAB benefit to the nominee under the policy.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/284/DL-II/10

In the matter of Shri D.K.Jain

Vs

Life Insurance Corporation of India

AWARD dated 04.02.2011 - Less payment of NAV

1. This is a complaint filed by Shri D.K.Jain (hereinafter referred to as the complainant) against the Life Insurance Corporation of India (hereinafter referred to as respondent insurance company) in respect of less payment of NAV under the above said policies.
2. The complainant stated that request was made for redemption on 14.08.2009 at 11.00 a.m. He requested that he should have been allowed NAV on that day on which the request for redemption was made, that is, on 14.08.2009 whereas he had been given the NAV as on 18.08.2009. He requested that since he had made request for redemption in the forenoon of 14.08.2009, he deserved to be given NAV on 14.08.2009 instead of 18.08.2009.
3. LIC was represented on the date of hearing but no written reply was given by the insurer.
4. I have considered the submissions of the complainant and I find that the complainant had made request for redemption in respect of policies No.122569717, 122979299,122979298,122570120 & 1225697133 on 14.08.2009 at 11.00 a.m. It has been confirmed that server was down from 14.08.2009 to 17.08.2009. That is probably the reason, the NAV was allowed on 18.08.2009 as it could not be processed on back date. However as per norms, if redemption

request is given in forenoon, the NAV of that date is allowed and in case the request is given in the afternoon, the NAV of the next day is to be allowed.

Since in this case the request was made by the complainant in forenoon of 14.08.2009 despite the fact the server was down for the period 14.08.2009 to 17.08.2009, the complainant deserves the NAV of 14.08.2009. **Accordingly LIC is directed to allow NAV on 14.08.2009 in respect of the policies for which request for redemption was given and the complainant be allowed the difference of NAV of 18.08.2009 and 14.08.2009. LIC is further directed to allow interest on the difference amount from the date of first payment to the date of payment of difference amount.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/279/HDFC/10

In the matter of Ms. Sangeeta Pandey

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 04.02.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Sangeeta Pandey (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that she has taken a policy No.13129340 from HDFC Life Insurance Company Limited and paid a premium of Rs.10000/-. She submitted that this policy had been mis-sold to her. The company had given her half yearly mode of payment instead of annual mode. When she had seen the documents received, she found that there were several duplicacies of her signatures. The person from the insurance was done had taken her signature at one place only at the time of giving proposal form but after going through the policy document, she found that her signatures were forged at so many places. As a matter of fact, the company did not deliver the documents to her but she received the same through manager. She had approached the Grievance Redressal Officer of the company but her request was denied without assigning any solid reason. She states that she had been fed up with such type of irresponsible behaviour of the company. She has approached this forum with the hope of justice. She stated that she had not received policy bond back after giving the same for cancellation. She wanted her money back and requests this forum to help her in cancellation of the policy and

- get back the refund of premium paid by her. During the course of hearing, she stated that she had received the policy documents only 08.12.2009 and immediately conveyed to the company her desire to cancel the policy.
3. The representative of the company stated during the course of hearing that no written request was received from the complainant to cancel the policy within the free look period, therefore, policy cannot be cancelled. The company also furnished detailed written submissions which are placed on record wherein it has been stated that the request of the complainant for cancellation of the policy was denied as the same could not be processed since the request was received after the expiry of the free look period. It is further submitted that the complaint is devoid of substance and without merit and deserved to be dismissed.
 4. I have considered the submissions of the complainant and have also perused the detailed written reply and also the verbal submission of the representative of the company. After due consideration of the matter, I hold that the company was not justified in not acceding to the request of the insured to cancel the policy because she had contacted the company and expressed her desire to cancel the policy almost on receipt of the policy document. She had received the policy documents on 08.12.2009 and communicated her desire to cancel the same to the company immediately. In my considered view, the request of the insured to cancel the policy deserves to be accepted. **Accordingly Award is passed with the direction to the insurance company to cancel the policy and refund the premium paid by her.**
 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.

Case No.LI/281/HDFC/10

In the matter of Ms. Rajni Chopra

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 04.02.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Rajni Chopra (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein

after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.

2. The complainant submitted that she had been sold policy No.12877085 under the HDFC Savings Assurance Plan by the Relationship Manager Shri Sahil Malhotra. The yearly premium was Rs.50000/- with the assurance that she can take the money not before three years but after three years. The term of the policy is 10 years. She was also given the impression that the premium amount can be reduced in future if she is not able to pay the amount of Rs.50000/-. She came to know that her premium is due on 25.04.2010 but she had not paid so far. She made a complaint that she has not been properly guided at the time of selling this policy. She is not in a position to pay Rs.50000/- for the full term of the policy, that is, 10 years. She requested that she would be grateful if she be helped in getting the policy cancelled and getting the refund of the premium paid by her. During the course of hearing, she stated that she has been mis-sold the policy and was not properly guided before selling this policy to her. She is not in a position to continue the policy and paying premium every year.
3. During the course of hearing, representative of the company stated that it is not possible to cancel the policy because such request was not made by the insured within the free look period of 15 days. The company also submitted detailed written submissions which are placed on record wherein it has been stated that the allegation of mis-selling was incorrect. The complainant was well aware about the terms and conditions of the policy. If she was not agreeing to the terms and conditions of the policy, she was at liberty to request the company to cancel the policy within the free look period. The contents of the complaint are wrong and allegations of mis-selling are incorrect and false. It is further stated the complaint is devoid of any substance and deserved to be dismissed.
4. I have considered the submissions of the complainant and have also considered the detailed written submissions of the company. After due consideration of the matter, I hold that the request of the complainant to cancel the policy deserves favourable consideration because she has been mis-sold the policy. **Accordingly Award is passed with the direction to the insurance company to cancel the policy and refund the premium paid by her.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/475/ICICI-Pru/10

In the matter of Shri R.K. Caroli

Vs

ICICI Prudential Life Insurance Company Limited

AWARD dated 04.02.2011 – Mis selling of policy

1. This is a complaint filed by Shri R.K. Caroli (herein after referred to as the complainant) against the ICICI Prudential Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant submitted that he had subscribed for a Life time policy for his son Shaurya Krishna Caroli vide policy No.01189902 in October, 2004 and had made four yearly payments of Rs.20000/- till 2007. In January, 2008, Ms. Leenika Goel explained the proposal to switch the investment plan Maximiser of old policy into a new one plan Multiplier. It was communicated that this policy will remain active and protected with no more investment and the premium will have to be invested in the new plan. It was therefore communicated to transfer a sum of Rs.50000/- from the existing policy into a new plan with his wife as nominee. The new plan/policy was not received till 2009 which was forwarded by Ms. Leenika Goel to his present address as both the policies had been dispatched to the old address which was meanwhile changed. Ms. Leenika Goel requested a letter to be forwarded for premium holiday in old policy and pay premium of Rs.20000/- in new policy but when it was asked for issuance of new policy No.07259895 with a premium of Rs.50000/- to be paid every year, insurance employee vanished and was not communicable. He found that a sum of Rs.9000/- has been adjusted towards the administrative fees on the new policy. The matter was taken by him with the highest level of the company for the manipulation done by Ms. Leenika Goel and requesting them transfer a sum of Rs.50000/- back to old policy without any extra charges but the company has not taken any action so far.

During the course of hearing, it has been argued by the complainant that he never intended to take the new policy which was given fraudulently by Ms. Leenika Goel by way of transferring of Rs.50000/- from the old policy. He wanted to continue with the old policy and never desired to have any policy which was given to him. He submitted further that 15 days period does not hold good for him as the policy was not delivered by the company and he obtained it on personal liaison basis. The bank did not supply the policy to him. He requested that the new policy which was mis-sold to him and required to be cancelled and the company be directed to refund him the amount which was transferred from his old policy account along with interest and compensation. Alternatively, he requested that the amount of Rs.50000/- which was earlier transferred from old policy for giving the new policy be restored to the old policy.

3. During the course of hearing, the representative of the company stated that it is not possible to cancel the policy as the new policy was given on the basis of the proposal. It was also not possible to transfer back a sum of Rs.50000/- to the old policy. Detailed written submissions were also given on behalf of the company. It has been submitted by the company that the complainant retained the policy and did not return the same to the insurer for cancellation during the free look period. It meant that the complainant had agreed to the policy terms and conditions. The policy was issued on the basis of information provided by the complainant in the proposal form.
4. I have considered the submissions of the complainant and have also perused the detailed written submissions submitted for my consideration. I have also considered the verbal submissions of the representative of the company. After due consideration of the matter, I hold that the complainant's request for cancellation of the policy which was issued against the wishes of the complainant by the company by making transfer of Rs.50000/- from the old policy deserves favourable consideration. The complainant never desired to have a policy by transferring of Rs.50000/- from the old policy to a new policy. The same was given to him under wrong belief. Therefore his request for cancellation of the policy deserves to be accepted. **Accordingly Award is passed with the direction to the company to cancel the policy No.07259895 and refund the premium of Rs.50000/- to the complainant.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/270/Max/10

In the matter of Shri Mayank Jain

Vs

Max New York Life Insurance Company Limited

AWARD dated 11.02.2011 – Mis selling of policy

1. This is a complaint filed by Shri Mayank Jain (herein after referred to as the complainant) against Max New York Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.

2. The complainant stated that he had been cheated by the agent of Max New York Life Insurance Company Limited by not bringing to his notice the full facts of the policy and changing certain details in the proposal form without his consent such as previous policy details were found deleted without his consent. His signatures were forged at three places. The base policy was made for whole life without bringing this to the knowledge of his father. He submitted further that his father contacted Shri Imran Khan who assured that necessary clarification will be given. He submitted that the company had not replied. Rather it seemed that they wanted to hush up the matter justifying the actions taken by the agent. He had signed the proposal form at the appropriate place but other things were negotiated by his father. He requested for taking urgent action in the matter. During the course of hearing, the representative of the complainant informed this forum that request was made to cancel the policy within the free look period but no evidence to this effect was brought on record by the complainant that request was made within the free look period.
3. The representative of the company stated that no request was made to cancel the policy within the free look period. The e-mail sent was outside the free look period. The company also had given written reply which is placed on record wherein it has been stated that on 10.03.2010, the company had received an e-mail from father of the complainant alleging that policy has been mis-sold. The company had responded on 23.03.2010 and declining the request of the complainant for cancellation of the policy since the same was received beyond the free look period prescribed in the policy. The policy document was received by the complainant on 08.02.2010. The company reiterated that the policy cannot be cancelled as the complainant had made the request for doing so beyond the free look period. It further stated that there is no merit in the complaint of the complainant and the same deserves to be dismissed.
4. I have considered the submissions of the complainant and have also perused the written reply of the company. After due consideration of the matter, I hold that the company was not justified in not acceding to the request of the complainant to cancel the policy because the policy has been mis-sold to the insured and made forged signatures at several places. The request was made almost within the free look period to cancel the policy. **Accordingly, in my considered view, the company ought to have accepted the request of the insured to cancel the policy. Accordingly Award is passed with the direction to the insurance company to cancel the policy and refund the premium.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/100/HDFC/10

In the matter of Shri Vinod Verma

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 11.02.2011 – Mis selling of policy

1. This is a complaint filed by Shri Vinod Verma (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.

2. It is submitted by the complainant that in October, 2005, the matter was discussed with the Regional Manager Mr. Anupam Pahuja to purchase Fixed Deposit Certificates with the funds that were transferred into NRE/NRO accounts from UK. Documents were received in due course at home address in UK. There was also a statement that a 10 year savings plan had also been taken out in his wife's name. He submitted that policy documents were never received. No medical tests were ever requested or took place either in UK or In Delhi. But medical examination charges were deducted. When he visited India some 10 months later, he asked Mr. Pahuja to explain why the plan been taken without his instructions for such a long period as they only remit funds for use as and when they come to India for their vacations. He submitted that he had not given any indication that he had unlimited funds to invest for insurance cover as the family had insurance policies in UK. He is retired now and received now Pension in UK and all insurance policies matured. He approached Gurgaon office of the company also but the staff did not render cooperation. He further informed that insurance policy has been issued for a period of 10 years and requiring Rs.1,00,000/- annual premium. This was not possible for him as both this wife and he are retired from occupation and all insurance policies had matured. No policy document was received in UK so that the same could have been cancelled within the free look period.

He had never been advised full medical examination either in India or in UK to validate this life policy. He tried to speak to some authority from the company. No copies of signed documents were provided. A statement of charges for nonpayment of premium due along with interest on a lapsed policy and medical fees is stated cancelling out the entire one lakh premium with no entitlement to a refund.

3. The company had submitted written reply wherein it has been stated that life assured had given proposal vide application dated 21.10.2005 for purchase of HDFC Savings Assurance Plan. The proposal form was accepted on the basis of information provided by the complainant and the policy was issued bearing No.10406591. The complainant alleged for the first time the mis-selling of the policy on 22.05.2009. On receipt of such complaint, investigations were done and

found that allegations were wrong. The company stated that the complaint is devoid of any merit and deserves to be dismissed.

4. I have considered the submissions of the complainant and have also considered the written reply of the company which is placed on record. After due consideration of the matter, I hold that the policy has been mis-sold to the insured. The insured desired the fixed deposits whereas he has been given insurance policy. In my view, it is fit case where request of the policy holder to cancel the policy is acceded to. **Accordingly, Award is passed with the direction to the insurance company to cancel the policy and refund the premium paid.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/278/DL-II/10

In the matter of Shri Prabal Shekhar

Vs

Life Insurance Corporation of India

AWARD dated 04.02.2011 - Less payment of surrender value

1. This is a complaint filed by Shri Prabal Shekhar (hereinafter referred to as the complainant) against the Life Insurance Corporation of India (hereinafter referred to as respondent insurance company) relating to less payment of surrender value.
2. The complainant stated that he is a holder of ULIP Policy No.122627972, single premium payment mode on 12.03.2010. He requested for surrender of the above mentioned ULIP Policy and Branch Office confirmed him that he would be getting NAV @ Rs.15.66 for 9095 units, even computer print was also given for the same. But he had been paid a sum of Rs.57002/- vide cheque No.00361968 against the surrender value of Rs.1,42,427.70 P. On enquiring from the branch for balance payment, he was informed in negative. Branch Office in fact refused to help him as per his ULIP policy issued for yearly mode of payment. He submitted that he had applied for single mode payment and also furnished a copy of the proposal clearly specifying therein single mode payment. He has requested that since he had taken the policy which is single mode payment policy, he could not be paid on the basis of yearly premium payment. Accordingly he requested this forum to intervene in the matter and help him in getting appropriate amount. He had not accepted the part payment.

3. LIC of India had not given written submission. However it was represented during the course of hearing.
4. I have considered the submissions of the complainant and have also considered the verbal arguments of the representative of LIC made during the course of hearing. After due consideration of the matter, I hold that LIC was not justified in making surrender value payment treating the policy as regular mode payment policy. As a matter of fact, the complainant had taken single mode payment policy. It is very much evident from the copy of the proposal submitted before me by the complainant that he had taken a single mode payment policy. Therefore I hold that the LIC was not justified in making payment of the policy taking it as a yearly mode payment policy. The company had mentioned the NAV @ 15.66 for 9095 units at the time of making request of the surrender. Therefore surrender amount is worked out up to Rs.142427.70. Thus the complainant is entitled to a sum of Rs.142427.70 whereas he has been given an amount of Rs.57002/-. **Accordingly Award is passed with the direction to the insurer to make payment of Rs.142427.70 being the NAV @ 15.66 for 9095 units.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/314/Aviva/10

In the matter of Ms. Nidhi Singhal

Vs

Aviva Life Insurance Company India Limited

AWARD dated 16.03.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Nidhi Bansal (herein after referred to as the complainant) against Aviva Life Insurance Company India Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that she maintained account with Centurion Bank of Punjab where at one Ms.Harjit Kaur worked as a clerk. She approached at her residence and continued to convince her about taking the insurance policy. She stated that one has to deposit the premium only for three years and in the fourth

- year, one is entitled to entire amount with 35% bonus. Because she has no knowledge of English, she has signed wherever she was requested to sign the papers. She came to know later on that she has been issued lifelong policy that is, she is supposed to pay premium up to the year 2054. She stated that she has been cheated and mis-sold the insurance policy by Ms. Harjit Kaur. She had written a number of letters but the company had not responded to such letters. She has requested that her policy be cancelled and company be directed to refund the premium along with the penal interest. She further stated that she is not in a position to continue the policy and had no source to pay further premiums. She has been misled to take this policy.
3. The representative of the insurance company who attended the hearing defended the action of the company while issuing the policy. The company also furnished written reply wherein it has been stated that the policy holder complaint that the policy was mis-sold, as one time investment with an assurance of 20-30% returns on the investment, and ERC charges were not communicated to the policy is not correct. The company had duly replied to the policy holder vide its letter dated 15.01.2010 and stated its inability to cancel the policy and refund full premium at this point of time because the policy term and plan is effected as opted by the policy holder in the proposal form which was duly signed/consented by her. Features of the policy were narrated to the policy holder before taking the policy. Therefore, complaint lodged by the complainant is false and mis-conceived and deserved to be dismissed.
 4. I have considered the submissions of the complainant and have also perused the written reply of the company and have also considered the verbal arguments of both the parties during the course of hearing. After due consideration of the matter, I hold that the policy issued to the insured deserved to be cancelled as the same was sold to her under wrong promises and showing the rosy picture and stating the benefits which were not available in the policy. The policy has been issued for a term for which the insured is not supposed to survive. Accordingly, I consider fair and reasonable if the policy is cancelled and premium paid is refunded. **Accordingly Award is passed with the direction to the company to cancel the policy and refund the premiums.**
 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.

Case No.LI/314/Aviva/10

In the matter of Ms. Preeti Singhal

Vs

Aviva Life Insurance Company India Limited

AWARD dated 16.02.2011 – Mis selling of policy

1. This is a complaint filed by Ms. Preeti Bansal (herein after referred to as the complainant) against Aviva Life Insurance Company India Limited (herein after referred to as respondent insurance company) stating that she was misguided and mis-sold the policy by the company.
2. The complainant stated that she maintained account with Centurion Bank of Punjab where at one Ms. Harjit Kaur worked as a clerk. She approached at her residence and continued to convince her about taking the insurance policy. She stated that one has to deposit the premium only for three years and in the fourth year; one is entitled to entire amount with 35% bonus. Because she has no knowledge of English, she has signed wherever she was requested to sign the papers. She came to know later on that she has been issued lifelong policy. She stated that she has been cheated and mis-sold the insurance policy by Ms. Harjit Kaur. She had written a number of letters but the company had not responded to such letters. She has requested that her policy be cancelled and company be directed to refund the premium along with the penal interest. She further stated that she is not in a position to continue the policy and had no source to pay further premiums. She has been misled to take this policy.
3. The representative of the insurance company who attended the hearing defended the action of the company while issuing the policy. The company also furnished written reply wherein it has been stated that the policy holder complaint that the policy was mis-sold as one time investment with an assurance of 20-30% returns on the investment, and ERC charges were not communicated to the policy is not correct. The company had duly replied to the policy holder vide its letter dated 15.01.2010 and stated its inability to cancel the policy and refund full premium at this point of time because the policy term and plan is effected as opted by the policy holder in the proposal form which was duly signed/consented by her. Features of the policy were narrated to the policy holder before taking the policy. Therefore, complaint lodged by the complainant is false and mis-conceived and deserved to be dismissed.
4. I have considered the submissions of the complainant and have also perused the written reply of the company and have also considered the verbal arguments of both the parties during the course of hearing. After due consideration of the matter, I hold that the policy issued to the insured deserved to be cancelled as the same was sold to her under wrong promises and showing the rosy picture and stating the benefits which were not available in the policy. The policy has been issued for a term for which the insured is not supposed to survive. Accordingly, I consider fair and reasonable if the policy is cancelled and premium paid is refunded. **Accordingly Award is passed with the direction to the company to cancel the policy and refund the premiums.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/314/Aviva/10

In the matter of Shri Satya Rishipal

Vs

Aviva Life Insurance Company India Limited

AWARD dated 16.03.2011 – Mis selling of policy

1. This is a complaint filed by Shri Satya Rishipal (herein after referred to as the complainant) against Aviva Life Insurance Company India Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that he maintained account with Centurion Bank of Punjab where at one Ms.Harjit Kaur worked as a clerk. She approached at his residence and continued to convince him about taking the insurance policy. She stated that one has to deposit the premium only for three years and in the fourth year; one is entitled to entire amount with 35% bonus. Because he has no knowledge of English, he has signed wherever he was requested to sign the papers. He came to know later on that he has been issued lifelong policy. He stated that he has been cheated and mis-sold the insurance policy by Ms. Harjit Kaur. He had written a number of letters but the company had not responded to such letters. He has requested that his policy be cancelled and company be directed to refund the premium along with the penal interest. He further stated that he is not in a position to continue the policy and had no source to pay further premiums. He has been misled to take this policy.
3. The representative of the insurance company who attended the hearing defended the action of the company while issuing the policy. The company also furnished written reply wherein it has been stated that the policy holder complaint that the policy was mis-sold as one time investment with an assurance of 20-30% returns on the investment, and ERC charges were not communicated to the policy is not correct. The company had duly replied to the policy holder vide its letter dated 15.01.2010 and stated its inability to cancel the policy and refund full premium at this point of time because the policy term and plan is effected as opted by the policy holder in the proposal form which was duly signed/consented by him. Features of the policy were narrated to the policy holder before taking the policy. Therefore, complaint lodged by the complainant is false and mis-conceived and deserved to be dismissed.

4. I have considered the submissions of the complainant and have also perused the written reply of the company and have also considered the verbal arguments of both the parties during the course of hearing. After due consideration of the matter, I hold that the policy issued to the insured deserved to be cancelled as the same was sold to him under wrong promises and showing the rosy picture and stating the benefits which were not available in the policy. The policy has been issued for a term for which the insured is not supposed to survive. Accordingly, I consider fair and reasonable if the policy is cancelled and premium paid is refunded. **Accordingly Award is passed with the direction to the company to cancel the policy and refund the premiums.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/314/Aviva/10

In the matter of Shri Ritesh Pal

Vs

Aviva Life Insurance Company India Limited

AWARD dated 16.03.2011 – Mis selling of policy

1. This is a complaint filed by Shri Ritesh Pal (herein after referred to as the complainant) against Aviva Life Insurance Company India Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that he maintained account with Centurion Bank of Punjab where at one Ms.Harjit Kaur worked as a clerk. She approached at his residence and continued to convince him about taking the insurance policy. She stated that one has to deposit the premium only for three years and in the fourth year, one is entitled to entire amount with 35% bonus. Because he has no knowledge of English, he has signed wherever he was requested to sign the papers. He came to know later on that he has been issued lifelong policy. He stated that he has been cheated and mis-sold the insurance policy by Ms. Harjit Kaur. He had written a number of letters but the company had not responded to such letters. He has requested that his policy be cancelled and company be directed to refund the premium along with the penal interest. He further stated that he is not in a position to continue the policy and had no source to pay further premiums. He has been misled to take this policy.

3. The representative of the insurance company who attended the hearing defended the action of the company while issuing the policy. The company also furnished written reply wherein it has been stated that the policy holder complaint that the policy was mis-sold as one time investment with an assurance of 20-30% returns on the investment, and ERC charges were not communicated to the policy is not correct. The company had duly replied to the policy holder vide its letter dated 15.01.2010 and stated its inability to cancel the policy and refund full premium at this point of time because the policy term and plan is effected as opted by the policy holder in the proposal form which was duly signed/consented by him. Features of the policy were narrated to the policy holder before taking the policy. Therefore, complaint lodged by the complainant is false and mis-conceived and deserved to be dismissed.
4. I have considered the submissions of the complainant and have also perused the written reply of the company and have also considered the verbal arguments of both the parties during the course of hearing. After due consideration of the matter, I hold that the policy issued to the insured deserved to be cancelled as the same was sold to him under wrong promises and showing the rosy picture and stating the benefits which were not available in the policy. The policy has been issued for a term for which the insured is not supposed to survive. Accordingly, I consider fair and reasonable if the policy is cancelled and premium paid is refunded. **Accordingly Award is passed with the direction to the company to cancel the policy and refund the premiums.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/312/Aviva/10

In the matter of Shri Anand Gupta

Vs

Aviva Life Insurance Company India Limited

AWARD dated 16.03.2011 – Mis selling of policy

1. This is a complaint filed by Shri Anand Gupta (herein after referred to as the complainant) against Aviva Life Insurance Company India Limited (herein after referred to as respondent insurance company) stating that he was mis-sold the policy by the company.
2. The complainant stated that he had purchased two policies one being Pension Plus policy No.RPG1291523 and other Young Achiever plan policy No.PYG1300595.

Premium for Young Achiever policy was paid up to January, 2009 and in respect of Pension policy, the payment has made up to June, 2008. Now he wants to surrender both the policies. He had written a number of letters to the company. During the course of hearing, it has been stated by him that though he was paying premiums in respect of both the policies, but despite this fact that he had not mandated the ECS, the company of its own received the payments through ECS also and after writing letters a number of times to the company in this regard, the payment received through ECS was adjusted against the premium due.

3. During the course of hearing, the representative of the insurance company stated that the policy No.RPG1291523 has already been surrendered by the insured and the amount due as per terms and conditions of the policy was paid. This was also confirmed by the complainant.

As regards another policy No.RYG 1300595 such policy may also be surrendered if request is received from the insured. The insurer also filed written reply dated 16.03.2011 wherein it had stated that the company had paid the paid up value of the policy No.RPG1291523 amounting to Rs.21920/- vide cheque No.958890 and the other policy No.RYG1300595 is in force. It has been stated further that in case insured wants to surrender the other policy also, he has to submit the policy document including the policy schedule and first premium receipt along with the surrender request.

4. I have considered the submissions of the complainant as made in the complaint and also the verbal submissions made by him during the course of hearing. I have also perused the written reply of the company and also the verbal arguments as made by the representative of the company during the course of hearing. After due consideration of the matter, I hold that since the company had received the payment from the insured though ECS also without his explicit mandate, his request for cancellation of the policy No.RYG1300595 appears to be justified as there has been breach of trust between the insured and the insurer. **Accordingly Award is passed with the direction to the insurance company to cancel the policy No.RYG 1300595 and refund the premiums paid in respect of this policy.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/325/HDFC/10

In the matter of Dr.R.K.Bhutani

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 21.03.2011 – Mis selling of policy

1. This is a complaint filed by Dr.R.K.Bhutani (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that he had taken two policies for Rs.6,00,000/- each from HDFC Standard Life Insurance Company Limited. Such policies were taken by him at the instance of the bank officers where he maintained account and also a fixed deposit. He was persuaded to take policies by the bank officers because it would be more beneficial to invest in the policies than in the fixed deposits. He was promised a return @ 15 to 20% in such policies and he had to pay premiums only for three years in each policy. He was promised that would get handsome returns in such policies. When he looked at the policy documents, he found that policies have been wrongly issued to him because his age is 61 years whereas the policies meant for and up to 60 years old person. During the course of hearing he stated that he had requested the company for cancelling the policies vide making request on 03.03.2010. He submitted that he had made request to cancel both the policies within the free look period. Policies were received when he was not in Delhi but when he came to know about the contents of the policies for the first time on 03.03.2010, he had immediately requested for cancelling the policies. He found that he was not eligible for the said policies as he had already crossed 60 years on 26.06.2009. The bank used the pan card where his age was only mentioned. As per Bank record his date of birth was 1950 whereas his correct date of birth falls in 1949. He requested that his policies be cancelled and refund the premiums.
3. The representative of the company defended the action of the company and filed written submissions which are placed on record.
4. I have considered the submissions of the complainant and also considered the written reply of the company. After due consideration of the mater, I hold that since the insured had applied for cancellation of the policies within the free look period, the company is under obligation to cancel these policies. **Accordingly Award is passed with the direction to the insurance company to cancel both the policies and refund the premium.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/326/HDFC/10

In the matter of Shri Raj Kumar

Vs

HDFC Standard Life Insurance Company Limited

AWARD dated 21.03.2011 – Mis selling of policy

1. This is a complaint filed by Shri Raj Kumar (herein after referred to as the complainant) against HDFC Standard Life Insurance Company Limited (herein after referred to as respondent insurance company) stating that he was misguided and mis-sold the policy by the company.
2. The complainant stated that while issuing policy to him, it was informed to him that he was to deposit only Rs.1,08,000/- in three years @ Rs.3000/- per month and he would be entitled to a sum of Rs.1,80,000/-. Seeing the benefit under the scheme, he agreed to take the policy. Thereafter he came to know that he had to deposit the premiums and the same will be paid to him only after five years. The company had received the payment through his credit card without his permission. He approached the company when he came to know the contents of the policy for cancellation of the policy but the company had not so far cancelled the policy.
3. The representative of the company filed written reply wherein the company action was defended. It has been submitted that the complainant's request to cancel the policy could not be processed since such request was made much after the expiry of the free look period.
4. I have considered the submissions of the complainant and have also perused the written reply of the company. I have also considered the verbal arguments of the representative of the company. After due consideration of the matter, I hold that the complainant's request to cancel the policy deserves to be accepted because as and when he came to know the contents of the policy, he had approached the company's office for cancellation of the policy. He was given the policy under the belief that he would get an amount of Rs.1,80,000/- after three years whereas as per policy he was expected to deposit for five years. The policy was issued to him under the wrong promise and under wrong belief. His request to cancel the policy was almost within free look period. Therefore in my considered view his request to cancel the policy deserves to be accepted. **Accordingly Award is passed with the direction to the company to cancel the policy and refund the premium.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.
- 7.

Case No.LI/343/Kotak/10

In the matter of Shri Jaswinder Singh

Vs

Kotak Mahindra Old Mutual Life Insurance Limited

AWARD dated 25.03.2011 – Mis selling of policy

1. This is a complaint filed by Shri Jaswinder Singh (hereinafter referred to as the complainant) against the Kotak Mahindra Old Mutual Life Insurance Limited (hereinafter referred to as respondent insurance company) relating to mis-selling of the policy.
2. The complainant submitted that he has applied for a Kotak insurance policy on 20.05.2010. He had some problems with the services and the policy terms which were different from what he wanted. He wanted to cancel the policy but the company is not cancelling the policy and not refunding the premium paid, though the request for cancellation of the policy is made within the free look period. He requested this forum to intervene in the matter and get the needful done.
3. The representative of the company stated that policy cannot be cancelled even if such request is made within the free look period. On the basis of personal reasons, the policy cannot be cancelled. The company also submitted in written reply which is placed on record. The company vide its letter dated 30.06.2010 had informed the complainant that the company cannot process the refund of premium request as per free look provision of the policy, policy can be cancelled during the free look period only if the terms and conditions are not agreeable to him. Since cancellation request does not fulfill the condition, policy cannot be cancelled.
4. I have considered the submissions of the complainant and have also perused the written reply of the company which is placed on record. I have also considered the verbal arguments made by the representative of the company during the course of hearing. After due consideration of the matter, I hold that the company was not justified in not acceding to the request of the policy holder to cancel the policy when such request was made within the free look period. If the complainant has made a request to cancel the policy during free look period, to my mind, the company becomes duty bound to accept the request of the policy holder. **Accordingly, Award is passed with the direction to the company to cancel the policy and refund the premium.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

Case No.LI/329/Kotak/10

In the matter of Shri Amarjeet Singh

Vs

Kotak Mahindra Old Mutual Life Insurance Limited

AWARD dated 25.03.2011 - non-servicing and non free look period assistance

1. This is a complaint filed by Shri Amarjeet Singh (hereinafter referred to as the complainant) against the Kotak Mahindra Old Mutual Life Insurance Limited (hereinafter referred to as respondent insurance company) relating to non-servicing and non free look period assistance.
2. The complainant submitted that he had taken an insurance policy from Kotak Mahindra Old Mutual Life Insurance Limited on 27.11.2009 which was not as per the norms told to him. He had given a request on 26.12.2009 for change in the premium paying term on when he had received the policy bond on 25.12.2009. Thereafter he did not receive any information till 15.01.2010 and on 26.02.2010, he received a letter along with policy bond mentioning about his policy status (not changed as the free look period is over). During the course of hearing, complainant stated that on receipt of policy bond on 25.12.2009, he returned the policy bond with a request to make necessary changes but such changes could not be effected and the same policy document was again sent to him. He had made request to a number of officers of the company but with no result. Meanwhile, the time came for payment of renewal premium which he had paid feeling otherwise that his first premium will be completely appropriated by the company. He submitted that either the company give him the policy with desired changes otherwise he requested to cancel the policy. He has sent the policy documents to the insurance company for correction/cancellation of the policy which he did not receive till date.
3. The representative of the company stated that the desired changes in the policy could not be effected because the policy holder could not comply with the requirements which were required from the complainant for effecting the changes in the policy. The company had sent a letter for making compliance but such letter was not complied with and therefore, the same policy was issued without making any changes. It has been submitted in the reply that the complainant had approached the company for cancellation of the policy vide letter dated

22.02.2010 and the same was rejected as it was outside the free look period. The complainant was intimated vide letter dated 02.03.2010.

4. I have considered the submissions of the complainant and have also very carefully perused the written submissions of the company which is placed on record. After due consideration of the matter, I hold that the company was not justified in not accepting the request of the policy holder to cancel the policy because immediately after receipt of the policy bond, the complainant approached the company for making necessary changes in the policy which were not made. In my view, it is a fit case where policy deserves to be cancelled because such request was made by the policy holder almost immediately after receipt of the policy bond. Making payment of renewal premium must not go against policy holder and he made the renewal payment of premium in anticipation of the action of the company that changes would be made by the company in the policy as he desired. **Accordingly Award is passed with the direction to the insurance company to cancel the policy and refund the premiums paid by the complainant.**
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the Award shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

GUWAHATI

Guwahati Ombudsman Centre

Complaint No. 22/010/065/L/10-11/GHY

Mr. Poritosh Chakraborty

- Vs -

Reliance Life Insurance Co. Ltd.

Award dated = 01.10.2010

Mr. Poritosh Chakraborty, Insured / Complainant had submitted a proposal before the Insurer with the understanding that he would be required to pay Rs.1.00 Lac only to have

the policy as "Single Premium" and accordingly paid the said amount. Subsequently, on receipt of the policy, he became surprised to see that he will be required to pay the premiums "regularly". Being dissatisfied with the terms and conditions mentioned in the policy and unable to pay the premium "Yearly", he had approached the Insurer for remedial action and finding no response from them, this complaint was lodged.

The complaint petition discloses that the Complainant had procured the above policy on 27.01.2010 on submission of a proposal and depositing Rs.1.00 Lac with the understanding to have the policy under "Single Premium Mode". He has also admitted about submitting the proposal with three signatures thereon, but alleged about putting few other false signatures on the proposal form. According to him, this was a case of mis-selling and fraud committed by the Insurer in the matter.

The copy of the proposal form furnished by the Complainant with admittedly three of his signatures thereon shows that he preferred the premium frequency under the policy as "Yearly mode" and accordingly instalment premium of Rs.99,999/- was deposited. He appears to be a man having passed 12th Standard who has also signed the proposal form in English. The above policy was accordingly issued by the Insurer showing the frequency of premium payment as "Yearly". However, the complainant has alleged that it was a case of mis-selling due to false understanding given to him before issuing the policy and there is also allegation of fraud. This authority has got no jurisdiction to entertain a complaint, containing such allegation, under RPG Rules.

In view of the above circumstances, this complaint is treated as closed finding no scope to exercise jurisdiction.

Guwahati Ombudsman Centre

Complaint No. 23/012/43/L/10-11/GHY

Mr. Sunil Kr. Agarwalla

- Vs -

Met Life Insurance Co. Ltd.

Award dated = 21.10.2010

The Life Assured Mr. Sunil Kr. Agarwalla obtained a policy bearing No. 20095270 for an Assured Sum of Rs.10,000,000/- commencing from 19.08.2009. On being approached by agents (Mr. Hemant and Mr. Pratick Pitty), the Complainant had agreed to procure the above policy when he was assured that if he pays Rs. 2.00 lacs as premium for three

consecutive years, it will cover a Sum of Rs.1.00 Crore i.e. 50 times of annual premium and the entire premium amount can be taken back at any time after three years at prevailing NAV. The scheme being attractive, the Complainant preferred to take the Unit Linked Policy for Rs.5.00 lacs as Annual Premium and the mediclaim policy through them and he was assured that by paying Rs. 5.00 lacs per annum, he will get a Sum Insured of Rs.2.2 Crores and in addition the total premium paid by him can be taken back either on maturity or at any time after 3 years. He had accordingly submitted the proposal and received the policy document on 25.08.2009. Subsequently when he had carefully gone through the policy document, it was revealed that the policy was not issued with the terms and conditions explained to him and noted the following :-

1) Instead of the Sum Assured of Rs.2.5 Crores, the policy was issued for a Sum Assured of Rs.1.00 Crore.

2) Instead of three years premium paying term, the actual premium paying term was shown as 53 years.

3) His signature in the proposal form was also forged.

He had accordingly approached the Insurer for remedial action but finding no response, this complaint was lodged.

The Insurer has contended in their "Self Contained Note" that the above policy has been issued on the basis of application No. 149310670 submitted for the insurance alongwith a payment of Rs.5,00,000/- by Demand Draft No.013345 for Rs.4,50,000/- and Rs.50,000/- by cash. The policy was issued on 20.08.2009 and admittedly received by the Insured. The policy clearly specifies the terms of cover including the Sum Insured, the premium, payment term etc. No complaint was received on the policy within the Free Look Period or within any reasonable time thereafter. We have been on risk under the policy. The whole issue could have been sorted earlier, if the Complainant had surrendered the policy for cancellation within the Free Look Period in the manner stipulated by the policy itself, which he failed to do.

The complaint petition discloses that the Complainant preferred to take the policy when he was given certain assurances falsely by agents which had misled him. Whatever has been stated by agents orally appears to have been given in their individual capacities as there is no written document from the side of the Insurer. Hence, the grievance relating to mis-selling appears to be out of jurisdiction of this Authority, since Rule 12 does not cover it.

The other allegation relates to non responding of the Insurer when they were informed that the policy terms and conditions were not acceptable to the Complainant / Insured which indirectly shows that prayer for cancellation of the policy and refund of premium was not responded. The complaint petition is clear enough to show that the policy

document was received by the Complainant on 25.08.2009 but cancellation was not sought immediately thereafter. When subsequently, the policy terms and conditions were found to be not acceptable to the Complainant, the Insurer was informed about it vide letter dated 23.02.2010 and this has been stated in the complaint petition itself. This shows that the prayer for remedial action was made before the Insurer after about six months from the date of receipt of the policy document. The representative of the Insurer has submitted that as per terms and conditions of the policy, they can cancel the policy and refund the premium only when such prayer is made within the Free Look Period of 15 days. According to him, the Complainant did not pray for cancellation of the policy within the Free Look Period of 15 days from the date of receipt of the policy document and the prayer was made after about six months from the date of receipt of the policy document, hence it could not be entertained as it was not authorized in terms of the policy. The contention made by the representative has got the support from the policy condition. The Complainant has made an explanation in the complaint petition that on receipt of the policy document and in good faith, he just noted down the policy number and premium due date and kept the policy with all other insurance papers. When he was preparing the final tax statements, he referred the policy document and was surprised to see that the policy was not in agreement with what was explained. That was the ground shown by him as to why he had failed to submit the prayer for cancellation of the policy during the Free Look Period. The Complainant appears to be a graduate and sufficiently educated person and the explanation offered showing the ground of delay appears to be not convincing. Since the prayer for cancellation was not made within the Free Look Period of 15 days and hence the Insurer cannot be blamed for not allowing cancellation of the policy. This Authority is also not authorized to enquire the allegation of forgery of signatures.

Considering all such and finding no irregularity, the complaint is treated as closed.

GUWAHATI OMBUDSMAN CENTRE

Complaint No. 22/001/070/L/10-11/GHY

Mr. Parimal Bhowmick

- Vs -

Life Insurance Corporation of India

Date of Order : 12.03.2011

This above petition is filed for reduction of premium against the above insurer under policy no. 443249647 and the same has been admitted under Rules 12 (1) (c) of the R.P.G. Rules, 1998.

The complainant has stated that initially he had the understanding that out of initial premium of Rs.50,000/-, Rs.35,000/- was towards investment and the balance Rs.15,000/- was for his insurance premium and he would have to pay Rs.15,000/- only per year as premium. But he received a notice for payment of Rs.50,000/- as renewal premium. He wanted reduction of premium to Rs.15,000/- which was not allowed by the insurer. The complainant has given his unconditional and irrevocable consent for the Insurance Company and to give recommendation, as per Form P-form dtd.21.02.2011.

It is seen that the complainant is unable to pay the premiums of Rs.50,000/- for the policy taken from LIC. He therefore, requested the insurer for reduction of premium to Rs.15,000/- which has not been accepted by the insurer. He has stated in his complaint that initially he was given to understand that he would be required to pay the minimum premium of Rs.15,000/- with the top up of any amount for investment purpose. Subsequently, however, he received a lapse intimation letter wherein premium was shown Rs.50,000/- instead of Rs.15,000/-. On inquiry he came to know that his premium could not be reduced to Rs.15,000/- as the grace period was already over. It is also seen that he has made lot of correspondence with the Branch Manager in this respect. But he has not received any reply to his communication from the insurance company. He has therefore, come up with the request for cancellation of the policy and refund of premium of Rs.50,000/-.

The insurer has neither submitted the SCN nor given any reply to the insured. However, we find from the copy of the policy filed by the LA that premium reduction is allowed without affecting the level of health insurance cover. We are therefore, of the opinion that instead of cancellation of the policy, the insurer should allow the reduction of the premium, so that he can continue the policy. This is within framework of the policy terms and condition. Payment of Rs.50,000/- is clearly unaffordable for him. We therefore, direct the insurance company to accept the request of the LA and reduce the premium to Rs.15,000/- so that he can pay the lapse premium and revive the policy. The action in this respect should be taken within 15 days from the date of receipt of this order along with consent letter from the complainant.

HYDERABAD

COMPLAINT No. L-21-001-0479-10-11

Shri. B. Kantha Rao, H067/675134150/01

Vs

Life Insurance Corporation of India

Sri B. Kantha Rao was covered under “Health Plus” policy bearing No. 675134150 issued by LIC Of India for sum assured of Rs. 1,60,000/- from 6.3.2008. His claim towards hospitalization and surgical benefit for coronary artery, chronic stable Angina, was repudiated by the TPA and the insurer on the ground of non disclosure of pre-existing illness in the proposal.

The complainant stated that on the basis of discharge summary of Purna Heart Institute dated 3.9.2009, wherein it was wrongly interpreted by the attending doctor that he was a known case of diabetes and hypertension for 8 years, the claim under the policy was repudiated by the insurer. He stated that he had no previous medical history. He was not a diabetic. He, therefore, contended that the insurer’s repudiation of his claim was erroneous.

The insurer stated that the complainant made deliberate mis-statements and withheld material information relating to his health at the time of effecting insurance and, hence, in terms of the policy contract, the claim was rightly repudiated.

Pursuant to the notice issued by this office, both the parties attended hearing on 21-10-2010.

ORDER

On perusal of conditions and privileges relating to the policy document, it is observed that clause (6) item No. (ii) of the policy excludes pre-existing illness. Pre-existing condition is defined in the policy as follows:

“Pre-existing condition: Any medical condition and any related condition (e.g. Illness, symptoms, treatments, surgery, pains) that have arisen at some point prior to the commencement of this coverage, irrespective of whether any medical treatment or advice was sought. Any such condition or related condition about which the principal insured or insured dependent know, knew or reasonably have been assumed to have known will be deemed to be pre-existing.”

The complainant confessed that he had symptoms of diabetes and hypertension about 7 to 8 years ago, which fell prior to the date of commencement of the policy. It is evident that the complainant himself had given the information at the hospital while undergoing complete medical check up to enable the attending doctor to arrive at correct diagnosis and medication for his benefit.

In the proposal form, the complainant did not disclose information relating to the ailments for which he had taken medication. Further, the complainant had stated as below in the proposal:

Q.No.6 : Have you suffered / suffering from any of the following:

(a) Hypertension : No

(b) Diabetes : No

The complainant stated that he had taken medical treatment for Hypertension and Diabetes only for one week. Hypertension and Diabetes are difficult to get rid of completely but are liable to be managed through medication, diet and exercise. Further, the doctor treated the complainant for chronic stable angina when he visited the hospital on 10-7-2008. He obtained the policy on 6-3-2008. The complainant underwent CABG on 27-8-2009 as the angiogram revealed triple vessel disease.

The life assured himself confirmed the onset of Diabetes and hypertension some 7 to 8 years ago. Similarly the attending doctor of the life assured stated in the discharge summary of the hospital that he was a known case of hypertension for 8 years, which fell prior to the date of commencement of the policy. Further, it is difficult to believe that the complainant did not have any medical problem when he obtained the policy on 6-3-2008 since within the next 5 months he was diagnosed with chronic angina, hypertension and diabetes. The complainant, therefore, must have had a medical problem, whether he was aware of the same or not, even before he obtained the policy.

In view of the above, It was held that the insurer rightly repudiated the claim.

In the result, the complaint is dismissed without any relief.

COMPLAINT No. L-21-005-518-2010-11

Sri. P. Krishna Murthy

Vs

HDFC Standard Life Ins. Co.,

AWARD NO. I.O. (HYD) L-053/2010-11

Sri P. Krishna Murthy working as Asst. Mechanical Engineer with ONGC submitted a proposal dated 3.12.2008 for issue of Unit Linked Pension Policy. The proposal was accepted and policy bearing No. 12437705 was issued on 29.12.2008. On 15.11.2009, he wrote to the insurer complaining that the policy was incorrectly sold to him and sought its change from regular premium to single premium. The Insurer rejected this request and directed the policyholder to approach us for resolving the grievance.

The complainant submitted that the Insurer's representative explained the product as single premium policy. He, therefore, cancelled the post office deposits and invested in HDFC life Insurance Co. But when he received the policy document he noticed that it was a regular premium policy and so he requested for changing it into single premium policy. The insurer rejected the policyholder's request for cancellation. He sought refund of the money paid to the Insurance Company.

The Insurer submitted that Sri P.Krishna Murthy, the complainant, had submitted a proposal dated 3.12.2008 for a Unit Linked Pension II Plan policy and paid a premium amount of Rs. 92,499/- on a yearly basis for a term of 10 years. The sales person had explained the features of the plan vide sales brochures and also quotation of the said plan and obtained his signatures thereon. The insurer stated that the complainant signed the proposal form after completely understanding the features of the plan. The proposal was accepted and policy bearing no. 12437705 was issued on 29.12.2008. The letter sent along with the policy document also specifically mentioned the option to return the policy for cancellation in the event the terms and conditions of the policy and the benefits contained therein were not acceptable to him. They submitted that the complainant did not exercise his right to return the policy within the free look period but submitted a letter seeking cancellation only on 16.11.2009. The insurer further submitted that it was incorrect on the part of the complainant to state that the policy was mis-sold as a single premium policy.

The complainant has sent a letter expressing his inability to attend the hearing due to personal problems. The Insurer was represented by Shri. Gowri Shankar.

ORDER

The complainant submitted a proposal for Unit linked Pension II Plan on 3.12.2008. The Insurer accepted the same and issued the policy bearing No. 12437705. The policy document together with copies of proposal form, quotation by the plan / product was sent to him on 29.12.2008. The letter sent along with the policy document also specifically mentioned the option to return the policy for cancellation in case the policyholder was not agreeable to any of the provisions stated in the policy within the free look period of 15 days from the date of issue of the policy. The policy holder failed to exercise this option. However, as per the insurer, he submitted a letter on 16.11.2009 alleging mis-sale and sought change of the policy from regular premium to single premium or cancellation and refund of premium.

The Insurer produced copies of the following documents signed by the proposer in support of their contention that the product / plan features were duly informed before he finally submitted the proposal to the company.

- (i) Quotation – giving premium and the illustrative benefit details dated 3.10.2008.
- (ii) Illustration of charges, projected statement of premiums, charges and penal value.

The aforesaid documents show that the complainant's allegation of mis-sale is unfounded. The premium adjusted for the policy was adjusted from the proceeds of the earlier cancelled Policy No. 12198930 dated 23.9.2008. This demonstrates that the complainant is well aware of the rules for free look cancellation, which he did not exercise at the appropriate time.

In view of the above, It was held that the complaint has no merit. The insurer is under no obligation to accede to the request of the complainant.

In result, the complaint is dismissed.

COMPLAINT No. L-21-006-0535-2010-11

Sri Vijaya Bhupal Reddy, 003135535

Vs

Birla Sun Life Insurance Company

AWARD NO. I.O. (HYD) L-069/2010-11

Mrs. P.Sarada was covered under universal health policy bearing number 003135535 with effect from 21.7.2009 issued by Birla Sun Life Insurance Company. She had taken medical treatment at two hospitals in Hyderabad, i.e. Sri Krishna Super Specialty Hospital and C C Shroff hospital for "Left Hemi Paresis with right CVT with mass effect and right F/T/P bleed with Inreacts". She also underwent surgery on 21.11.2009 for "Right Fronto Tempo Parietal Craniotomy." Quantum of relief sought by Sri Vijaya Bhupal Reddy, husband of the insured, from the insurer towards medical expenses of his wife was Rs 1,16,000 whereas the insurer settled the claim for Rs. 47000/- out of which Rs. 30000/- was paid to the complainant. The discharge voucher stated the balance of amount payable as Rs.17000/-.

The complainant stated that his wife underwent "Right Fronto Tempo Parietal Craniotomy" Surgery under GA which was a major surgery while the amount settled by the insurer towards his claim was very meagre.

The insurer stated that the life assured was operated for conditions arising from Cortial Vein Thrombosis and the surgery was not a covered surgery as per the policy conditions. The insurer further clarified that since the surgery did not fall under "Grade 2 covered Surgeries"

mentioned in Annexure 1 of the policy, they have treated the same under the category "Hospital admissions for other surgery", and settled the claim.

Pursuant to the notice issued by this office, the complainant and the insurer's representative attended hearing on 4.1.2011 at Hyderabad.

ORDER

It is noticed that the medical certificate dt. 26.2.2010 of Dr B.Jagadish reveals that the Life assured's medical condition Frunto Temo Paietal bleed was due to her ailment Cortial vein thrombosis and she underwent decompress Craniotomy and Duroplasty surgery on 21.11.2009 at SKS hospital Hyderabad. As the Life assured was operated for condition arising out of Cortial vein Thrombosis which is not covered under Grade 2 covered surgery the complainant's contention that the claim should be considered under covered surgery is not valid. It is clearly stipulated against item 11 under Grade 2 covered surgeries that "Craniotomy done for benign cranial tumors / cysts" only is covered. Vein Thrombosis cannot be equated with a tumor or cyst. This is also supported by the operation record of the deceased life assured obtained from SKS Neuro hospital, Hyderabad dt. 21.11.2009 which reveals that Craniotomy was performed on the Life assured on 21.11.2009 with 6 burr-holes to remove blood clots and not for removal of any tumor or cyst.

As advised in the hearing, the insurer obtained further opinion of their Chief Medical Consultant who has since confirmed that the surgical procedure undergone by the Life assured fell under grade 4 covered surgeries against serial number 60, i.e. Evacuation of brain abscess / hematoma through burr-hole surgery. It is noticed that under this head, the benefit payable is only Rs.15000/-.

Universal Health Plan Policy under which the Life assured was covered is a fixed benefit policy. Although the surgery underwent by the Life assured fell under grade 4 covered surgeries, the insurer has considered the claim under the category "Hospital admissions for other surgery". The insurer stated that they have accommodated the claim under the aforesaid category as a gesture of goodwill and allowed maximum benefit to the complainant overlooking the stipulated policy condition. The statement of the insurer appears correct.

In view of the above, it is clear that the insurer cannot be fastened with any further liability under the policy. It was held that settlement of the claim at Rs.47,000 is fair.

In the result, the complaint is dismissed.

COMPLAINT No. L-21-005-518-2010-11

Sri. P. Krishna Murthy

Vs

HDFC Standard Life Ins. Co.,

AWARD NO. I.O. (HYD) L-053/2010-11

Sri P. Krishna Murthy working as Asst. Mechanical Engineer with ONGC submitted a proposal dated 3.12.2008 for issue of Unit Linked Pension Policy. The proposal was accepted and policy bearing No. 12437705 was issued on 29.12.2008. On 15.11.2009, he wrote to the insurer complaining that the policy was incorrectly sold to him and sought its change from regular premium to single premium. The Insurer rejected this request and directed the policyholder to approach us for resolving the grievance.

The complainant submitted that the Insurer's representative explained the product as single premium policy. He, therefore, cancelled the post office deposits and invested in HDFC life Insurance Co. But when he received the policy document he noticed that it was a regular premium policy and so he requested for changing it into single premium policy. The insurer rejected the policyholder's request for cancellation. He sought refund of the money paid to the Insurance Company.

The Insurer submitted that Sri P.Krishna Murthy, the complainant, had submitted a proposal dated 3.12.2008 for a Unit Linked Pension II Plan policy and paid a premium amount of Rs. 92,499/- on a yearly basis for a term of 10 years. The sales person had explained the features of the plan vide sales brochures and also quotation of the said plan and obtained his signatures thereon. The insurer stated that the complainant signed the proposal form after completely understanding the features of the plan. The proposal was accepted and policy bearing no. 12437705 was issued on 29.12.2008. The letter sent along with the policy document also specifically mentioned the option to return the policy for cancellation in the event the terms and conditions of the policy and the benefits contained therein were not acceptable to him. They submitted that the complainant did not exercise his right to return the policy within the free look period but submitted a letter seeking cancellation only on 16.11.2009. The insurer further submitted that it was incorrect on the part of the complainant to state that the policy was mis-sold as a single premium policy.

The complainant has sent a letter expressing his inability to attend the hearing due to personal problems. The Insurer was represented by Shri. Gowri Shankar.

ORDER

The complainant submitted a proposal for Unit linked Pension II Plan on 3.12.2008. The Insurer accepted the same and issued the policy bearing No. 12437705. The policy document together with copies of proposal form, quotation by the plan / product was sent to him on 29.12.2008. The letter sent along with the policy document also specifically mentioned the option to return the policy for cancellation in case the policyholder was not agreeable to any of the provisions stated in the policy within the free look period of 15 days

from the date of issue of the policy. The policy holder failed to exercise this option. However, as per the insurer, he submitted a letter on 16.11.2009 alleging mis-sale and sought change of the policy from regular premium to single premium or cancellation and refund of premium.

The Insurer produced copies of the following documents signed by the proposer in support of their contention that the product / plan features were duly informed before he finally submitted the proposal to the company.

- (iii) Quotation – giving premium and the illustrative benefit details dated 3.10.2008.
- (iv) Illustration of charges, projected statement of premiums, charges and penal value.

The aforesaid documents show that the complainant's allegation of mis-sale is unfounded. The premium adjusted for the policy was adjusted from the proceeds of the earlier cancelled Policy No. 12198930 dated 23.9.2008. This demonstrates that the complainant is well aware of the rules for free look cancellation, which he did not exercise at the appropriate time.

In view of the above, It was held that the complaint has no merit. The insurer is under no obligation to accede to the request of the complainant.

In result, the complaint is dismissed.

KOCHI

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-158/2010-11

Laly Varghese Thekkekat

Vs

LIC of India

AWARD DATED 07.10.2010

The complainant, holder of Health Plus Policy of LIC, was hospitalized for treatment of incisional hernia. On submission of the claim, the insurer rejected the same due to late submission of the

claim papers. The claim was again considered, but then repudiated under pre-existing clause citing presence of hernia for 16 years.

On a perusal of various documents, it has been observed that the life assured had undergone LSCS 17 years ago but there is no mention of hernia in the discharge summary. However, there is another medical certificate which states presence of hernia for 16 years. But this certificate does not mention the doctor's point of view as to whether a person can lead a normal life for 16 years with hernia. The insurer has also not been able to give a satisfactory reply when questioned as to why the insured should choose to undergo hernia operation after 16 years. Also it is felt that the insured will not take a policy for making a claim, since the operation was performed after approximately one year from commencement of the policy. The repudiation by the insurer is not justified. As per the policy conditions, the insured is eligible for daily hospital cash benefit @ Rs.250/- per day. She was hospitalized for 11 days and excluding the first 48 hours of hospitalization, she is eligible for Rs.2,250/- [250/- x 9 days]. The complaint is **allowed** for Rs.2,250/-.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-182/2010-11

C.Muraleedharan Pillai

Vs

LIC of India

AWARD DATED 07.10.2010

The complainant is a holder of LIC's Future Plus Policy which commenced on 14.03.2005 for Rs.2,00,000/-. The due date on which the annuity vested was 14.03.2010. He alleged that LIC did not intimate him about the vesting date which would have enabled him to opt for return of lumpsum. Instead, after the vesting date, some forms were sent across to him for pension option. He has now approached this Forum to intervene and direct the insurer to pay him the lumpsum amount on surrender.

The insurer submitted that as per the terms and conditions of the policy, the insured is eligible for 1/3rd commutation and pension payment. This option was communicated to him vide their letter dated 31.03.2010.

During the hearing, the insured was asked if he was aware of the policy condition which was very much clear on the face of the policy, he replied in the affirmative but also requested that LIC may overlook the same and grant him payment of lumpsum. The representative of the insurer submitted that a communication [computer generated] was sent to him on 05.03.2010 informing about the vesting date and also the pension option to be exercised by him. The complainant's brother, who attended the hearing, denied having received such a communication from LIC.

It was submitted by the insurer's representative though the insured's request for return of lumpsum was initially denied [as per the provisions in the policy conditions], the Zonal Office has adhered to his request provided he complies with certain requirements. The insured has, till date, not complied with the requirements. The complaint is, therefore, **DISMISSED** with an advice to the insured to communicate his decision for the insurer to act on the basis of his communication.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/22-004-043/2010-11

P.K.Thomas Vaidyan

Vs

ICICI Prudential Life Insurance Co.Ltd.

AWARD DATED 07.10.2010

The complainant had taken Life Time Super Pension Policy [regular] from ICICI Prudential Life Insurance Co.Ltd. When he approached the insurer for conversion of the same to single premium policy, his request was rejected quoting various policy terms. He argued that the data in the proposal form with regard to his personal details viz., date of birth, address, etc. are not in conformity with the true averments. His intention was to take single premium policy whereas he has been given regular premium policy. Moreover, his signature in the proposal form is forged, he alleged. Hence he approached this Forum seeking remedy.

The insurer submitted that the policy was issued based on the particulars in the proposal form, duly signed by the proposer. As the freelook cancellation was not exercised, it is too late to cancel the policy.

On going through the available records and based on the arguments during the personal hearing, it is observed that the mode of payment selected is 'annual'. The insured has not raised any objection during the 15 days freelook period which shows that he is aware of the policy terms and conditions. Therefore, his argument of agent having misguided him cannot be accepted.

The Ombudsman finds no reason to interfere in the decision of the insurer in declining the request of the insured for conversion to single premium mode in respect of his policies. The complaint is, therefore, **DISMISSED**.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-099/2010-11

Vinod Tharammel

Vs

LIC of India

AWARD DATED 28.10.2010

The complainant had submitted 2 proposals for Rs.2,50,000/- each under the Future Plus plan of LIC. He had opted for Growth Fund and Income Fund respectively. However, the receipts generated towards the premium receipt were under Growth Fund. This was pointed out by the internal audit team but the policies were issued as per the proposal form by making necessary correction. The correction was not noticed by the complainant on receipt of the policies, as he was abroad. On his return, when he surrendered the policies, LIC settled the amount accordingly. This was objected by the insured as he claimed the surrender value under both the policies as per investment in Growth Fund.

The insurer submitted that the proposal forms were for Growth Fund and Income Fund, which were duly signed by the complainant. LIC has not taken any unilateral decision to switch the fund, the representative of the insurer argued. The surrender amount has been correctly settled.

On going through the available records and based on the hearing, it is concluded that the insurer had requested for switch over of the fund from 'Income' to 'Growth' which was accepted by LIC from the date of request made by the insured. The surrender value has been settled as per rules, based on the option in the proposal form. In the result, the complaint is **DISMISSED**.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/22-005-176/2010-11

Saleena Beegum

Vs

HDFC Standard Life Insurance Co.Ltd.

AWARD DATED 28.10.2010

The complaint was about inadequacy in surrender value offered by the insurer. The complainant had taken a ULIP policy for 10 years with premium payment of Rs.50,000/- under the impression that it was a single premium policy. She has represented that the agent had informed that the amount would go up by 8 to 10 times and since everything was in English, she could not understand the terms and conditions. When the renewal notice was received, she approached the insurer for return of money. But her request was declined on the ground that surrender was not permissible within 3 years. The insurer submitted that since the proposal was signed in English, vernacular declaration was not obtained. The policy was issued on the basis of the information given in the proposal. She had not availed the freelook cancellation also. As per policy terms and conditions, neither reduction in premium nor surrender is allowed for the first 3 years. However, considering her financial conditions and also ill-health of her husband, the insurer has offered surrender value of Rs.7,862/- which is the NAV as on date. On examining the documents available, it is understood that the insured has opted for yearly premium in the proposal and the insurer is justified in declining the request of the insured in not cancelling the policy. The insurer is advised to allow the surrender value which they have already offered. The complaint is **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-106/2010-11

K.Mohanan Pillai

Vs

LIC of India

AWARD DATED 28.10.2010

The complaint is as to the inadequacy in the amount settled by LIC by way of surrender. The policyholder, who is ailing, requested for surrender proceeds under his policy No.392812722, which is normally not allowed under the said policy [Jeevan Akshay II Plan]. However, taking into account the medical condition of the life assured, LIC as a special case considered his request and based on the terms and conditions of the policy, settled the surrender value. However, the policyholder was not satisfied with the amount and approached this forum for justice.

On going through the various records submitted by both the parties, it is observed that LIC has settled an amount of Rs.1,41,844/- as against purchase price of Rs.2,00,000/-. Apart from this amount, he has been receiving Rs.2,323/- every quarter till the date of surrender [for the last 6 years]. The surrender value has been arrived at based on the calculation [applying surrender value factor as per policy conditions] which has been very clearly explained to the policyholder.

Accordingly, the matter has been decided and the complaint stands **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-004-146/2010-11

P.B.Soman

Vs

ICICI Prudential Life Insurance Co.Ltd.

AWARD DATED 28.10.2010

The complainant had proposed for taking Life Time Super Policy from the insurer in the name of his daughter for a period of 10 years for an annual premium of Rs.20,000/-. He was, however, under the impression that he need to pay the premium only initially and after 3 years, he would get good returns on the invested money, even if renewal premium is not remitted. But on approaching the insurer for return of money after the expiry of 3 years, he was told that the policy is in a lapsed conditions and that only on payment of Rs.40,000/- on that day, he would become eligible for surrender. This amount would go up by Rs.20,000/- as on the next day, the

policy would be entering its 4th year of the policy. On a request by the insurer, he gave a letter which is contradictory to the grievance with which he has approached this Forum.

The insurer submitted that the policy was in lapsed condition and foreclosure action was taken by the insurer. An amount of Rs.5,274/- has been settled by way of foreclosure.

The proposal form, on scrutiny, brought out some irregularities in the data furnished viz., annual income, educational qualification of the proposer, etc. Going by the appearance of the complainant, it is obvious that he may not be aware of the policy terms and conditions, the freelook option, etc. The complainant is a retired CRPF Personnel earning a very meagre amount. His daughter is a home-maker.

The proposal form, duly signed, is very clear with regard to the term of payment of premium and hence, there is no provision to convert the same into single premium policy. It is to be believed that the complainant had not filled up the data on his own in the proposal form and the same was done by the Agent of the insurer. Taking into account his educational and family background, this Forum is of the opinion that justice should be in favour of the complainant. Hence the insurer is directed to reopen the case treated the policy as a single premium policy of Rs.20,000/-, calculate the NAV as on the day of his application for return of the amount deposited and settle the balance amount payable [deducting Rs.5,274/- already paid].

The complaint is disposed of accordingly.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-002-024/2010-11

A.P.Prakashan

Vs

SBI Life Insurance Co.Ltd.

AWARD DATED 09.11.2010

The complainant had submitted a proposal for getting a policy issued by payment of Rs.10,00,000/- as premium before leaving for the Kingdom of Bahrain. The policy was issued accordingly but when he was sent the premium renewal notice, he got to know that the policy was for regular premium and not single premium, as intended. On approaching the insurer for conversion to single premium, his request was denied quoting his option made in the proposal

form. He is not financially sound to remit Rs.10,00,000/- yearly. As he has been cheated, he approached this Forum for justice, through his Advocate.

The insurer submitted that the policy [for regular premium] was issued based on the proposal form duly signed by him, taking into account his income status as per proofs furnished at the time of submission of proposal. He hasn't availed of the freelook cancellation too. Yet, the insurer has offered to switch over to another policy with the amounts invested, as the earlier policy has been subsequently withdrawn by the insurer. The same offer stands but for yet another plan because the first offer cannot be complied as that Plan has been withdrawn.

The insurer produced copies of bank statement of the complainant for the period 2006-2008[currency mentioned is in Bahrain Dinar] to substantiate his financial position.

It is observed from the proposal form that the premium payment is opted as 'Annually', though the insured's counsel argued that the same has been marked by the Agent on his own without the consent of the insured. The Ombudsman pointed out that in the written statement of the insured, he has mentioned that he is in receipt of the policy and having noted the contents therein. Thus it is to be believed that he is well aware of the policy conditions so also the mode of premium payment. Moreover, on a perusal of the policy copy, under the column 'due date of last premium payable', it is clearly mentioned as 17.03.2017, which has not been objected to by the insured. As the policy has not been returned within 15 days of its receipt, thereby not opting for freelook cancellation, the decision of the insurer, in not acceding to the request of the insured, is proper.

The complaint is, therefore, **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-002-025/2010-11

Geeta Prakash

Vs

SBI Life Insurance Co.Ltd.

AWARD DATED 09.11.2010

The complainant had submitted a proposal for getting a policy issued by payment of Rs.10,00,000/- as premium before leaving for the Kingdom of Bahrain. The policy was issued

accordingly but when she was sent the premium renewal notice, she got to know that the policy was for regular premium and not single premium, as intended. On approaching the insurer for conversion to single premium, her request was denied quoting her option made in the proposal form. She is not financially sound to remit Rs.10,00,000/- yearly. As she has been cheated, she approached this Forum for justice, through his Advocate.

The insurer submitted that the policy [for regular premium] was issued based on the proposal form duly signed by her, taking into account her income status [along with the income of her husband] as per proofs furnished at the time of submission of proposal. She hasn't availed of the freelook cancellation too. Yet, the insurer has offered to switch over to another policy with the amounts invested, as the earlier policy has been subsequently withdrawn by the insurer. The same offer stands but for yet another plan because the first offer cannot be complied as that Plan has been withdrawn.

The insurer produced copies of bank statement of the complainant for the period 2006-2008[currency mentioned is in Bahrain Dinar] to substantiate her financial position.

It is observed from the proposal form that the premium payment is opted as 'Annually', though the insured's counsel argued that the same has been marked by the Agent on his own without the consent of the insured. The Ombudsman pointed out that in the written statement of the insured, she has mentioned that she is in receipt of the policy and having noted the contents therein. Thus it is to be believed that she is well aware of the policy conditions so also the mode of premium payment. Moreover, on a perusal of the policy copy, under the column 'due date of last premium payable', it is clearly mentioned as 17.03.2017, which has not been objected to by the insured. As the policy has not been returned within 15 days of its receipt, thereby not opting for freelook cancellation, the decision of the insurer, in not acceding to the request of the insured, is proper.

The complaint is, therefore, **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-004-137/2010-11

Samuel Tharakan

Vs

ICICI Prudential Life Insurance Co.Ltd.

AWARD DATED 14.12.2010

The complaint was filed alleging mis-selling of policy by the insurer. The complainant submitted that he never intended to invest in a pension policy. He was misled by the Agent. His request for surrender was not responded by the insurer.

On a perusal of documents made available, it is revealed that he had proposed for a pension plan in which he had invested Rs.11,35,000/-. On vesting after 3 years, he had invested 2/3rd of the matured amount i.e., Rs.16,36,896/- in immediate annuity plan and the balance Rs.8,00,000/- in another pension plan. It is also revealed that the complainant had received 9 monthly instalments of pension @ Rs.7,523/-. After receiving 9 instalments of annuity, the complainant cannot now turn around and submit that he never intended to invest in pension plan. The records available show that he had opted for Immediate Annuity Scheme and Elite Pension Scheme. In the light of the above facts, the contention of the complainant that there is mis-selling of policy cannot be sustained. The complaint is **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-009-202/2010-11

S.Anburose

Vs

Bajaj Allianz Life Insurance Co.Ltd.

AWARD DATED 15.12.2010

The complaint is filed against repudiation of claim under health insurance policy. The claim was repudiated on the ground that the surgery was conducted within 2 years waiting period from the inception of the policy. The complainant contended that, though the surgery was within the waiting period of 2 years, 'thrombotic piles' [for which the surgery was done], is not an excluded surgery in the policy conditions.

On an examination of various documents, it is found that the complainant had undergone surgery for 'thrombotic piles'. As per Clause 7[c][ii] of policy conditions, surgical treatment for hemorrhoids is an excluded surgery. Hemorrhoids is the medical term for piles. Thrombotic piles is one of the species of hemorrhoids. So the contention of the complainant that thrombotic

piles for which he underwent surgery, is not hemorrhoids, cannot be sustained. Hence the repudiation of claim by the insurer is proper and sustainable. The complaint is **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-009-181/2010-11

C.K.Manoj & Smt.Ammi Krishnankutty

Vs

Bajaj Allianz Life Insurance Co.Ltd.

AWARD DATED 15.12.2010

The complainants submitted that the policies were taken under the impression that the amounts were invested as single premium and the invested amount would be doubled in 3 years. Only after expiry of one year, they came to know that the policies were issued with annual premium payment. They have no source of income for further investment. Hence their request to convert the policies into single premium or else to repay the amount invested be considered. The insurer submitted that the policy conditions do not allow alteration of the policies into single premium policies and that, the complainants were very much aware of the policy conditions when the money was invested.

On a perusal of documents, it is revealed that the frequency of premium payment opted by the complaint is annual. The policy conditions do not provide for switch over of the policies into single premium policies. Before the expiry of 3 years from the commencement of the policies, the complainants are not entitled to surrender the policies. Hence the complaint is **DISMISSED** with a direction to the insurer to comply with the provisions of surrender value on completing 3 years as per policy conditions.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-009-197/2010-11

M.Rajalekshmi

Vs

Bajaj Allianz Insurance Co.Ltd.

AWARD DATED 15.12.2010

The complainant had taken a unit linked policy for a term of 5 years. She was made to believe by the Officers of the insurer that the amount invested would double in 5 years. Premium was to be paid for 3 years. After completion of 5 years, she surrendered the policy and was paid Rs.49,124/- as against the invested amount of Rs.60,000/-. The insurer submitted that during the currency of the policy, the complainant had made at least 8 fund switches and that would indicate that the complainant was well versed in dealing with the investment made under the policy. It is also submitted by the insurer that the investment made by the complainant in units did not give the desired result due to crunch in market and, therefore, the value of units declined. When she surrendered the policy, she was given the amount on the basis of the unit value and the number of units in her credit. On a detailed study of the documents, it is revealed that the insurer had acted fairly and reasonably. Hence the complaint is **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/24-012-253/2010-11

J.Nizamudeen

Vs

Metlife India Insurance Co.Ltd.

AWARD DATED 20.12.2010

The complaint was registered against the insurer's denial to cancel the policy and refund the premium paid by the insured.

The complainant submitted that he was under the impression that he was required to pay a single premium of Rs.60,000/- for 5 years term when he took the policy, but he has now been asked to pay annual premium. Hence he has approached the insurer for cancellation of policy and refund of premium, which was rejected by the insurer stating that the insured was fully aware of the terms of payment since the policy was issued based on the proposal form signed by the insured.

The insurer submitted that the illustration clearly states that the premium paying term was 3 years @ Rs.30,000/- half yearly which has been agreed upon by the insured. The policy does not have single premium option, which commenced in 2008. As he had paid 2 instalments of premia, he was well aware of the policy conditions.

On a perusal of the papers and based on the issues raised during the hearing, it is observed that the complainant had taken Met Smart Gold Policy for a sum assured of Rs.3,00,000/- with semi-annual premium of Rs.30,000/-. He has signed not only the proposal form but also the illustration which also indicate the annual payment of premium. Not only that, on receipt of policy document, there was no complaint from the insured during the free look period or any reasonable time. Taking all the factors into account, the insurer is justified in rejecting the request of the insured for cancellation of the policy and refund of premium. The complaint is **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-211/2010-11

A.Francis Joseph

Vs

LIC of India

AWARD DATED 22.12.2010

The complaint is against the rejection of disability benefit claimed by the complainant under the policy.

The complainant had taken Jeevan Surabhi policy on 12.12.2002. Quarterly premium was Rs.2,321/- quarterly. During the currency of the policy, a timber log fell on his right leg and it got fractured. As the fracture was beyond repair, during hospitalization, his right leg was amputated. Though he claimed disability benefit under the policy, the same was denied by the insurer.

The insurer, vide their self contained note, submitted that the life assured is having permanent partial disability to the extent of 80%. He can undertake some work to earn his livelihood. As per the policy conditions, the disability should be permanent and total. The repudiation of disability benefit is proper.

At the time of personal hearing, both, the parents of the life assured [who represented him] as well the authorized Officer of the insurer, were heard. The mother of the complainant submitted that for all practical purposes, the complainant has been rendered totally disabled. He cannot engage in any work and has no source of income. Their claim for disability benefit is just.

The policy is admitted. The insurer also does not deny the fact that the complainant met with the accident consequent to which, his right leg has been amputated. But the dispute is only as to the extent of disability. A photograph of the complainant is produced by the parents which shows that his right leg is amputated above knee. The life assured was engaged in felling of trees. He cannot now undertake the same job to earn his livelihood. The disability, even according to the insurer, is permanent but partial. But taking into account his earlier occupation, it is assumed by this Forum that the disability suffered by him is permanent and total. Accident Benefit is enumerated in Clause 10 of the policy conditions. The current case will best fit in the said clause.

As the authority which considered the claim petition did not consider the occupational disability while repudiating the claim, this Forum is of the opinion that the complainant is entitled to get the disability benefit provided under Clause 10 of the policy conditions.

In the result, an award is passed directing the insurer to provide all the disability benefits under the appropriate clause including payment of additional sum equal to the sum assured in monthly instalments spread over 10 years, waiver of future premiums, refund of premiums paid by the complainant after the disability, periodical survival benefits and such amount found payable to the complainant on the maturity of the policy.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-009-249/2010-11

Achamma Thankappan

Vs

Bajaj Allianz Life Insurance Co.Ltd.

AWARD DATED 23.12.2010

The complainant submitted that she had invested money with the insurer on the understanding that the payment was for investment and not for pension. She made the initial payment of Rs.2,00,000/- and, thereafter, top-up of Rs.5,00,000/-. She approached the insurer for surrender when she was in dire need of money for her daughter's marriage. But her request for surrender was denied on the ground that she was entitled to receive only pension.

The insurer submitted that the policy matured/vested on 16.02.2010. Surrender could be made after 3 years of inception of the policy, but before the policy had vested.

On going through the rival contentions and materials, it is found that an extra ordinary situation emerges in this complaint. The papers made available by the insurance company do not reveal that the insurance company had called upon the insured to exercise the option available to the insured before the vesting date. It is also to be noted that the insured was employed in Germany. So she was not available in station to exercise the option. Ignorance on the part of the insured cannot be taken benefit by the insurer. Extra ordinary situation demand extra ordinary remedies, especially when the hard earned money of the insured is in the hands of the insurer. Justice demands that the complainant is to be allowed to receive the entire money in her credit at the hands of the insurer. The insurer shall not be too technical in matters like this. In the result, an award is passed directing the insurer to pay the entire amount in the credit of the insured and in the hands of the insurer after making minimum permissible deductions, if any, therefrom.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/24-012-276/2010-11

Tom Augustine

Vs

Metlife India Insurance Co.Ltd.

AWARD DATED 29.12.2010

The complaint was filed against the insurer's rejection to refund of full premium invested. The complainant submitted that he was made to believe by the advisor of the insurer that the amount invested would be doubled in 3 years. On completion of 4 ½ years, when he approached for surrender, he was told that penalty would be imposed in case policies were surrendered and he would not get the money invested by him under the policy.

The policy condition forms part of the policy. The complainant and his wife are well educated and hence, they cannot contend that they were not aware of the conditions in the policy. They have not opted for freelook cancellation. That means, they had accepted the policy conditions. The policy conditions relating to surrender benefit reveals that if the surrender is in the 4th year, the penalty payable is 70% of the first year premium. Hence his claim for entire refund of money invested, with interest at bank rate, cannot be accepted. He is entitled to receive only the surrender value as per the policy conditions.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/24-001-259/2010-11

K.N.Jayadevan

Vs

LIC of India

AWARD DATED 30.12.2010

The complaint was about non-accretion of bonus under Jeevan Dhara policy. The complainant submitted that as per policy conditions, he was entitled to bonus at two stages – at the end of the deferment period as addition to the GIVE proportionately increasing the annuity and as addition to the GIVE payable on death. He stated that no bonus has been added to GIVE at the end of the deferment period and in that case, after his demise, the beneficiary would not get increased benefit.

The insurer submitted that as per policy conditions, declaration of bonus is subject to such conditions or restrictions as specified at the time of declaration and subject to this condition, no bonus has been declared under Jeevan Dhara policy. However, he was paid a lumpsum amount of Rs.7,170/- as guaranteed maturity addition though such payment was not contemplated under the policy. Moreover, a substantial increase in the annuity [i.e., 20%] is also being paid. Hence by the change in the payment mode, the insured is only benefited.

From the records, it is found that the complainant is being paid an increased annuity @ Rs.1,793/- as against Rs.1,500/- as guaranteed under the policy. Besides, he was paid Rs.7,170/- as guaranteed maturity addition, though such payment was not guaranteed as per policy conditions. On a consideration of the entire facts, evidence and circumstances involved in the complaint, the alteration of the rate of annuity and payment of guaranteed maturity addition had only brightened the prospects of the insured under the policy. He had only been benefited. Non-declaration of bonus at the first stage doesn't mean that bonus will not be declared at the second stage on the death of the insured. If such bonus is declared at the second stage, it will go to the benefit of the beneficiary. Hence no genuine grievance is made out in the complaint. In the result, the complaint is **DISMISSED**.

DEATH OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/24-001-214/2010-11

Ponnamma

Vs

LIC of India

AWARD DATED 29.12.2010

The complaint was filed against repudiation of death claim under a life policy. The insurer repudiated the claim on the ground that there was suppression of material fact while proposing for insurance.

The documents and medical evidences revealed that the deceased insured was having hypertension for 3 years prior to taking the policy. It was also noted that the insured was a smoker and alcoholic and earlier afflicted with tuberculosis. But these facts were not mentioned in the proposal form. Had the insured disclosed these facts, the proposal would not have been accepted or the underwriting would have been different even if the proposal was accepted. Since the suppression of pre-existing illness was very material, the same had influenced the underwriting and hence the contract was vitiated. The repudiation of claim by the insurer is proper and sustainable. The complaint is DISMISSED.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/24-001-254/2010-11

K.P.Saseendran

Vs

LIC of India

AWARD DATED 30.12.2010

The complaint was filed against repudiation of claim for disability benefit under a money back policy. While the complainant was undergoing treatment for hepatitis, he lost sight in both eyes. His claim for disability benefit was repudiated by the insurer on the ground that he had not lost his eyesight in an accident caused by outward, violent and visible means.

The point to be considered was whether the loss of eyesight was due to an accident. As per Clause 10-2[b], in case of death of life assured, the term 'accident' is qualified by using the words *outward, violent and visible means*. But clause 10.4, where the instances of permanent disability are mentioned, the term 'accident' is not qualified by the adjectives mentioned hereinabove. Medical dictionary defines the term 'accident' as something which happens by chance or an unpleasant event which happens suddenly and harms one's health. In this definition, intervention of an outward agency is not mentioned. The word 'accident' generally denotes an event that takes place without one's foresight or expectation which proceeds from an unknown cause or is an unusual cause and, therefore, not expected. In the instant case, the loss of eyesight occurred unexpectedly while he was undergoing dialysis. No negligence on the part of the complainant is attributed. Hence it is eminently clear that the complainant had suffered loss of sight in both eyes in an accident. Thus, the complainant had suffered permanent total disability on account of loss of vision in both eyes in an accident. Consequently, the complainant is entitled to all the benefits provided under Clause 10-2[a] of the policy conditions. Hence an award is passed directing the respondent-insurer to provide all the benefits under the said clause.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-002-223/2010-11

C.Chandukutty

Vs

SBI Life Insurance Co.Ltd.

AWARD DATED 28.12.2010

The complaint was registered against partial repudiation of claim made by the complainant.

The complainant, a retired primary school teacher, had invested Rs.3,00,000/- from his retirement benefits in a unit linked policy. The complainant submitted that at the time of filling the proposal form, he was told that there would be substantial increase in the invested amount when

the policy was surrendered. But to his astonishment, when the policy was surrendered in the 4th year, he was offered only a lesser amount than the amount invested.

The insurer submitted that as the surrender was made in the 4th year, he was given 99% of the fund value as surrender value as per the terms and conditions of the policy. After agreeing to all the conditions in the proposal form, the complainant cannot turn around and submit that he is eligible to the entire amount invested.

On a perusal of the documents made available and the issues raised in the hearing, the following facts are revealed. He had invested the amount in a unit linked policy under which the NAV per unit of the invested fund may increase or decrease depending upon the performance of the financial market. If there is a boom in the financial market, there will be increase in the NAV of unit. Similarly, if there is decline in the financial market, there will be proportionate decrease in the NAV of unit. In the instant case, as there was decline in the financial market, there was proportionate decrease in the NAV of the units. As the surrender was made in the 4th year, he was given 99% of the fund value as per clause 10 of the terms and conditions attached to the policy. The decline in the financial market had reflected in the investment of the fund made available by the complainant. For that, the insurer cannot be blamed. In the result, the complaint is DISMISSED.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-381/2010-11

P.P.Eldho

Vs

LIC of India

AWARD DATED 06.01.2011

The complaint is against partial repudiation of claim under Health Policy. The complainant was admitted in the hospital and had undergone a surgery for renewal of urine block due to a fall. Though bills for a substantial amount was submitted, only a meagre amount of Rs.4,000/- was sanctioned.

The insurer submitted that the complainant did not undergo any surgery which is listed in the policy conditions. He was provided with hospital cash benefit for 4 days as per the policy conditions. No further amount was payable to him.

On verifying the policy conditions, the following facts are revealed. Two types of benefits are assured under the policy viz., Hospital Cash Benefit [HCB] and Major Surgical Benefit [MSB]. The insured was hospitalized for a total period of 6 days. As per policy conditions, for providing HCB, 2 days of admission is to be excluded. He was provided HCB for one day in ICU and 3 days normal hospitalization. It is found that an amount of Rs.4,000/- was paid as HCB, which is in conformity with the policy conditions and the premium amount paid by the insured.

List of surgical procedures, for which MSB is payable, is appended with the policy. As regards kidney and urinary tract, only renal transplant and nephrectomy due to medical advice are included in the list. In the instant case, no such surgical procedures are carried out and hence the complainant is not entitled to get MSB under the policy. In the result, the complaint is DISMISSED.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-393/2010-11

Ibrahim Hajee C.K.

Vs

LIC of India

AWARD DATED 06.01.2011

The claim for hospital benefits under Health Plus plan was repudiated by the insurer on the ground that the patient was only on oral medication and the hospitalization was for the sole purpose of physiotherapy which did not warrant hospitalization due to advancement in medical technology.

On verification of medical records, it is found that the complainant was treated for vertigo. During the hospitalization, ENT and dental consultations were also done. The treatment records would further reveal that the complainant was having 'suppurative otitis', i.e., discharge of puss from ears. The treatment records do not reveal that the complainant was advised physiotherapy at any point of time. So the complainant had undergone treatment for sickness as defined in the policy conditions. In the result, an award is passed directing the insurer to pay Rs.47,500/- being hospital cash benefit payable to the complainant.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-302/2010-11

Aleykutty James

Vs

LIC of India

AWARD DATED 13.01.2011

The complainant had taken Varishta Pension Bima Yojana policy for a purchase price of Rs.2,55,845/-. On medical ground, the policy was surrendered. The insurer allowed 98% of the purchase price as surrender value. The insured demanded the balance 2% enclosing RBI circular issued to banks in respect of senior citizens' savings scheme. The insurer submitted that the request for surrender was allowed on medical ground, as a special case, and the surrender value has been settled as per guidelines. They have further stated that the basis of insurance policies cannot be governed by notification issued by RBI to Banks regarding saving scheme.

On a verification of policy documents, it is revealed that the original policy conditions do not contain any provision for surrender option. Subsequently, by means of an internal circular, LIC has allowed surrender only on medical ground subject to 2% of purchase price as surrender charge. Considering all the aspects, the insurer is fully justified in rejecting the request of the insured for reimbursement of 2% of purchase price. The complaint is **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-308/2010-11

K.M.James

Vs

LIC of India

AWARD DATED 13.01.2011

The complainant, holder of Varishta Pension Bima Yojana [VPBY] policy, surrendered the policy. The insurer settled 98% of the purchase price as surrender value. Now, the complainant wanted LIC to reimburse 2% of the surrender charges deducted by them while settling the surrender value. The complainant submitted that VPBY is not an insurance contract, but a deposit scheme exclusively for senior citizens. Insurance contract is a contract of speculation whereby VPBY assures certain 9% interest on the deposit amount. The Govt.of India has issued instructions to RBI, who in turn, has instructed all the nationalized Banks to refund the full amount of surrender. In such a case, LIC cannot deduct some amount on surrender.

The insurer submitted that as per original policy conditions, there was no surrender option. Subsequently, as per the internal circular of LIC, surrender has been allowed as a special case only on health/medical grounds. The complainant's request was considered based on health grounds and 98% of the purchase price has been settled to the complainant. The insurer also remarked that VPBY is not subsidized by the Govt.of India, but only there is assured rate of interest [9%]. The complainant's remark that RBI has directed the Banks to refund the full amount is not binding on LIC.

On a perusal of various documents and issues discussed, it is confirmed that initially the policy did not have the surrender option. Later, it has been introduced by LIC which is an additional benefit to the customers and it is not fair to question this benefit. Hence the insurer is fully justified in rejecting the request of the insured in not reimbursing the 2% charges deducted at the time of surrender payment. The complaint is **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/25-001-411/2010-11

Santhosh S.Kumar

Vs

LIC of India

AWARD DATED 12.01.2011

This complaint relates to non-issuance of policy after receipt of premium. The complainant submitted a proposal on 28.02.2009 for taking Health Plus policy. Rs.5,000/- was paid towards first premium. The respondent-insurer had not issued policy certificate. The respondent-insurer had admitted receipt of proposal under T-901 plan. The proposal was accepted on 16.01.2010. The final date for completion of the proposal under T-901 plan was 15.01.2010. As the said plan had been withdrawn, a policy could not be issued by the respondent-insurer.

On verification of the records, it is seen that the proposal dated 27.12.2009 received in the office on 28.12.2009, was underwritten and accepted on 16.01.2010 after complying with the formalities. For the non-issuance of the policy, the respondent-insurer had raised a contention that Health Plus Plan [T-901] was withdrawn from business with effect from 01.01.2010 and the last date for processing the already received proposal forms was fixed as 15.01.2010. During the course of argument, it is revealed that the respondent-insurer is insisting the complainant to pay the 2nd premium. At the same time, the respondent-insurer is silent as to the benefits, if any, found payable to the complainant during the tenure of the first year premium. The respondent-insurer is demanding the 2nd premium without issuing the policy documents. When a proposal under a particular plan is accepted after receiving the premium, the respondent-insurer is bound to issue the policy bond. Withdrawal of a particular scheme does not absolve the respondent-insurer from issuing the policy bond. The payment of 2nd premium arises only after the issuance of the policy documents.

The respondent-insurer is directed to issue a policy under Health Plus Plan [T-901] with effect from 28.02.2009. Claim, if any, had arisen under the policy during the 1st year from 28.02.2009, the same shall be attended to by the respondent-insurer. On issuing the policy, sufficient time shall be given to the complainant to pay further premium [if not already paid] without causing any penal liability on him. No cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-247/2010-11

A.Nazeer

Vs

LIC of India

AWARD DATED 27.01.2011

The life assured had taken 3 policies with disability benefit. He suffered snake bite and subsequently had a fall in his house on the same day, which made him unconscious. He was treated in two hospitals. The doctor had given a certificate mentioning his disability to be

around 50% and has not mentioned the disability as total and permanent. The insurer denied disability benefit as per policy condition 10.2[a] which defines the circumstances under which claim is payable under permanent disability. The insurer contended that for granting disability benefit, the disability should be the result of an accident, total and permanent and the life assured cannot sufficiently follow or do any work or occupation or engage in any profession then or any time to earn or obtain any wages, compensation or profit. On a perusal of all the documents, it can be concluded that the disability was due to snake bite and subsequent fall and both the incidents can be treated as accidental injuries. Taking into account 50% disability, it may not be possible for him to engage in any occupation to earn his livelihood. Hence the insurer is fully justified in rejecting the claim based on the opinion of the doctor. In order to render justice to both the parties, an ex-gratia amount of Rs.1,00,000/- is awarded to be paid to the life assured by the insurer, as per the provisions of Rule 18 of RPG Rules 1998. The complaint is allowed partially on ex-gratia basis.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-013-301/2010-11

C.G.Joemon

Vs

Aviva Life Insurance Co.Ltd.

AWARD DATED 20.01.2011

This complaint is against rejection of request for freeloop cancellation of policy. The complainant took Save Guard Insurance policy from the respondent-insurer. He had paid Rs.22,000/- towards premium. The complainant is not provided with original policy document. On his request for the same, he was provided with a duplicate of the policy. He requested for freeloop cancellation of the policy on 27.02.2010. His request was rejected. The respondent-insurer contended that the policy commenced from 06.05.2008 and policy documents were sent on 09.05.2008. Duplicate of the policy was received by the complainant on 15.02.2010. His request for cancellation of the policy was rejected on valid grounds. Both sides were heard.

Date of commencement of the policy is 06.05.2008. There is no material to doubt the contention of the respondent-insurer that the policy documents were despatched on 09.05.2008. Even without getting the policy documents, the complainant had paid 21 further premiums. It cannot be believed that he remembered about the non-receipt of the

policy documents only after payment of 21 further premiums till February 2010. There is no case for the complainant that the original policy documents were not sent in the correct address. The respondent-insurer had produced copy of communications pertaining to despatch of original policy documents. Option for freelook cancellation is available to the insured if the same is exercised within 15 days of receipt of policy documents. In the instant case, the complainant had opted for freelook cancellation after payment of 21 further premiums. The option was made much after the period prescribed for the same. The rejection of the demand for freelook cancellation is just and proper.

In the result, the complaint is **DISMISSED** without cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-011-317/2010-11

S.D.Venukumar

Vs

ING Vysya Life Insurance Co.Ltd.

AWARD DATED 28.01.2011

The complainant had taken 2 policies with annual premium of Rs.50,000/- under both the policies. He had paid only the initial premiums. When he surrendered the policy, he was given only Rs.25,960.54 and Rs.21,448.67 towards the fund value. He surrendered both the policies given the impression that he would get Rs.5,00,000/-, as assured at the time of taking the policies. He was not satisfied with the amount.

On verification of the records, it is revealed that he had taken 2 policies for a premium amount of Rs.50,000/- payable annually for 5 years term. The sum assured is Rs.2,50,000/- each under both the policies. The policies were issued on the basis of proposal forms signed by the complainant. He has not opted for free look cancellation within 15 days from the date of receipt of policies. That means, as contended by the insurer, he was fully aware of the terms and conditions of the policies. He has not paid further premium after the first premium. His contention that he was under the impression that on remitting initial premiums, he would get Rs.5,00,000/- after 5 years on surrender has no basis. Taking all the facts, the insurer is justified in rejecting the request of the complainant to settle the difference in amount. The complaint is, therefore, **DISMISSED**.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-009-255/2010-11

Brigit Remya John

Vs

Bajaj Allianz Life Insurance Co.Ltd.

AWARD DATED 28.01.2011

This complaint relates to delay in settlement of claim for surrender value. The complainant had taken 3 policies under New Unit Gain Scheme. She paid Rs.90,000/- each under 2 policies and Rs.20,000/- in the third one. Subsequent instalments were not paid. On completion of 3 years, the policies were surrendered. The complainant was told that she had to pay premiums for 2 more years to become eligible for refund. A complaint was made at the Bangalore office of the respondent. No reply was received. It is contended by the respondent that the policies taken were market linked. The value of the policy is dependent on the unit price. As per the policy conditions, the foreclosure amount can only be refunded to the policyholder. Both sides were heard.

The policies issued are admitted. According to the respondent to claim surrender value, the policy holder has to pay at least 3 premiums. The complainant did not opt for freelook cancellation. On account of non-payment of premiums, the policies lapsed. Under clause 6.2 of the policy conditions, the allocation rate for the 1st year is 28.5% of the premium. Clause 31[c] would state that the policy will acquire surrender value after 3 years from the date of commencement of the policy provided 3 full year premiums have been paid. During the first 3 policy years, no surrender value is payable. So based on Clause 31[c], the complainant is not entitled to receive surrender value, as the complainant had only paid the first premium in the policies. On the insistence of this forum, the insurer had submitted a statement of account. On perusal, it is revealed that the complainant is entitled to receive a total refund of Rs.3,348/- under the policies.

An award is passed directing the insurer to pay Rs.3,348/- with 9% interest p.a. from the date of complaint till payment is made. No order as to cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-009-256/2010-11

Saumya Mary Andem John

Vs

Bajaj Allianz Life Insurance Co.Ltd.

AWARD DATED 28.01.2011

This complaint relates to delay in settlement of claim for surrender value. The complainant had taken 3 policies under New Unit Gain Scheme. She paid Rs.90,000/- each under 2 policies and Rs.20,000/- in the third one. Subsequent instalments were not paid. On completion of 3 years, the policies were surrendered. The complainant was told that she had to pay premiums for 2 more years to become eligible for refund. A complaint was made at the Bangalore office of the respondent. No reply was received. It is contended by the respondent that the policies taken were market linked. The value of the policy is dependent on the unit price. As per the policy conditions, the foreclosure amount can only be refunded to the policyholder. Both sides were heard.

The policies issued are admitted. According to the respondent to claim surrender value, the policy holder has to pay at least 3 premiums. The complainant did not opt for freelook cancellation. On account of non-payment of premiums, the policies lapsed. Under clause 6.2 of the policy conditions, the allocation rate for the 1st year is 28.5% of the premium. Clause 31[c] would state that the policy will acquire surrender value after 3 years from the date of commencement of the policy provided 3 full year premiums have been paid. During the first 3 policy years, no surrender value is payable. So based on Clause 31[c], the complainant is not entitled to receive surrender value, as the complainant had only paid the first premium in the policies. On the insistence of this forum, the insurer had submitted a statement of account. On perusal, it is revealed that the complainant is entitled to receive a total refund of Rs.7,682/- under the policies.

An award is passed directing the insurer to pay Rs.7,682/- with 9% interest p.a. from the date of complaint till payment is made. No order as to cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-004-420/2010-11

K.S.Sreeni

Vs

ICICI Prudential Life Insurance Co.Ltd.

AWARD DATED 01.02.2011

This complaint relates to partial repudiation of claim. Father of the complainant had taken policy under Life Time Super Pension Plan in 2007. On 16.01.2009, a cheque towards 3rd premium was deposited in the cheque drop box of the respondent-insurer. His father died on 18.01.2009. On making a claim, the complainant was given Rs.1,62,106.18. On enquiry, it was revealed that the last premium paid was not invested by the respondent-insurer. The respondent-insurer had contended that the 3rd premium received was applied in the policy. Later that premium was reversed on getting information that the premium was received after the death of the life assured. The amount paid includes the 3rd premium paid. Heard both sides.

Admittedly, the 3rd premium of Rs.50,000/- received in January 2009 was applied in the policy. There is no specific denial of the statement that the cheque towards 3rd premium was deposited on 16.01.2009. It is revealed from the contentions of the respondent-insurer that death intimation in writing was received only on 13.04.2010. It is, thereafter, the respondent-insurer had reversed the premium. So that amount was in investment till the reversal. The respondent-insurer had submitted that the fund value of the premium of Rs.50,000/- would have been Rs.95,947.96 in April 2010. From that amount, Rs.50,000/- only was paid to the complainant. The complainant is entitled to the balance amount from the respondent-insurer. Partial repudiation of the claim cannot be justified.

The respondent-insurer is directed to pay Rs.45,947.96 to the complainant within the prescribed period. No cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-003-442/2010-11

K.A.Stanly

Vs

Tata AIG Life Insurance Co.Ltd.

AWARD DATED 01.02.2011

This complaint relates to partial repudiation of claim. The complainant took policy from the respondent in April 2006. He paid 4 yearly premiums. When the complainant surrendered his policy on 08.06.2010, he was given a cheque for Rs.34,609/-. The respondent contended that the payment was made based on the policy provisions. He is not entitled to further amount. Heard both sides.

The complainant had taken policy under Mahalife Plan. He paid 4 premiums @ Rs.23,625/-. As the complainant had paid more than 3 consecutive premiums, as per the policy conditions, he is entitled to guaranteed surrender value [GSV]. As per the terms of the policy, when surrender is premature, the first year premium is to be excluded. 30% of the 2nd, 3rd and 4th year premiums is to be paid as minimum GSV. By paying Rs.34,609/-, the insurer had paid an amount in excess of the minimum GSV. The settlement offered by the insurer is legal and reasonable.

In the result, the complaint is **DISMISSED**. No cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-304/2010-11

O.Jayarajan

Vs

LIC of India

AWARD DATED 03.02.2011

The complaint was registered against the decision of the insurer to discontinue the disability benefit. The complainant was involved in a motor accident. His right leg was amputated and right hand suffered fracture. The insurer had provided disability benefit for 5 years and, thereafter, it was discontinued. The insurer submitted that the disability suffered by the complainant is not total as provided in Clause 11 of the policy conditions. It is only permanent partial disability. The benefit was provided earlier taking a sympathetic view on humanitarian consideration.

Policy document was verified. An endorsement was passed on the policy by the insurer. In the endorsement, the disability benefit @ Rs.416/- per month is provided for 10 years. Waiver of future premium is also there. Now the insurer is not relying on the endorsement made on the policy but contending that monthly disability benefit for 5 years was provided

on humanitarian ground. But the insurer had not produced any document to show that the insurer had informed the complainant that he was being provided with only disability benefit on humanitarian consideration. The insurer also failed to produce any document to show that the decision to provide disability benefit was made on humanitarian consideration. The endorsement made on the policy is to the contrary. By making the endorsement on the policy, the complainant was given the impression that he is entitled to the monthly disability benefit and the waiver as mentioned in the policy. There must be solid and acceptable ground to review the previous decision to deny the benefits and here, there is no case for the insurer that the disability of the complainant had ceased to exist or there is positive improvement in the degree of disability. The complainant was a headload worker and now he walks on crutches. From the nature of disability, it is quite evident that the complainant is not in a position to do any work so as to earn any income. Hence the disability being suffered by the complainant is total and permanent. In the result, the insurer is directed to provide all the disability benefits provided under the policy conditions as and when they fall due.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-013-284/2010-11

M.A.Thomas

Vs

Aviva Life Insurance Co.Ltd.

AWARD DATED 27.01.2011

The complainant had preferred this complaint against partial repudiation of claim for surrender value. The complainant took policy under life long unit linked insurance scheme where the sum assured was Rs.3,60,000/-. He had paid Rs.90,000/- at the rate of Rs.30,000/- for 3 years. His policy foreclosed and was given Rs.30,000/-. The complainant claimed Rs.56,409/- with interest. The respondent-insurer contended that the complainant requested for 'fund switch' option and he was informed that the fund value as on 11.03.2009 was Rs.56,783/-. The surrender value fell below the first year premium and consequently, auto-foreclosure event was passed and the complainant was given Rs.30,000/-.

On hearing and on verification of records, it was found that the 4th premium was due in September 2009. 4th premium was not paid. Auto foreclosure was passed on 07.12.2010. The complainant surrendered the policy on 26.11.2009. The surrender value available was Rs.24,654/- in November 2009 which was less than the 1st year premium. On the basis of articles 14, 15.3.3.2 and 17, it was found that the fund value in November 2009 fell short of Rs.30,000/- being the 1st year premium. The complainant is entitled to that amount only. Therefore, the complaint was **DISMISSED** without cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-013-466/2010-11

K.J.Arthur

Vs

Aviva Life Insurance Co.Ltd.

AWARD DATED 02.02.2011

The complaint is against delay in settlement of claim. The complainant had taken life long unit linked policy from the respondent-insurer. He paid Rs.25,000/- towards 1st premium on 31.03.2008. On 03.09.2010, he made a claim for payment of the premium paid by him. The respondent-insurer would contend that on account of non-payment of premium, the policy lapsed on 06.05.2009. In response to the complaint made by him, that fact was intimated. The complaint is without any basis.

The minimum lock-in period as per the policy conditions is 3 years. The policy lapsed in May 2009. The lock-in period will be completed only in March 2011 as per Clause 5[a] of the policy conditions. So the complainant can surrender the policy only after 31.03.2011 for claiming surrender value.

The complaint is disposed of with a direction to the complainant to surrender the policy after 31.03.2011. The respondent-insurer is also directed to pay the surrender value applicable on surrender of the policy. No cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-243/2010-11

Lali Sunil

Vs

LIC of India

AWARD DATED 03.02.2011

This complaint is against partial repudiation of claim. The complainant had taken Jeevan Mitra Triple Cover Endowment Policy. Though she had paid more than Rs.27,000/- towards premium, she received only Rs.12,858/- on surrender. The insurer submitted that the complainant had paid only 3 premiums up to August 2008. Policy was surrendered on 08.01.2010. Though she was entitled to only Rs.10,189/- as guaranteed surrender value [GSV], she was given Rs.12,857/- as surrender value. The complainant had sent notes of argument. Officer of the respondent was heard.

By virtue of Clause 7 of the policy conditions, the 1st year premium is to be excluded for the calculation of GSV. She is entitled to 30% of the 2nd and 3rd year premiums. Based on liberalized Special Surrender Value [SSV], the surrender value was quantified at Rs.12,858/- against the GSV payable at Rs.10,189/-. So the complainant had been paid an amount in excess of GSV payable. The complainant is benefited only. She is not entitled to any further amount.

In the result, the complaint is **DISMISSED**. No cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-013-467/2010-11

Mohammed Nazar Ali A.K.

Vs

Aviva Life Insurance Co.Ltd.

AWARD DATED 18.02.2011

The complaint is made on dis-satisfaction over surrender value paid. The complainant had taken Easy Life Plus Unit Plan policy and paid Rs.1,50,000/- towards 3 annual premiums. On surrender, he was paid only Rs.1,26,608/-. According to him, the amount received is very low. The respondent-insurer contended that the complainant requested for surrender on 26.11.2009. as per the terms and conditions of the policy, the surrender value was assessed at Rs.1,26,608/- and the same was promptly paid. Both were heard.

As per Article 5.2.3, the policyholder can surrender the policy anytime from the commencement of the 4th policy year and he is entitled to the surrender value as per Article 10. The complainant surrendered the policy after the commencement of the 4th policy year. The formula for calculation of surrender value is given in the schedule and the payment is subject to Article 13. The total fund value available in this case was Rs.1,52,309/-. The total surrender charge leviable was Rs.25,700.95. So the surrender value payable was correctly assessed at Rs.1,26,608/- after deducting surrender charge from fund value. The payment of surrender value at Rs.1,26,608/- is proper and in accordance with the policy conditions. So the complaint is **DISMISSED** without cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/22-005-419/2010-11

G.Sasi

Vs

HDFC Standard Life Insurance Co.Ltd.

AWARD DATED 24.02.2011

The complainant seeks a direction to the insurer to allow him to close the policy and to pay him the total amount deposited less minimum charges. On the insistence of an Officer of HDFC Bank, the complainant deposited Rs.50,000/- for 3 years in the name of his son on the hope that he will get back double the amount deposited by him. He was forced to make deposit of Rs.10,000/- each in the succeeding two years. Now the complainant wants to close the policy. The insurer contended that the son of the complainant submitted a proper proposal form for Unit Linked Young Star Suvidha Plus policy with yearly premium of Rs.50,000/- and with term for 10 years. He had taken policy fully understanding the terms and conditions. He opted for reduction in premium and 2nd and 3rd premiums were deposited by him at Rs.10,000/- each. He applied for fund switch on 17.02.2010. The fund value as on 08.06.2010 was Rs.51,236.85. Both sides were heard.

The documents available would reveal that the life assured had accepted the policy and acted on it. He had sought reduction in premium to Rs.10,000/-. On his request, the fund was switched to Secure Managed Fund. The Officer representing the insurer submitted that the fund value available as on 23.02.2011 was Rs.51,601/-. In the instant case, there is no actual surrender of the policy. Surrender is only in contemplation. No payment can be made on the basis of the contemplated surrender. Moreover, the complainant is neither the insured nor the proposer. The life assured is a major. The complainant is not his authorized agent. The complainant has no cause of action. No genuine grievance of the complainant is before this forum to be adjudicated. The complaint deserves only dismissal.

In the result, the complaint is **DISMISSED**. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/25-001-485/2010-11

Hormise V.Vattoly

Vs

LIC of India

AWARD DATED 23.02.2011

The complainant applied for policy under Wealth Plus Plan by paying a single premium of Rs.50,000/- on 13.02.2010. The complainant was not provided with policy documents. Even after repeated reminders, he was not provided with policy document or policy number. Ultimately, he was informed that the insurer is not in a position to issue Wealth Plus policy. The insurer would contend that the plan was a close-ended one and it was closed on 08.05.2010. The amount paid was kept under suspense account. It was never converted into premium. The complainant did not comply with the complete requirements before 31.05.2010 on which date, the proposals were to be completed. Fresh physician's report called for was produced only on 14.06.2010. As the compliance was beyond the extended period, the proposal was not accepted. So no policy was issued. The insurer is ready to refund Rs.50,000/- to the complainant. Complainant's Advocate and the Officer of the insurer were heard.

It is admitted that the complainant had paid Rs.50,000/- for the issuance of Wealth Plus policy on 13.03.2010. As there was difference in the height and weight of the complainant in the ECG report and medical report submitted by him, the insurer insisted for fresh ECG and medical report. On verification of fresh ECG and medical report, considering the age of the complainant, the DMR wanted a fresh physician's report. Physician's report dated 11.06.2010 was received by the insurer only on 14.06.2010. The scheme was closed on 31.05.2010.

What transpired in the office of the insurer after receipt of physician's report is not in evidence. There is no evidence that non-acceptance of the proposal was intimated to the complainant. So also, the reason for non-acceptance of the proposal was not made known to the complainant. No explanation is offered by the insurer for the omission. No letter was sent to the complainant offering return of the money or another scheme. Only on his complaint to the Sr.Divisional Manager, he was informed of his option to receive refund or to avail another scheme.

The insurer could not issue policy as the compliance of the formalities was only after the closure of the scheme. As the scheme is a unit linked one, it is not proper to direct the insurer to issue policy applied for. But it does not exonerate the insurer to its laches.

In the result, the insurer is directed to pay Rs.50,000/- with interest @ 6% p.a. from 15.06.2010 till the date of this award and on failure to pay the amount within the prescribed period, the amount will carry interest @ 9% p.a. from the date of the award till payment is made. No cost.

MISC OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/24-012-208/2010-11

Capt.K.K.Haridas

Vs

Metlife India Insurance Co.Ltd.

AWARD DATED 24.03.2011

The complainant had availed a loan of Rs. 48,00,000/- in March, 2009, from M/s Axis Bank and on the advice of the Bank, the complainant applied for insurance coverage from the respondent-insurer with whom the Bank was having tie-up. In all, the Bank released Rs. 2,29,552/- + Rs. 23,640/- from the complainant's account towards issuance of the said insurance policy. When

the complainant approached the respondent-insurer for his policy document, he was informed that the insurance coverage had already started. On 23.10.2009, the complainant received a letter from the respondent-insurer that as per his request, they have cancelled his proposal for insurance coverage and that they are refunding the deposit amount of Rs. 2,29,552/-, which never reached the Bank or the complainant. The complainant had never asked for cancellation of his proposal. As the respondent-insurer was unable to provide the policy, the complainant requested for refund of Rs, 2,53,192/- with interest.

The respondent-insurer admitted receipt of Rs. 2,53,192/-. However, they did not produce the copy of the alleged policy sent in October, 2009, to the Bank. Also, in the letter dated 20.10.2009 regarding despatch of refund cheque for Rs, 2,29,552/-, the details of the cheque, date of cheque, the date of despatch, etc., are not mentioned. There is no case for the respondent-insurer that the complainant, after making a request for cancellation of policy and refund of premium, had written another letter for withdrawing the request for cancellation and refund. The respondent-insurer, who is dealing with the hard-earned money of the customer, cannot be expected to act so clumsily to the detriment of the interest of valuable customer. As the loss suffered by the complainant is to be adequately compensated, an award is passed directing the respondent-insurer to pay Rs. 2,53,192/- with interest @9% p.a. from 17.6.2010(date of complaint) till payment is made. The respondent-insurer is also liable to pay a cost of Rs. 2,500/- to the complainant.

KOLKATA

OFFICE OF THE INSURANCE OMBUDSMAN,

KOLKATA

AWARD IN THE MATTER OF

Complaint No. : 1057/21/003/L/03/2009-10
Nature of Complaint : Denial of Critical Illness Benefit
Category under RPG : 12 (1) (b)
Rules 1998

Policy No. : C-200550554

Complainant : Smt. Banasree Naskar
C/o Samarendra Nath Naskar
Vill. Dakshin Kalyanpur,
P.O. Baruipur,
Kolkata 700 144.

Insurer : Tata AIG Life Insurance Co. Ltd.,
Unit 303, Building No. 4,
Infinity IT Park
Film City Road,
Dindoshi, Malad East
Mumbai – 400 097.

Date of Hearing : 05.10.2010

Present on behalf of the
Insurer : Manager - Claims

Present on behalf of the
(Husband)Complainant : Samarendra Nath Naskar

Date of Order – 11th October, 2010

Hearing :

Both the parties were called for hearing on 05/10/2010. The complainant was represented through her husband Shri S.N. Naskar. He placed before this forum his contentions and arguments in respect of the complaint regarding non-payment of critical illness benefit by the Insurer. The representative of the complainant stated that insured had no back pain or other problem at the time of purchasing or reviving the policy subsequently. Therefore, she had made no mis-statement about her health. The cancer was detected after she had undergone a series of investigations in CMC, Vellore in December, 2008 much after revival of

the policy. Before sending the proposal for revival of the policy she had consulted Dr. N.R. Roy in Ramkrishna Mission Seva Pratisthan for back pain and the doctor advised certain tests/investigations including X-ray. The result of X-ray revealed that she had Bilateral Sacralization of L5 with no other bony abnormality. He further contended that the claim was filed for critical illness benefit, which includes cancer as per the terms of the policy. But since cancer was not diagnosed by the doctor prior to the revival of the policy it cannot be said that the Insured was aware of her problem of cancer and had deliberately suppressed the same in the proposal form. On the other hand, the representative of the Insurance Company defended the repudiation on the ground of suppression of material fact at the time of commencement of the policy in 2003 and reinstatement of the policy in March, 2008. The investigations conducted by the Insurer has revealed that the insured was suffering from "Radiculopathy with progressive low backache and axillary swelling" since last 8 years, as certified by the Doctor in CMC, Vellore in their report dtd.05.12.2008. This report states that the insured had approached the hospital with complaint of low backache aggravated by climbing upstairs and interfering with daily activities. Since February, 2008 she has been suffering from sharp shooting pain in the left lower limb. At the time of reinstatement of the policy the insured filled up the health certificate dtd.04/12/2008 in which she did not mention anything about her back pain and other tests and investigations undergone by her in this respect. The representative informed this forum that the insured had replied in negative to question no.7k, 9 & 11 in the health certificate for the reinstatement of the policy. Since the patient had suffered for Axillary swelling and backache since last 8 years and the same was not disclosed in the health certificate, they rejected the claim on the ground of suppression of material facts.

5. **Decision :**

After hearing both the parties and perusing the documents submitted before this forum it is observed that the arguments/contentions of both parties have some substance. The complainant's argument is that cancer was detected much later after the reinstatement of the policy and therefore it was not within the knowledge of the insured. The contention of the insurer is that she had suppressed material information regarding backache and consultation with doctor in question 7k, 9 and 11 of the health certificate. The question no. 7k is related to complaint of back pain and 9 relates to any medical investigation or diagnostic tests such as X-ray undertaken by the patient during the last 5 years. It is seen that insured had given negative answers to both the questions which no doubt amounts to suppression of material facts having important bearing on underwriting decision.

Such suppression of material information has made the contract voidable.

At the same time the Insurer's decision is mainly based on the doctor's report of CMC, Vellore and the X-ray report dt.03.12.2007. Cancer was finally detected only in December, 2008. Since the insured has made claim for critical illness, which was detected only after reinstatement of the policy, it cannot be said that she had deliberately suppressed material facts and made mis-statement in the health certificate.

After considering the above facts and circumstances of the case, I am of the considered opinion that the decision of the Insurer in repudiating her claim for critical illness benefit is technically correct and the same is fair and reasonable. However, considering the fact that the insured has claimed critical illness benefit, which surfaced only after reinstatement of the policy and her financial condition is not sound, I am inclined to grant an ex-gratia amount of Rs.10,000/-. The Insurance company is therefore directed to pay her an amount of Rs.10,000/- (Rupees Ten thousand) only on ex-gratia basis within a period of 15 days after receipt of this order.

(MANIKA DATTA)

**INSURANCE
OMBUDSMAN**

**MISC --OFFICE OF THE INSURANCE OMBUDSMAN,
KOLKATA**

AWARD IN THE MATTER OF

Complaint No.	:	32/21/001/L/04/2010-11.
Nature of Complaint	:	Denial of EPDB
Relief sought	:	Rs.2,75,000/=
Category under RPG	:	12 (1) (b)Rules 1998.
Policy Nos.	:	432330853, 434318937 & 437388093
Name & Address of	:	Shri Swapan Kr. Pal,

the Complainant Vill. Santoshbati, P.O. Balarambati,
Dist. Hooghly – 712 409.

Name & Address of : Life Insurance Corporation of India,
the Insurer Singur Branch under
Howrah Divisional Office, Rallis Building,
16, Hare Street, Kolkata – 700 001.

Date of Hearing : 27.10.2010

Hearing :

Both the parties were called for hearing on 27/10/2010. The complainant attended along with his brother Shri S.K. Pal. They explained the facts of the case and stated that the LA was under continuous treatment from the date of the accident and was advised by LICI authorities to complete his treatment before applying for disability benefit. He has produced his medical records from which it is seen that he is still continuing the treatment with a neurosurgeon for his cervical spine injury. In the doctor's prescription dtd.03.11.2007, the case was referred for disability certificate to the concerned authorities. The complainant's contention was that due to the delay in the treatment and wrong advice given by the LICI authorities he could not give the intimation regarding the disability within the stipulated period of 120 days. The disability certificate was obtained by him on 28.05.2008 after completion of all formalities. The representatives of the Insurance company justified the decision of repudiation on the ground that intimation was received after one year of the accident.

Decision :

We have carefully heard both the parties and examined the documents filed by them before this forum. The status of the policies showed that all the three policies were in full force on the date of intimation. According to the LICI Claims Manual (page-117) the condition for granting Extended Disability Benefit (EDB) is that the disablement suffered by the LA should be total and permanent and such as to preclude him from earning any wage or compensation. Further such disablement should occur directly as a result of the accident within 180 days thereof and should have been communicated to the corporation within 120 days of occurrence. Clause 1.7 of the manual (page-114) stipulates the period of 180 days for occurrence of disability from the date of accident and such stipulation is absolute and is not merely intended to assure that the accident is the sole cause of disability. It is also seen that the case has also been reviewed by the Zonal Claim Review Committee but the claim has been rejected. Thus the decision of the insurer is found to be technically correct. However considering the facts that the claimant had been under continuous treatment in several hospitals since the date of accident and he was not properly guided by the LICI authorities, we are of the opinion that there is a case of re-consideration of his claim by the insurer. We, therefore, refer the case back to the Insurer with the direction to reconsider the case keeping in view the continuity of the

treatment for the injury suffered due to accident and the delay on the part of the doctors to refer his case for disability certificate after more than a year in Nov., 2007. Moreover, he was not properly guided by the LIC authorities and due to lack of knowledge he failed to give the intimation within stipulated period. The insurer is also directed to consider his request for revival of the policies on payment of the last premium due in 2010 so that he may avail of the various benefits and coverage of the risk till the date of maturity. The above exercise may be completed within 30 days from the receipt of the order along with consent form given by the complainant.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

**OFFICE OF THE INSURANCE OMBUDSMAN,
KOLKATA**

AWARD IN THE MATTER OF

Complaint Nos.	:	145/22/013/L/05/2010-11 274/22/013/L/05/2010-11
Nature of Complaint	:	Wrong Adjustment of premium.
Category under RPG Rules 1998.	:	12 (1) (c)
Policy Nos.	:	APG 2186079 & APG 2277835
Name & Address of complainant	:	Shri Ashoke Kumar Chowdhury, Choudhury Medico, Main Road, P.O. Katrasgarh, District: Dhanbad – 828 113.
Name & Address of the Insurer	:	Aviva Life Insurance Co. Ltd., Aviva Towers, Sector Road,

Opposite Golf Course,
DLF Phase – V, Sector – 43,
Gurgaon – 122 003.

Date of Hearing : 03.11.2010

Hearing :

Both the parties were called for hearing on 03/11/2010. The complainant attended and presented his views before this forum. He stated that he purchased two policies from the insurer and paid premium of Rs.60,000/- & Rs.15,000/- on belief that these are the policy with yearly mode. However, on receiving the policy documents, he found that the mode is monthly instead of yearly. According to the monthly policy, the total amount payable on the two policies would be 7,20,000/- & Rs.1,80,000/- p.a. totaling to Rs.9,00,000/- p.a. whereas the total income disclosed by the proposer is Rs.10,00,000/- p.a. It was therefore, impossible for him to continue the policy under monthly mode as it was beyond the capacity and income to pay the amount of Rs.9,00,000/- p.a. He therefore, requested the insurer a number of times to change the mode as yearly or issue new policies after refunding the premiums. But his request was turned down by the insurer. The representative of the insurance company submitted before this forum that the details of the policies were explained to the LA by the insurance agent and the proposal form containing the option for monthly mode was duly signed by the policyholder who is an educated person doing his own business. The policyholder has lodged his complaint after elapse of more than 1½ years of the policy and six months of the issuance of the duplicate documents. Since his request was not received during the free look option period, it was not possible for the company to accept his request of conversion of monthly mode to yearly mode.

Decision :

We have heard the submissions of both the parties and gone through the documents filed by them before this forum. The complainant has made a categorical statement that he filed his complaint immediately after receiving the policy documents which was delivered to him by hand by one Shri Avinash Kumar, Sales Manager of the company. He also categorically stated that Shri Avinash Kumar, Sales Manager of the company had admitted that it was a mistake on the part of the insurer and necessary correction would be made converting the mode of payment from monthly to yearly. The representative of the insurance company could not produce any satisfactory and valid documentary evidence to prove the date of delivery of policy documents and it is seen from their SCN that they had been issuing the letters by ordinary post. In the absence of any proof to establish the date of delivery of the policy documents, we accept the contention of the complainant that he made the request within the free look period immediately on receiving the policy documents by him. Moreover, the monthly mode of payment of Rs.75,000/- for two policies is

almost an impossible condition for the complainant who is willing to continue the policy on yearly mode.

Thus after considering the facts and circumstances of the case, we find that the mode of premium shown as monthly is not justified and fair to the complainant and accordingly we direct the insurance company to accept the request of the complainant and convert the policy from monthly mode to the yearly mode. This exercise is to be completed within 15 days of the receipt of this order. If the complainant is not satisfied with the action of the insurer, he can revert to this forum in future.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN,

KOLKATA

AWARD IN THE MATTER OF

Complaint No.	:	161/22/013/L/05/2010-11
Nature of Complaint	:	Refund of premium.
Category under RPG	:	12 (1) (c)
Rules 1998.		
Policy Nos.	:	JSG1639449 & JSG 1639454
Name & Address of complainant	:	Smt. Poonam Pandey, Mehta Building, Thana Chowk, Ramgarh Cantt., District: Ramgarh, Jharkhand – 829 122.
Name & Address of the Insurer	:	Aviva Life Insurance Co. Ltd., Aviva Towers, Sector Road, Opposite Golf Course, DLF Phase

Sector – 43, Gurgaon – 122 003.

Date of Hearing : 03.11.2010

Hearing :

Both the parties were called for hearing on 03/11/2010. The complainant along with her husband Sri Suryabansh Pandey attended the hearing. She narrated the facts of the case stating that she was mis-guided by the agent of the Insurance company who had filled up the form giving wrong address and showing wrong option for the policy. According to her, the agent was false but she signed the blank form in good faith. She further stated that she did not receive the policy documents for over a year and ultimately received the same through Blue Dart courier on 03/09/2009. As the address in the proposal form was given wrongly by the agent, the policy documents were sent at the wrong address and as a result she received them very late in September, 2009. Immediately after receiving the documents, she found that the terms & condition of the policies were quite different from what were agreed with the agent. She applied for cancellation of the policy on 09.09.2009 i.e. within the free look period, but her request has been rejected by the insurer, which is not justified. The representative of the Insurance company filed their SCN during the course of hearing wherein they have mentioned that the complainant submitted two proposals both dtd.27/07/2007 proposing the policies in the name of her children. The policyholder had signed the proposal forms in her own hand, after going through the various features of the policy. The details of the policy were also explained to her by insurance agent/sales representative of the company. On the basis of the proposal form and completion of the formalities, the policies were issued to her for S.A. of Rs.3,60,000/- and annual premium of Rs.48,000/- in each case. The Insurer further stated that at the time of issuance of the policies, the policyholder was provided with the policy schedule, first premium receipt and standard terms & condition along with copy of the proposal form. The policy documents were dispatched through Overnight courier, which were returned undelivered due to incomplete address. The documents were subsequently re-dispatched to Jamshedpur office on 25/08/2007. Therefore, there was a long gap of more than one year during which they did not do anything for the policyholder. On 29/08/2009 they received a request from her for duplicate policy documents, which were dispatched on 31/08/2009. Then on 11/09/2009 they received a complaint letter from the policyholder asking them to cancel the said policy as she did not agree with the terms & condition mentioned in the policy document. However, her request for cancellation was not accepted, because the request was not received within 15 days of free look option and she made the request only after receiving the duplicate policy bond. It is also their contention that the policyholder is an educated person and she has the ability and qualification to read and understand the document before signing the proposal form. Her allegation that the address was wrongly mentioned in the policy document has

also been rejected by the insurer as the same address was mentioned by her in the proposal form signed by her. The delay in handing over the policy document also happened due to the wrong and incomplete address mentioned by her in the proposal form.

Decision :

We have carefully heard both the parties and perused the documents and other materials available in the records. It is seen that both the proposal forms were signed by the complainant and the residential address mentioned was of Jamshedpur and since she is an educated person, we do not agree with her contention that the agent had filled up the incorrect address without her knowledge. It is now well settled that agent while filling up the proposal form, is acting as the agent of the insured and not the insurer (National Commission in LIC vs. Gowri Devi & Ors. – FA No.1993 and C). It is further seen that before dispatching the policy documents, the policyholder was issued a policy schedule, first premium receipt with a copy of the proposal form which shows the address of Jamshedpur as given by her in the proposal form. The first premium receipt also shows that it is an yearly premium policy. The policyholder has not denied the receipt of those documents indicating that these were received by her in time, but she made no objection to them for almost one year. Thus the case of mis-selling is not established in this case. This is further corroborated by the fact that the Insurer had sent her a premium notice on 03/07/2008, a policy account statement on 09/08/2008 and the premium reminder letter dt.23/08/2008 and finally the policy lapsed letter on 16/10/2008, but they did not receive any reply on these communication.

From the documents filed by the insurer, it is seen that they had issued the duplicate policy on 31/08/2009 and in the forwarding letter they mentioned that they had issued the duplicate print of policy. However, it is not clear whether the policy was marked as 'Duplicate' and all formalities for issuing duplicate policy were observed in this case. Although we agree with the Insurer's argument that the request for cancellation has to be made on the basis of original documents, but such argument is valid only in a case where original documents were received by the party. It is noted that the original documents sent by the courier were returned undelivered due to incomplete address. But the Insurer has also not made any effort to contact the policyholder (her mobile no. is given in the proposal form) to ascertain her correct address. This means the original documents were lying undelivered in the office of the Insurer and therefore the question of issuing duplicate policy cannot arise. Non-delivery of the original documents within reasonable time is a serious service deficiency on the part of the Insurer for which the policyholder cannot be made to suffer. Since Insurer has failed to satisfy this forum why they could not contact the party on phone or by e-mail, we give the benefit of doubt to the policyholder and accept her contention that she received original documents on 03.09.2009 and sent her request for cancellation on 09.09.2009, which is within the "free look period". We therefore, direct the Insurer to cancel the policies and refund the premium within 15 days of the receipt of this order along with the consent letter from the complainant.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No : 265/22/012/L/05/2010-11

Nature of Complaint : Refund of premium

Category under RPG : 12 (1) (c)

Rules 1998.

Policy No. : 20019207

Name & Address of complainant : Shri Jnan Sankar Ghosh,
Vill. & P.O. Dwarigeria (C.K. Road),
Satbankura, P.S. Garbeta,
District: Paschim Medinipore,
Pin: 721 253.

Name & Address of the Insurer : Met Life India Insurance Co. Ltd.,
Brigade Sesh Mahal,
5, Vani Vilas Road,
Basavanagudi,
Bangalore – 560 004.

Date of Hearing : 12.11.2010

Hearing :-

Both the parties were called for hearing on 12/11/2010. The complainant did not attend the hearing. The representative of the Insurance company attended and stated the facts as explained in the SCN. He stated that the request for cancellation of the policy could not be accepted as the request was made after more than 9 months of receiving the policy documents. He however, stated before this forum that the company has made a proposal to the LA to convert the policy in question into another policy, which is going to be launched shortly on single premium mode. However, final decision can be taken only after receiving the consent of the policyholder.

Decision :

We have heard the submissions of the insurer and gone through the submissions made by the complainant in his letters addressed to this forum as well as to the insurance company. It is seen that the complainant has not requested for cancellation of the policy. He is willing to continue with the policy but on a single premium mode as it is not possible for him to pay a huge premium every year. We have verified the particulars given in the proposal form and find that it has been filled up on his behalf by the agent. There are some cutting and overwriting in the product details on page 4 and therefore it is not clear whether the policy was correctly issued as per request made by the complainant. The original proposal form could not be produced by the Insurer. However, the insurer has already given a proposal to convert the regular premium mode into a single premium mode, but into a different product. This move indicates that Insurer is also convinced about the mis-selling of the product and they are ready to correct their action. The insurer is therefore directed to take the option of the policyholder before converting the existing policy into single premium policy either under the same plan or under their new plan. If the policyholder opts for the existing plan, he will be given the benefit of the conversion effective from the date of the original policy. The complaint is allowed.

(MANIKA DATTA)
INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No.	:	307/22/009/L/06/2010-11
Nature of Complaint	:	Free look cancellation
Category under RPG	:	12 (1) (c)
Rules 1998.		
Policy No.	:	0135666425
Name & Address of complainant	:	Mrs. Poli Gupta, C/o. Sri Partha Gupta Flat No.215, Rail Vihar, Kolkata – 700 107.

Name & Address of Insurer : Bajaj Allianz Life Insurance Co. Ltd.,
4th & 5th Floor, Ashoka Plaza,
Corporate Software Park,
Survey No.32/3, Nagar Road,
Viman Nagar, Pune – 411 014.

Date of Hearing : 06.12.2010

Hearing :

A hearing was held on 06/12/2010, which was attended by the Insurer only. The policyholder was absent. The representative of the Insurer submitted that the policy document was sent to the policyholder on 06/10/2009, which came back undelivered and was again dispatched on 18/11/2010, which was duly received by her on 13/01/2010. She made a request on 21/01/2010 for cancellation of the policy under free look cancellation option. However, the husband of the policyholder Shri Partha Gupta wrote a letter subsequently to the Insurer stating that his wife is interested in continuing the policy and her application for cancellation may be treated as withdrawn. But subsequently they again received a letter on 11/06/2010 from the policyholder, Mrs. Poly Gupta stating that she is still waiting for the cancellation of the policy.

Hence, the Insurer pleaded that they have acted on the basis of the request made by the husband of the policyholder as he has been dealing with all the matters pertaining to his wife.

Decision :

We have heard the Insurer and gone through the petition of the complainant. In this case, we find that the policyholder made a clear request for cancellation of the policy within the free look period. But the Insurer did not take any action on her request. Meanwhile, they received a letter from the policyholder's husband stating that his wife wants to withdraw her application for cancellation of the policy. It is surprising that the Insurer acted on the letter of the husband and not on the letter of the wife who is the policyholder. By not doing so, they have clearly disregarded a valid request from the policyholder received within the free look period.

We, therefore, find the decision of the Insurer as invalid and the same is set aside. They are directed to take action on the basis of the original request received from the policyholder for cancellation of the policy and refund of the premium within a period of 15 days.

The complaint is allowed.

(MANIKA DATTA)
INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No. : 310/24/001/L/06/2010-11.

Nature of Complaint : Delay in settlement of claim.

Category under RPG : 12 (1) (e)

Rules, 1998.

Policy No. : 416349110

Name & Address of complainant : Shri Sukanta Sengupta,
115/1, Becharam Chatterjee Road,
P.O. Behala,
Kolkata – 700 034.

Name & Address of Insurer. : Life Insurance Corporation of India,
KMDO-II, Jeevan Tara,
23A/44X, Diamond Harbour Road,
Kolkata – 700 053.

Date of Hearing : 17.01.2011

Hearing

Both the parties were called for a hearing on 17/01/2011. The complainant attended and submitted before this forum that he had submitted an application on 05/03/2010 along with necessary documents, requesting them to pay him the Notional Cash Option amount of Rs. 62500/- as full and final settlement of the policy as he was not interested in availing of the annuity. But he did not receive any reply from them till 18.03.2010 and thereafter he again wrote to the Marketing Manager on 19.04.2010. Finally he received a

cheque for Rs. 54,134 on 03.06.2010 as surrender value of the said policy. Thus he has suffered monetary loss of Rs. 8316 due to surrender of the policy. He alleged that no official of LIC intimated to him that there was no option for receiving notional cash amount under the policy and he would receive less amounts on surrender of the policy. If they had replied to his letter, he would not have surrendered the policy. Moreover there was delay of 3 months in payment for which he demanded penal interest.

The representative of the Insurance Company, on the other hand defended the company's action and submitted that their servicing branch had made it clear that there is no scope for notional cash option under the said policy. But the annuitant was in urgent need of money and opted for surrendering the policy. Branch received letter on 06.03.2010 and took action on 08.03.2010 as 7th was Sunday. As the policy had already matured, the system didn't generate the surrender amount and they had to use a special software solution to solve the problem. This caused the delay in payment, it was neither intentional nor negligent.

Decision

We have heard both the parties and examined the documents filed before this forum. It is seen that the complainant was informed by the LIC vide their letter dated 06/02/2010 that the policy would vest on 08.03.2010 and annuity payment would commence after 1/3/6/12 months from the date of vesting depending upon the mode of payment as monthly/quarterly/half yearly/yearly. The annuitant was also informed that the notional cash option was Rs. 62,500/- and various pension options were offered along with table of amount payable under these options with or without commutation. He was requested to exercise his option for the pension. Instead of opting for the annuity, he opted for notional cash benefit as he was in urgent need of money. It is further seen that as per policy condition, only the surrender value and not notional cash option may be allowed if a request is received before the date of vesting. After the date of vesting, even the surrender value is not allowed in normal condition. In this case a specific request was received from the complainant for full and final settlement before the date of vesting and therefore as per policy term only surrender value was payable. There was no scope for notional cash option and if he wanted to withdraw the money, then he had to opt for surrendering the policy, due to which he would incur financial loss. As per the version of the LIC, this fact was made clear to the complainant by the servicing branch. But due to the need of lump sum money, he deviated from the normal course and opted for surrender of the policy. Even otherwise, an educated and matured person is expected to enquire about the details of a particular plan before opting for final settlement. Now he cannot blame the Insurer for the monetary loss suffered by him. Thus the Insurer has correctly issued the surrender value of Rs. 56,916/-. We do not find any mistake on the part of the insurer in calculating this amount and we uphold their decision. However, the Insurer is liable to pay the penal interest for delay in payment. This is a lapse on their part and they have to rectify it. We therefore direct the Insurer to pay the penal interest for 3 months as per the rules of the company within 15 days of the receipt of this order along with consent letter.

Accordingly the complaint is partly allowed.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No. : 322/25/009/L/06/2010-11

Nature of Complaint : Non-receipt of policy bond.

Category under RPG : 12 (1) (f)

Rules 1998.

Policy Nos. : 0009883687 and 0010685068

Name & Address of complainant : Sk. Salim Ali,
Village Kalinagar,
P.O. Jagadishpur, P.S. Uluberia,
District: Howrah – 711 315.

Name & Address of Insurer : Bajaj Allianz Life Insurance Co. Ltd.,
4th & 5th Floor, Ashoka Plaza,
Corporate Software Park,
Survey No.32/3, Nagar Road,
Viman Nagar,
Pune – 411 014.

Date of Hearing : 06.12.2010

4. **Hearing :**

Both the parties were called for hearing on 06/12/2010. The complainant was not present during the hearing. The respondent stated before this forum that the complainant was issued two policies bearing nos.0009883687 & 0010685068 on 28/09/2005 and the policy bonds were handed over to the IC of the policyholder on 27/10/2005, which were not received back as undelivered. He also contended that the policyholder did not

complain in this matter in the years 2006, 2007 & 2008 which means that he was aware about the terms and conditions of the policy and that he was satisfied with the same. Now he has levied the allegation only to get the return of premium already paid for which he has already enjoyed the insurance cover for more than three years. Hence, such belated claim of non-receipt of the policy bond and refund of premium amount cannot be entertained by the company.

5. **Decision :**

We have heard the representative of the insurer and gone through the materials on record. It is observed that the Insurer made hand delivery of the policy documents to the IC of the policyholder. However, they could not give any details of the person to whom the policy document was handed over and whether he/she was the authorized to receive the documents. They also could not produce the proof of delivery, which is essential to decide that the policy documents were received by the complainant. We do not find substance in the Insurer's contention that the complainant did not raise any complaint in the last three years, which means that he was satisfied with the policy's terms and condition. Since the Insurer has failed to establish that policy documents were timely delivered to the policyholder, we have to accept the contention of the complainant that these have not yet been received by him.

The decision of the Insurer to issue a duplicate policy bond is not valid and the same is set aside. The question of duplicate bond could arise only when the original one was delivered to the right person, which has not been established in this case. Mere dispatch of policy documents is not enough. These documents must be delivered to the owner of the policy and there should be valid proof of delivery. The Insurer is therefore, directed to issue fresh policies as original policies to the policyholder allowing him 15 days free-look period so that he can exercise his option of cancelling or continuing with the policies.

The complaint is allowed.

6. Let the copies of this award be sent to the parties.
7. Let the copies of this award be sent to:
 - i) Chairman, Governing Body of Insurance Council.
 - ii) Chairman, Bajaj Allianz Life Insurance Co. Ltd., and ;
 - iii) The Head, Customer care, Bajaj Allianz Life Insurance Co. Ltd., -
for information and doing the needful.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No. : 441/24/001/L/07/2010-11.

Nature of Complaint : Non-payment of Annuity Cheques.

Category under RPG : 12 (1) (e)
Rules 1998.

Policy No. : 418022033

Name & Address of Complainant : Shri R.M. Routh,
Manisha Apartment (2nd Floor),
8/80, East Mall Road,
Kolkata – 700 080.

Name & Address of Insurer : Life Insurance Corporation of India,
EZO/IPP, 4, Chittaranjan Avenue,
Kolkata – 700 072.

Date of Hearing : 02.12.2010

4. **Hearing :**

Both the parties were called for hearing on 02/12/2010. The complainant attended and stated that he still has not received four annuity cheques from September, 2008 to December, 2008. The LIC authorities are insisting on indemnity bond, which he feels is not necessary, as it is not a death claim. The representative of the Insurance company also attended and stated that the matter is very old and they have taken up the matter with the bank to find out whether the cheques have been encashed or not. Further, they have waived the requirement of indemnity bond as a very special case and they will issue fresh cheques as soon as a report is received from the bank.

5. **Decision :**

We have heard both the parties and examined the documents filed before this forum. We find that the Insurer has delayed payment of the four annuity cheques without any reasonable cause. Since they have already taken up the matter with Bank and decided to waive requirement of indemnity bond, we expect them to complete their enquiry expeditiously and issue fresh cheques to the policyholders without calling for any further documents. If it is certified by the Bank that the cheques were not encashed by the policyholder, then the payment along with interest as per applicable rates shall be made within 15 days after receipt Bank's report.

The complaint is allowed.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No.	:	451/22/004/L/07/2010-11.
Nature of Complaint	:	Non-adjustment of premium.
Category under RPG	:	12 (1) (c)
Rules 1998.		
Policy No.	:	05394403
Name & Address of complainant	:	Shri Shiv Kumar Choudhury, 148, M.G. Road, Kolkata – 700 007.
Name & Address of Insurer.	:	ICICI Prudential Life Insurance Co. Ltd., Global e-Services Pvt. Ltd., Bldg. No.IT, Ashok Nagar, Chakravarti Ashok Road, Kandivali (East), Mumbai – 400 101.
Date of Hearing	:	13.12.2010

Hearing :

Both the parties were called for hearing on 13/12/2010. The complainant did not attend the hearing. The representative of the Insurer stated before this forum that they have offered an option to the complainant to re-instate his cancelled policy no. 05394403 subject to payment of un-paid premium due since 05/05/2008.

Decision :

We have gone through the submissions made by both the parties in their complaint as well as during the hearing and we have also examined the material available on record. We find that the premium which was due in May, 2009 for Rs.25,000/- was deposited by the complainant vide cheque no.311578 dtd.28.07.2008. However, due to the mistake on the part of the Insurer, the said amount was adjusted against another policy no.05394402. Thus the premium was paid well within the prescribed time and therefore, the question of the policy getting lapsed cannot arise. It was a mistake of the Insurer to foreclose the policy and they have admitted the same during the course of hearing. Since the renewal premium was paid in time, the question of re-instatement cannot arise. The Insurer is therefore, directed to adjust the premium paid by the complainant in May, 2008 against the policy no.05394403 and treat the policy as continuous one. This exercise is to be completed within 15 days from the receipt of this order.

The complaint is allowed.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA**AWARD IN THE MATTER OF**

Complaint No. : 554/22/005/L/08/2010-11.
Nature of Complaint : Refund of premium.
Category under RPG : 12 (1) (c)
Rules, 1998.
Policy No. : 13699084
Name & Address of complainant : Shri Amartya Talukdar,
A1/14, Samprikta Housing Society,
49/A, Govindapur Road,
Lake Gardens,
Kolkata – 700 045.

Name & Address of : HDFC Standard Life Insurance Co. Ltd.,

Insurer Eureka Towers, 5th Floor,
MindSpace Complex, Link Road,
Malad (West),
Mumbai – 400 064.

Date of Hearing : 11.01.2011

Hearing

Both the parties attended a hearing on 11th Jan. 2011. The complainant attended the hearing and submitted before this forum the facts and circumstances of the complaint. He alleged mis-selling stating that he was tricked into signing a contract of ULIP by a bank manager and was not told about the scope of coverage, risks involved and other terms of the policy. On getting the documents he was surprised to know that it was a ULIP policy of 11 years under which he has to make annual premium of Rs. 75000/-, which he cannot afford as his total income is Rs. 2.3 lakhs. He stated that he received the policy much later than what the insurance co. is claiming (4th June 2010.). He spent some time in communicating with call center and ultimately submitted the documents along with request for cancellation on 26th June 2010.

The representative of the insurance company supported the company's decision stating that their officials had explained the features, benefits, terms and conditions of the policy to the complainant and after having been duly convinced about the details of the plan, he submitted the proposal form along with other documentary evidence. Moreover, if he was not satisfied with the plan, he should have returned the documents with a request for cancellation within the free look period of 15 days from the date of receiving the documents. But the LA approached the company almost eight days after 'free look-in cancellation period'. The Insurer has produced proof of delivery in the form of a certificate from the courier company, which shows the date of delivery as 4th June 2010 and the name of the person receiving the consignment as 'Sabita Talukdar'.

Decision

We have carefully heard the submissions of both the parties and examined the documents filed before this forum. After verifying the papers submitted by the complainant and the insurer we find that the L.A. had applied for a ULIP policy under the Sunlife and Suvudha Plans and had willingly signed the proposal form and submitted other relevant documents. He is a govt. servant, of matured age and educated enough to understand what is best for him. Thus, no mis-selling is established in his case.

However, the proof of delivery filed by the Insurer shows that the documents were delivered to one Sabita Talukdar and not to the LA. There is no proof with the Insurer to show that these documents were handed over to the authorized person of the LA on the date of delivery. Under the circumstances, we give the benefit of doubt to the complainant and accept his contention that he was away from home and received the papers much later. Moreover he was also not guided properly by the call centre person. We find that the delay is marginal and he had applied for cancellation within a reasonable period after receiving the documents. We, therefore, set aside the decision of the Insurer and direct them to condone the delay of 8 days and cancel the policy and refund the premium money as per company rules.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, Kolkata – 700 001

AWARD IN THE MATTER OF

Complaint No.	:	591/22/013/L/08/2010-11
Nature of Complaint	:	Refund of premium.
Category under RPG	:	12 (1) (c)
Rules, 1998.		
Policy No.	:	AEL2303496
Name & Address of complainant	:	Shri Samiran Mallik, C/o Late Subrata Mallik, Village – Mangal Bari, Anchal Para, P.O. Mangal Bari, P.S. Malda, District: Malda – 732 142.
Name & Address of Insurer	:	Aviva Life Insurance Co. Ltd., Aviva Towers, Sector Road, Opposite – Golf Course, DLF Phase – V, Sector – 43, Gurgaon – 122 003.

Date of Hearing : 28.01.2011

3. Hearing & Decision:

Both the parties were called for a hearing on 28/01/2011. The representative of the insurance company stated that they have accepted the requests of the complainant for cancellation of the policy and refund of premium.

Since the insurance company has undertaken to redress the grievance, no further action is called for by this forum. The Insurer is directed to issue the refund cheque within 15 days of receiving this order along with the consent letter. The petition is allowed.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No.	:	647/22/010/L/09/2010-11
Nature of Complaint	:	Refund of premium.
Category under RPG	:	12 (1) (c)
Rules, 1998.		
Policy No.	:	17120198
Name & Address of complainant	:	Shri Shankar Lal Ghosh, 9/7, P.K. Ganguly Road, Bally, Howrah – 711 201.
Name & Address of Insurer	:	Reliance Life Insurance Co. Ltd., 9 th & 10 th Floor, Building No.2, R-Tech Park, Nirlon Compound, Next to Hub Mall, Behind I-Flex Building, Goregaon (East), Mumbai – 400 063.
Date of Hearing	:	21.01.2011

Hearing :

Both the parties attended the hearing called on 21/01/2011. The complainant attended and informed this forum that he had applied for a policy from the insurer and paid Rs.6120/- as premium. The said policy was sold to him on false promises of receiving monthly income. However, he did not receive any amount promised by the agent and therefore, he is not interested in continuing with the policy. He also stated that the policy document have been received by him just recently and he is in the process of writing to the insurance company for cancellation of the policy and refund of the premium. The representative of the insurance company denied the allegation of mis-sold and stated that he had willingly taken this policy. However, they had dispatched the policy in November, but they did not have any delivery proof. They further agreed to refund the premium and cancel the policy provided an application within the free look period is received by them.

Decision :

We have heard both the parties and examined the document filed before this forum. It is seen that complainant has willingly taken the policy and his allegation of mis-selling is not corroborate by any evidence. However, his contention that he received the policy only recently is accepted in the absence the proof of delivery with the insurer. The insurer is directed to obtain a letter from the complainant and cancel the policy and refund the premium within the period of 15 days from the receipt of the complainant's letter. The petition is accordingly allowed.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No.	:	651/24/001/L/09/2010-11.
Nature of Complaint	:	Non-receipt of policy document
Category under RPG	:	12 (1) (f)
Rules, 1998.		
Policy No.	:	410399988
Name & Address of complainant	:	Shri Pradeep Kumar Chatterjee, FE-244, Sector – III, Salt Lake City,

Kolkata – 700 106.

Name & Address of Insurer. : Life Insurance Corporation of India,
EZO/IPP, Hindusthan Building,
4, Chittaranjan Avenue,
Kolkata – 700 072.

Date of Hearing : 17.01.2011

Hearing

Both the parties were called for a hearing on 17/01/2011. The complainant was not present. The Insurer stated that they had sent the policy bond by speed post on 8th Nov. 2008. Since the policy holder has not received the policy bond, they have directed the concerned servicing branch to issue a duplicate policy bond to the complainant.

Decision

The Insurer is directed to issue a duplicate policy bond to the complainant within 15 days of the receipt of this order along with consent letter. Accordingly the complaint is allowed.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOLKATA

AWARD IN THE MATTER OF

Complaint No. : 656/22/009/L/09/2010-11.
Nature of Complaint : Wrong adjustment of premium.
Category under RPG : 12 (1) (c)
Rules, 1998.
Policy No. : 0043980355
Name & Address of complainant : Shri Sumant Lal Mendiratta,
Vill. & P.O. Barajamda,

District: Singbhum (West),

Jharkhand – 833 221.

Name & Address of Insurer. : Bajaj Allianz Life Insurance Co. Ltd.,
Ashoke Plaza (5th Floor),
Corporate Software Park,
Survey No.32/3, Nagar Road,
Viman Nagar,
Pune – 411 014.

Date of Hearing : 17.01.2011

Hearing

Both the parties attended a hearing on 17/01/2011. The representative of the insurance company attended and submitted a letter dated 24.12.2010 in which they have stated that on enquiry they have learnt that the renewal premiums were debited from the bank account of the policyholder and the payment has been received by SBI, Chaibasa branch. They have followed up the matter with the SBI, Chaibasa Branch and they will get a final reply from the bank by the end of this month. Thereafter they will adjust the premium and allow all the benefits of the policy to the policy holder.

Decision

We have heard both the parties. There is no dispute that the renewal premiums were paid in time by the complainant. The Insurer is directed to depute an official to the bank to complete their enquiries and obtain a confirmation from the bank latest by the end of this month as promised by them during the course of hearing. Thereafter, they will adjust the renewal premiums and update their master records. They will allow all the benefits under the policy and if there is any loss, they will compensate the same. The whole exercise is to be completed within 15 days of the receipt of this order along with consent letter. Accordingly the complaint is allowed.

(MANIKA DATTA)

INSURANCE OMBUDSMAN

LUCKNOW

MISC(9.3.2011)

Award No.IOB/LKO/64/001/10-11

Complaint No.L-472/21/001/10-11

Shri Sushil Kumar

V/s

Life Insurance Corporation of India

Shri Sushil Kumar filed a complaint against allegedly unjustified repudiation of claim by LIC of India, D.O. Meerut under policy no.255072362 on the life of his wife Smt. Pankaj Kumari. Smt. Pankaj Kumari took an insurance bearing no.255072362 for Rs.1lac under Jeevan Mitra (Triple risk plan) but did not disclose her previous policy for Rs.2 lacs bearing no. 254492289 in reply to question no.'9' of the proposal form. Had she disclosed her previous policy she would not have been given the policy in question. On this ground the claim was repudiated by LIC of India, D.O. Meerut and their decision of repudiation was also upheld by the Zonal Office of the respondents.

During the personal hearing the complainant contented that the proposal form etc. was filled by the agent and he wrongly mentioned the above previous policy details in column No. 13-C instead of column No.9. Thus she is not responsible for the omission of the agent.

The Jeevan Mitra Policy (Table No.132) as stated above was wrongly issued to the deceased life assured as she was a category III lady and was not eligible to be

insured under this plan. The insurer should not have given this plan to the deceased life assured.

The contract of insurance is a contract of utmost good faith and if there is any misrepresentation or withholding of any material facts which is within the knowledge of the life assured, this gives right to the insurer to repudiate its liability. In the instant case the life assured had withhold the information regarding the previous policy and thus committed breach of warranty.

Thus there is no justification in intervening with the decision of the insurer and hence the appeal is dismissed.

LUCKNOW

MISC 10-11(9.2.2011)

Award No.IOB/LKO/33/001/10-11

Complaint No.L-482/21/001/10-11

Shri Devendra Singh Gangwar

Complainant

V/s

ICICI Pru. Life Insurance

Respondent

Shri Devendra Singh Gangwar has made a complaint against the alleged mis-selling and indecision of ICICI Pru. Life Insurance Co. Ltd. against the non refund of money deposited by him for the insurance on his daughter's life.

The complainant applied for a policy from the respondent company on the life of his daughter and deposited Rs.10000/- as against consideration amount of the proposed policy but he never received the policy bond of the policy proposed for, instead he got a policy against his own name for Rs.20000/- p.a. premium for which he never made any proposal. The complainant applied for the cancellation of this policy as this policy was neither required nor applied for. The complainant not only claimed his money back but also asked for an interest of 18% on the money deposited with respondent.

The respondent has offered to refund the entire money deposited by the complainant without any interest. The respondent was asked to submit the proposal form on the life of the daughter of the complainant which they could not produce before the forum. It is held that respondent is liable for mis-selling and accordingly directed to refund the money deposited by the complainant alongwith the interest @8.5% from the date of payment.

MUMBAI

MUMBAI INSURANCE OMBUDSMAN CENTRE

Complaint No.LI-273 (2010-2011)

Award No.IO/MUM/A/ 516 /2010 - 2011

Complainant : Shri Harshal Shah
V/s.

**Respondent : ICICI Prudential Life Insurance
Company Ltd., Mumbai**

Shri Harshal Shah, **had** taken a Hospital Care Plan policy from ICICI Prudential Life Insurance Company Ltd. The Annual Limit was Rs.4.00 lakhs for a term of 10 years. The premium payable was Rs.4680/- payable annually. The date of commencement of the policy was from 7.9.2007. Shri Harshal Shah submitted a claim intimation dated 18/02/2010 to the Company informing them of his hospitalization on 13/01/2010 to 13/02/2010 on account of End Stage Renal Disease on Haemodialysis and Acute Pancreatitis. The Company refused the claim for non disclosure of material facts

Shri Harshal Shah was hospitalized at Jaslok Hospital from 13/01/2010 to 13/02/2010 on account of End Stage Renal Disease on Haemodialysis and Acute Pancreatitis. The company has provided by way of evidence the following documents.

1. The Discharge Card issued by Jaslok Hospital with date of admission as 13/01/2010 and date of discharge as 13/02/2010 and Diagnosis mentioned was "ESRD (End Stage Renal Disease) on HD with acute pancreatitis with Decosotomy done" In the discharge card there is a mention of 2nd Renal Transplant done in 2002 and the 1st Renal Transplant done in 1997.
2. In the Consultation Record issued by Jaslok Hospital dated 18/01/2010 it states the following
 - 29 years old male k/c/o end Stage Renal Disease sine 10-12 years.
 - Two times Renal Transplant done one in 1997 (mother donor) and in 2002 (father donor)
 - Past History of Epilepsy in childhood taken phenobarbitone for 1 year.
3. The History sheet of Jaslok Hospital dated 13/01/2010 states the past hisoty of TIA (Transient Ischemic Attack) in 2003 and Hypertension sine 3 to 4 years.

Shri Harshal Shah submitted the hospital care claim intimation dated 18/02/2010 to the Company informing them of his hospitalization on 13/01/2010 to 13/02/2010 on account of End Stage Renal Disease on Haemodialysis and Acute Pancreatitis. However, the Company refused the claim due to non-disclosure of his medical history of kidney transplants that he had in the year 1997 and 2002 which were prior to the proposal for the said policy and he had not disclosed these facts in the proposal form. He did not disclose his health problems and his kidney transplants he had in the year 1997 and 2002. He had also not disclosed the details of the Transient Ischemic Attack that he suffered in 2003. It is clearly established that he has committed a breach of contract. ICICI Prudential Life Insurance Company Ltd. cannot be faulted for repudiation of the claim and cancelling the policy of Shri Harshal Shah. The claim was denied.

MUMBAI INSURANCE OMBUDSMAN CENTRE
Complaint No.LI-1061 (2009-2010)

Award No.IO/MUM/A/ 288/2010 - 2011

Complainant : Smt. Padmaja Bhattacharjee

V/s.

Respondent : Kotak Mahindra Old Mutual Life Insurance Limited, Mumbai

AWARD DATED 11TH OCTOBER 2010.:

Smt. Padmaja Bhattacharjee had taken a Kotak Smart Advantage Policy which is a Unit Linked Endowment Assurance Plan policy. The SA was Rs.5.00 lacs. The yearly premium was Rs.99,999/- for a term of 15 years. The date of commence was from 13.8.2009

Smt. Padmaja Bhattacharjee submitted her letter dated 04.12.2009 to the Insurer requesting for cancellation of the policy and seeking refund of the amount of Rs.99,999/- paid by her. She had stated that she was out at Japan for almost one month and one month in Nashik when the policy document was received at her residence. The Insurer, Kotak Mahindra Old Mutual Life Insurance Ltd. refused cancellation quoting the free look period.

Smt. Padmaja Bhattacharjee wrote to the Insurer on 04.12.2009 which was acknowledged by them on 07.12.2009 requesting them to cancel the policy and refund the sum of Rs.99,999/-. She has cited that wrong information has been filled by Company's Sales person without her knowledge and stated that "wrong information will carry for a whole life and can repudiate my claim or maturity value". The wrong information pointed out by her are as follows:

1. Marital Status – stated as Married, - whereas she is widowed
2. Educational Qualification – stated as Graduate but she is only S.S.C

3. Details of life Insurance policies from other Insurance Cos. – stated as “No” but she is having policies of other Insurance Companies.
4. Details of family history of the life Insured – stated as husband is living and aged 65 years, but he has expired in 2005.
5. Details of Members of the family - stated as “only one sister living and one sister deceased”, but she states that she has 2 brothers and 2 sisters – 2 sisters are living and 2 brothers have expired.

In response the Insurer replied that the policy is outside the free look period and alteration in plan or refund of premium is not possible. It is pertinent to mention that the company has chosen not to make any response on the discrepancies pointed out by the life assured vide her letter dated 04.12.2009.

Smt. Padmaja Bhattacharjee followed up this with the Company vide her letter dated 17.12.2009 wherein she stated that

- (a) She was out of India and travelled to Japan from 15.08.2009 to 13.09.2009.
- (b) She was not in Mumbai but in Nashik for 2 months
- (c) She was in Mumbai only on 30.11.2009 and she saw the policy only on 30.11.2009.

As she has seen the policy document only on 30.11.2009, the date of receipt should be taken as 30.11.2009 only. She has said that she has not signed the receipt of policy document or she has received it and therefore she is availing the free look period to return the policy document. It is seen that in support of her being away from India, she has produced photocopies of her passport.

The crux of the issue in this case is the question of the date of receipt of policy document by Smt. Padmaja Bhattacharjee. She has provided proof that she was away from India during the period from 15.08.2009 to 13.09.2009 by producing her passport. She states she saw the envelope containing the policy document lying on the floor of the staircase of her residence when she came to her residence on 30.11.2009. and that this is the date on which she has seen the policy document. But the Insurer has stated that the policy document was delivered to her residence on 18.08.2009 and it was sent by M/s Velocity Courier and the same was accepted by a person named Mr. Sabhapatisingh on 18.08.2009 with Contact No. 24999438”. Thus the Insurance Company refused to consider the 15 days cooling off period reckoned with effect from 04.12.2009 and denied the cancellation of the policy.

Regulation 6 (2) reads as “(2) While acting under regulation 6(1) in forwarding the policy to the insured, the insurer shall inform by the letter forwarding the policy that he has a period of 15 days from the date of receipt of the policy document to review the terms and conditions of the policy and where the insured disagrees to any of those terms or conditions, he has the option to return the policy stating the reasons for his objection, when he shall be entitled to a refund of the premium paid, subject only to a deduction of a proportionate risk

premium for the period of cover and the expenses incurred by the insurer on medical examination of the proposer and stamp duty charges”.

“Regulation 6(3) reads as “In respect of a unit linked policy, in addition to the deductions under sub-regulation (2) of this regulation, the insurer shall also be entitled to repurchase the unit at the price of the units on the date of cancellation”.

A reading of the above provision clearly brings out the fact that the date of receipt of the policy by the insured will effectively decide the cooling off period of 15 days. This means, the insured is given a choice to go through the policy document, the various conditions and benefits and take a decision regarding continuation of the cover or cancellation of the same.

In the case of Smt. Padmaja Bhattacharjee, the company’s stand is that the policy document has been delivered on 18.08.2009 at her residence. It is seen that the company is satisfied with the acknowledgement given by a third party who has acknowledged the courier slip and the company has failed to verify whether the party had a proper authority on behalf of the life assured to receive the policy document. The policy document is the evidence of the life insurance contract. The contract is between the insurer and the insured and is a vital document which spells out the benefits and conditions of the contract. It is imperative that the insurance company should ensure that the document is acknowledged definitely by the insured or if the insured is absent, the receipt of the document is acknowledged by a person who has been duly authorized by the insured to receive the document. In my view, the Insurer cannot and should not compromise on this important aspect, in view of the fact the Regulations provide the free look period to protect the interest of the Insured, which gets effective from the date on which the policy document is received by the insured.

While proceeding to pronounce my award in this instant case, I have to make an observation that Life Insurance Companies should ensure that the policy documents are received only by the Insured or their representative on due authorization with proper verification. This is to be religiously followed by all the policy issuing offices so that the customer is treated in a fair and just manner and whenever the free look period option is exercised by the insured, appropriate relief is given by the insurer to justify the spirit under which the Protection of Policyholders’ Interests Regulation 2002 has been passed. Hence Kotak Mahindra Old Mutual Life Insurance Ltd. is directed to cancel the Policy No.1664004 on the life of Smt. Padmaja Bhattacharjee and refund the amount of Rs.99,999/- after deduction of proportionate risk premium for the period of coverage and the expenses incurred by the insurer on medical examination and stamp duty charges.

Award No.IO/MUM/A/ 416 /2010 - 2011

Complainant : Shri Shripad Diwakarrao Dharmadhikari

V/s.

Respondent : HDFC Standard Life Insurance Company Ltd., Pune

AWARD DATED 22.12.2010.

Shri Shripad Diwakarrao Dharmadhikari had taken a HDFC Saving Assurance Plan from HDFC Standard Life Insurance Company Ltd. with SA Rs.83,010/- with yearly premium of Rs.10,000 for a term of 10 years. The DOC was 8.12.2009

Shri Shripad Diwakarrao Dharmadhikari submitted his letter dated 29.03.2010 to the Insurer requesting for cancellation of the policy and seeking refund of the premium paid by him citing the reason that he was informed by the agent that the insurance policy being Saving Assurance Plan is similar to Recurring Deposit and he will receive the returns upto 6% yearly and also bonus time to time. He stated that the agent informed him that after 5 years if he surrenders the policy he will get Rs. 50,000/- alongwith 8%-9% interest. However, on dialing Customer Care, he found out that this was not the fact and therefore he wanted to cancel the policy. HDFC Standard Life Insurance Company Ltd. replied to his letter vide letter dated 29.04.2010 stating that as per the Option to Return / Withdraw the policy document, "if the policyholder is not agreeable to any of the provisions stated in the policy and the details in the proposal form, he/she has the option to return or withdraw the policy by stating the reasons thereof. This option is valid for a period of 15 days from the date of receipt of the policy and once they receive the letter alongwith the original policy document, they arrange for a refund. As we have not received your cancellation request within 15 days free-look period, we are unable to process refund of premium paid towards this policy".

The policy document was dispatched to the life assured on 12.12.2009 via speed post vide POD NO.EM2716440521N. The policy document was dispatched to the life assured as per the address given in the proposal form. His argument that the policy was received by his parents in his native place and was seen by him only after 3 months, holds no ground as the policy documents was sent to the address given in the proposal form.

As per the documents, it is clear that Shri Shripad Dharmadhikari did not cancel the policy within the 15 days free-look period. As to his accusation that the agent had hidden some facts about the policy does not hold good because of the fact that he has signed the proposal form. In a sale of life insurance policy, the facts are to be established by documents and the proposal signed by the proposer is the basis of the contract and once it is signed, subsequently the proposer cannot deny the contents of the proposal form. Shri Shripad Dharmadhikari is also

an educated person. He should also understand that life insurance cover is completely different from a bank fixed deposit or a recurring deposit. A Life Insurance Cover is a risk cover of life wherein in any unforeseen circumstances the insured's life is covered for the policy term. He should not mix up these saving elements as they are completely different.

In this instant case, the complainant has not exercised his option to cancel the policy within the mandatory free look period of 15 days and hence I find no reason to intervene with the decision of the Insurer in not acceding to the complainant's request to cancel the policy and refund the premium.

MUMBAI INSURANCE OMBUDSMAN CENTRE

Complaint No.LI-764 (2010-2011)

Award No.IO/MUM/A/ 591 /2010 - 2011

Complainant : Shri Dharamchand Shivchand Nimani

V/s.

**Respondent : HDFC Standard Life Insurance Company Ltd.,
Pune**

AWARD DATED 29.3.2011.

Shri Dharamchand Shivchand Nimani, had taken a Unit Linked Endowment Plan (Life & Health Option) policy from HDFC Standard Life Insurance Company Ltd. The Critical illness benefit was for Rs.2.00 lacs and life cover of Rs.2.00 lakhs The premium was Rs.10,000/- payable yearly. The DOC was from 9.5.2006

Shri Dharamchand Shivchand Nimani on 21.05.2010 informed the Company that he was having blockage in veins. Angiography was done on 19.04.2010 and he underwent CABG (Coronary Artery Bypass Surgery). He submitted his claim form and the medical documents under critical illness to the Company. The company approached the life assured's family doctor and obtained various medical documents when it was brought to light that the life assured had a history of HTN since 1998 and Inferior MI in March 2001. According to the Company they stated that under Section D – Personal and family history of the life to be assured under Point 6 of the proposal form, to the question “Have you ever suffered from any of the following conditions? “High Blood Pressure and Heart Disease” – he had answered in the negative. The information on Hypertension and Myocardial Infarction was not disclosed in the Application dated 09.05.2006. They stated that had this information been provided to the Company at the time of applying for the insurance policy, they would have not allowed any Critical Illness Cover. The Company repudiated the claim.

Now let me examine the grounds on which the Insurance Company has denied the critical illness cover. When Shri Nimani submitted his claims for Critical Illness Cover, he has submitted the relevant information in the following manner:-

Suffering from high BP	since 2001
Date of 1 st consultation	January 2010
Investigation done ECG	20 times
Cardiac Enzyme Test	In 2001
ECG	In 2001
CTMT/Thallium Scan	4 times

He has given copies of the test reports done at Unique Diagnostic Centre of Dr. Yatin G. Joag. The first report dated 3/4/98 reveals that Shri Nimani had a history of HTN and atypical chest pain and was screened for evidence of CAD on Bruce Protocol. The report indicates that he exercised for 12 minutes and 33 seconds and the Doctor reports that he was hypertensive BP responsive and TST is negative for inducible myocardial ischemia. Shri Nimani has also produced two more reports dated 26/03/01, 6/6/02 from the same medical examiner Dr.Y.G.Joag, where both of them indicate as "Normal BP response and TST is negative for inducible myocardial ischemia." Only the report dated 13/04/10 clearly states that "Shri Nimani has Hypertensive BP response and his TST is positive for inducible myocardial ischemia."

An examination of all the above, reveals that Shri Nimani has indeed a history of hypertension and he was regularly taking medical check ups with his family Physician Dr. Joag.

In the case of Shri Nimani, who is about 53 years age, the incidence of Hypertension was definitely there. Hypertension and Diabetes etc have become very common and they have become life style ailments and people by and large take recourse to medications and change of life style keep and them under control. But such persons when they apply for Life Insurance or health insurance cover are duty bound to reveal all facts. In the case of Shri Nimani he has failed to do so and hence has committed breach of trust. The claim was denied.

However, the policy taken by Shri Nimani with HDFC Std Life Insurance Company is a Unit Linked Plan and in such a policy the bulk of premium goes towards investment in funds chosen by the Life Assured and under such investment the risk is fully borne by the individual concerned, the insurance company bears only life risk and investment risk is borne by the individual. Hence HDFC Life Insurance Company cannot deny and deprive the policyholder all the monies when they took a decision to deny the Critical Illness Cover and cancel the policy. HDFC Standard Life Insurance Company Ltd. was rected to pay the Policy Fund Value less the applicable charges as per the IRDA rules as on the date of intimation of claim for Critical Illness cover.