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Ahmedabad Center

Maturity Claim: NIL

BHUBANESWAR OMBUDSMAN CENTER

Complaint No.24-001-0507

Sri Phagun Harpal Vrs. LIC Of India

Award dated 30th October 2008

FACT: -

1.The complainant had taken one insurance policy bearing No 10810828 from Life Insurance Corporation of India (hereinafter be referred to as the insurer) under table & term 14-21 for Rs 7000/- with commencement date 28.03.73.under Salary Saving Scheme The policy matured for payment on 28.03.94.Till the complaint date i.e 07.05.07.maturity claim was not settled by LIC of India. So the complainant approached this forum.

2. The policy was under Salary Saving Scheme. The insurer produced deduction particulars of last 21 years. The maturity claim was settled on 20.03.09.for an amount of 12187/- deducting an amount of Rs 7807.80 from the total amount payable. The complainant demanded the said deducted amount of Rs 7807.80 and interest for delay in settlement of the maturity claim.

3. After registration of the complaint the insurer however paid to the complainant the interest sum amounting to Rs 12187/-, but did not pay the deducted amount of Rs 7807.80 This fact was also brought to the notice of the insurer , but no action was taken.

4. The case was heard on 21.08.2008. On that date the insurer confirmed that they received the details of deduction of premium from salary for the amount so deducted from the claim proceeds.

AWARD:-

In view of the same the ombudsman directed to pay the said amount within one month with interest from the date of maturity failing which interest will be charged @ 18%from the date of order till date of payment.

BHUBANESWAR

BHUBANESWAR OMBUDSMAN CENTER

Complaint No.21-001-0274

Smt Tillotama Bhuyan Vrs LIC Of India (Baripada Branch of Cuttack DO)

Award dated 16th January' 2009

FACT: -

The complainant had taken one policy bearing No 5803 31435 from LIC of India Baripada Branch (hereinafter be referred to as insurer) with commencement date 26.03.98.for Rs 15000/-. The policy matured for payment on 28.03.2995. The complainant claims to have paid all premium dues upto maturity So on maturity he was supposed to get full Rs 15000/- plus bonus. But he was paid Rs 11250/- plus bonus. On further verification it was found that 14 no of quarterly premiums deposited by the insured was wrongly sent to Rairangpur BO instead of BaripadaBO.Rairangpur BO sent back the said amount of Rs 4095./-to Baripada BO who instead of recalculating the maturity value refunded the amount to the insured. Hence the complaint.

The said complaint was heard on 26.09.08.

The insurer recalculated the full maturity value for S.I. Rs 15000/- which amounted to Rs 29415/- Out of the said amount Rs 22624/-+RS 4095. has been paid . So balance Rs 2696 /-was paid back to the insured

But since the balance maturity amount has been paid late she is entitled to get interest. The authorized branch to receive the premium is Baripada Branch not Rairangpur Branch. But Baripada branch received the balance premium on 28.04.06

AWARD:-

The forum is of the opinion that the policy matured on 28.03.05.and the benefits were paid to her basing on the premium position available at that time. but when they received the balance premium they should have recalculated the maturity value and paid the balance amount with interest Hence the forum directed the insurer to pay interest for delay on balance maturity value at the prevailing rate from 28 .04.06.till the date of payment within one month from the date of receipt of the consent letter.

BHUBANESWAR OMBUDSMAN CENTER

Complaint No.21-001-0286

Sri Padmanav Nanda Vrs. LIC Of India (Khurda Branch of Cuttack DO)

Award dated 24th february'2009.

FACT: -

The complainant had obtained Insurance Policy bearing No 580239223 of LIC under salary saving scheme which matured on 16.06.2004. The said maturity claim was settled on 09.06.04. for Rs 28514/- & on 14.03. 08 for 2559/-.

It is revealed from insurers letter dated 04.03.08. that the premiums are collected through stray collections paid by the pay disbursing Authority. At the time of settlement of the claim there were 15 no of gaps while paying the paid up value with bonus. While verifying stray records insurers office found 5 monthly due claims and paid the same with bonus amounting to Rs 1972. with interest. for delay for Rs 587/- was paid on 07/03/08.

The other 10 gaps are 3/99, 6& 11/2888, 6,8,9,& 12/2001 1/20023& 7/2003. The complainant submitted that his premium was deducted for those 10 months , but at that time he was in Vijag The complainant also submitted the record from Sr s/o Railways Vijag stating that the cheques pertaining to premium of those gaps were drawn against SBI Visakhapatnam , but the remitting office of LIC was not traceable.

AWARD:-

Hence the Ombudsman decided that the complainant should provide information to insurers Khurda Branch to locate the missing dues and details of remittance of those months from his employer. And Khurda branch should try to collect the amounts from the concerned branch and arrange to refund within one month of receipt of the records from the complainant.

BHUBANESWAR OMBUDSMAN CENTER

Complaint No.24-001-0553

Sri Raghunath Mohanta Vrs LIC of India (OGSSS DEPT of Cuttack DO)

Award dated 14th January' 2009.

FACT: -

The complainant had obtained a policy bearing No 581211444 from LIC of India (hereinafter be referred to as Insurer) for sum insured of Rs 25000/-commencing from 28.08.91.for 15 years. He had two policies with LIC. But there was delay in settlement of claim, hence this case was registered. and was heard on 26.09.08.

Out of three policies referred Maturity value for policy no 581211444 was paid amounting to Rs 31379/- vide cheque dated 12.09.08. and the S.B.Claim under Policy no 581214613 has been paid vide cheque dt 19.06.08. as admitted by insured. The third policy No 581213795 is due to mature in March 09. As regards policy No 581211444 the date of maturity was 28.06.2006. but payment was made on 12.09.2008.

AWARD:-

Hence the forum directed LIC to pay interest on the Sum insured at the rate prevailing from 28.09.2006 to 12.09.2008 within receipt of the consent letter from the complainant failing which the insurer would be liable to pay interest @18% from date of order till date of payment

BHUBANESWAR OMBUDSMAN CENTER

Complaint No.21-001-0254

Smt Basanti Jena Vrs LIC of India (Bhubaneswar branch I Bhubaneswar DO)

Award dated 4th November' 2008

FACT: -

The complainant had a policy from LIC of India (herein after be referred to as insurer) bearing No584086218 for Sum insured Rs 215000/-. The policy matured on 23.07.2006. Though sum insured with bonus was paid no loyalty amount was paid to the policy holder .hence the case

The insurer clarified during hearing that as per policy condition the loyalty addition would be paid in addition on declaration of the same by insurer. Since it was not declared the loyalty amount as claimed was not paid. The payment of loyalty is regulated by declaration , but not mandatory.

AWARD:-

The forum held that in view of the above reason the complainant has no scope to claim loyalty. Hence the complaint was dismissed

BHOPAL

OFFICE OF THE INSURANCE OMBUDSMAN
Bhopal

Shri Shivratn Prasad Gupta... ..V/S

LIC of India

Order No. BPL/LI/02-09/55

Case No.LI-198-20/10-08/JBP

Under Redressal of Public Grievances Rules, 1998

Brief Background

Shri Shivratn Prasad Gupta, resident of Ambikapur, Sarguja (hereafter called as complainant) has lodged the complaint that he has taken a policy no. 380666522 under SSS Plan on 28.10.1987 with term of 20 years. The policy is matured on 28.10.2007 but still he has not received the maturity payment under the said policy, for which he has made sufficient follow up with the LIC of India but still the payment has not been made to him.

Aggrieved from the action of the respondent the complainant has lodged the complaint seeking direction to respondent to pay maturity payment.

For the sake of natural justice hearing was fixed on 11/02/2009 at camp – Bilaspur. The Complainant was absent despite prior intimation.

The respondent represented that the payment was made on 30.01.2009 by cheque no. 316830, 316831 and 316832 for Rs. 18145, 3694 and 3001 respectively, including a payment of survival benefit with penal interest and sent the same by speed post no. ee826945954 and we confirmed also telephonically that he has received the same.

Since the complaint is redressed by the LIC of India and the complainant has received the maturity payment by above cheques, the complaint is dismissed.

Dated at BHOPAL, on 18th February, 2009

CHANDIGARH

MATURITY CLAIM

Chandigarh Ombudsman Centre

CASE NO. Bajaj Allianz/284/Pune/Panchkula/22/09
In the matter of Sandeep Dhillon Vs Bajaj Allianz

Order dated : 16.12.08

FACTS : The complainant, Sh. Sandeep Dhillon stated that he had purchased a policy bearing no. 0002851806 with DOC 15.09.03. The policy matured on 15.09.08 after completion of 5 years. The matured amount received was Rs. 55,292/- as against a total premium paid of Rs. 59,021/-. He failed to understand how the amount arrived was less than the paid premiums as it was not a ULIP policy.

FINDINGS : The insurer clarified the position by stating that as per the terms and conditions of the policy, the amount payable at the time of maturity to the surviving Life Assured is the basic sum assured plus bonus. Since the basic sum assured in this case was Rs. 50,000 the same was paid alongwith accrued bonus of Rs. 5292.

DECISION : Held that the action taken by the insurer is as per the terms and conditions of the policy and the complainant is advised to bear with the same. The complaint was dismissed.

Guwahati

GUWAHATI OMBUDSMAN CENTRE

Complaint No. 24/001/166/L/08-09/GHY

Mr. Sunil Ch. Debnath- Vs -

L.I.C. of India, G. B.O.-III under Guwahati D.O.

Award dated : 09.03.2009

The Complainant had obtained a policy bearing No. 480048414 from the LIC, G.B.O.-III under Guwahati D.O. which attained maturity on 28.07.2007 and accordingly he submitted the relevant documents before the Insurer in the last part of June, 2007. The Insurer has however delayed the settlement of the claim and only on 14.05.2008, the cheque for the maturity value was issued without allowing any penal interest for the delay in settlement. Being aggrieved, the Complainant approached this forum for redressal.

During the course of hearing, the Complainant Mr. Sunil Ch. Debnath said that he had submitted the claim related documents before the Insurer in the last part of June, 2007 but the Insurer delayed the settlement of the claim and only on 14.05.2008 a cheque for the maturity value vide cheque No.028033 was issued to him without allowing any penal interest for the delay in settlement. Speaking for the Insurer, Mrs. S. Rakshit however stated that although the Complainant submitted the discharge voucher which reached the Insurer on 05.07.2007, but the Complainant had failed to furnish the Bank particulars which is a must for issuing cheque involved in the maturity claims and due to non receipt of the same, release of the claim was delayed although the cheque for the settled amount was prepared on 28.07.2007 itself. According to her, when the above cheque became stale and on receipt of Bank particulars i.e. S.B. account No. the fresh cheque for the maturity value amounting to Rs.54,100/- was issued vide cheque No.028033 dated 14.05.2008. Mrs. Rakshit further stated that as per usual practice being adopted, excepting Survival Benefit cheques, cheques for other claims are to be issued and payable at the Bank account number furnished by the Claimant and in the instant case also only on receipt of Bank account No.21660 on U.B.I. from the Complainant, the cheque was issued on 14.05.2008 without any delay. Anyway, the Complainant appears to have furnished the account number and it was noted by the Insurer in his letter dated 12.12.2007. According to Mrs. Rakshit, this was collected from him over phone but date on which the number was collected has not been noted. So, it can be presumed that it was collected on 12.12.2007 and the Insurer was in a position to issue the cheque on 12.12.2007, but the Insurer appears to

have not issued the cheque till 14.05.2008. The Insurer delayed the matter, without any reason, in issuing the cheque for the maturity value since 12.12.2007 to 14.05.2008 and hence they are liable to pay the penal interest @ 8% with effect from 12.12.2007 till 14.05.2008 on the settled amount. The Insurer was directed accordingly.

Guwahati Ombudsman Centre

Case No.24/001/090/L/08-09/GHY

Sri Amitabh Bihani -Vs-

L.I.C. of India, Nagaon B.O., under Guwahati D.O.

Award dated = 27.10.2008

This petition was filed by the Complainant against delay in settlement of the maturity claim.

The Policy bearing No.25488156 held by Mr. Amitabh Bihani attained maturity on 28.03.2008 but the Insurer has not taken any steps to settle the claim even inspite of repeated requests. He, therefore, approached this forum for relief.

During the course of hearing, the representative of the Insurer attended while the Complainant did not attend. According to the representative of the Insurer, the Nagaon Branch could not settle the maturity claim of the policy due to non availability of the policy master in the Branch although the policy attained maturity in March / 2007. He also mentioned that the policy was transferred from Ajmer Divl. Office in the month of March / 1997 without policy master and policy docket which has created the problem in settling the claim at the Branch level. He also stated that only on 23.10.2008, the Nagaon Branch of the Insurer has taken up the matter and had written to the Guwahati Divl. Office for creation of the policy master. It is surprising to note as to why proper steps were not taken in time to complete the formalities in order to settle the claim, although the policy attained maturity long back.

The copy of the policy document shows that date of maturity is 01.03.2008 whereas the Status Report produced contained incorrect information showing date of maturity as 01.03.2007. It is surprising to note from the Complainant petition that the Complainant pointed out the mistake but the Insurer paid no heed and the correct data was not inserted and particulars were not updated. These are the lapses on the part of the Insurer in rendering services to the valued customers for which the policy holders are unnecessarily harassed. The Insurer shall adjust the premium received by them on 24.03.2006 (for the 2nd time) towards due March / 2005 against premium due March / 2006 and the late fee of Rs.111/- realized shall be refunded to the Insured. The premium for March / 2007 shall be realized from the maturity value without charging any interest.

The Insurance Company was directed to complete the formalities of payment within 15 days alongwith penal interest for the delay in settlement of the claim and such interest shall be calculated w.e.f. 01.03.2008 till the date on which the payment is released.

KOCHI

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-249/2008-09

Shri C.J.Yohannan

Vs

LIC of India

AWARD DATED 04.12.2008

The complainant had taken an annuity policy for a notional cash option of Rs.50,000/- with an annual premium of Rs.9,988/-. The policy commenced on 28.03.2002. Date of vesting - 28.03.2007. On 10.03.2008, he applied for maturity value. He was informed that nothing is payable under the policy, as policy was lapsed without acquiring paid up value. It was submitted by the insured that his intention was to take a single premium policy. The agent duped him by applying a policy with yearly mode. So the matter has to be seen as a special case. It was submitted by the insurance company that the policy was issued as per the proposal form signed by the proposer and they can act only as per policy conditions.

The copy of policy was produced which shows it as a yearly premium policy with Notional Cash Option of Rs.50,000/-. Premium paying term is 5 years. It was further written that premium was payable yearly in March every year. Hence from the face of it, it is clear that it is a yearly premium paying policy. At the time of taking the policy, the insured was holding a good post in Kerala Govt.service. Hence on getting the policy, he would have verified the same. It cannot be believed that a person like the complainant would expect a cash option of Rs.50,000/- just by paying a single premium of Rs.10,000/-. As the insurance company issued policy strictly in accordance with the proposal, there is no reason to interfere in the decision taken by the insurer and the complaint is, therefore, **DISMISSED**.

INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/21-001-295/2008-09

Shri K.C.Moosa Haji

Vs

LIC of India

AWARD DATED 16.12.2008

The complainant had taken a whole life policy where premia are payable for a selected period. As per the policy condition, premia have to be paid for 31 years or upto premature death. The claim under the policy is payable only at the time of death. On completion of payment of premium with regard to his query on claim payment, he was informed that maturity claim will be settled in 2013 on his completing age 85. But contrary to this offer, he was paid maturity benefit in July 2008 without his request, thereby denying him the bonus up to 2013. His request is to get bonus upto 2013 as fixed earlier. It was submitted by the insurer that being a whole life policy, claim amount is payable only at the time of death. However, a relaxation was made to this condition in 1996 allowing claim payment at the age of 85 years. This was further relaxed in 1999 in the 'year of senior citizens', allowing claim payment at the age of 80 and hence, maturity benefit with accrued bonus of Rs.1,83,230/- was paid on 18.07.2008. These relaxations were only beneficial to the complainant and payment was made after getting duly signed and witnessed discharge form. The insurer is prepared to reinstate the policy and keep it alive till his death, if he is prepared to refund the amount of Rs.1,83,230/- received by him. This was informed to him but he is not prepared to refund the amount received by him. What the insurer has done is only beneficial to the complainant. As he is not prepared to refund the amount received by him, there is no point in insisting for bonus payment after getting maturity benefit. The complaint is, therefore, devoid of any merit and hence, dismissed.

INSURANCE OMBUDSMAN, KOCHI

Complaint No.IO/KCH/LI/24-001-246/2008-09

Shri N.P.Mohanan

Vs

LIC of India

AWARD DATED 16.12.2008

The complainant had taken a Jeevan Shree Policy w.e.f. 28.01.2002 for a term of 25 years and premium paying term of 16 years. On request of the policy holder, the term was reduced to 10 years and premium paying term as 6 years, thereby policy maturing in 2012. But in the status report given to the policyholder, the maturity date was wrongly shown as 28.01.2008 instead of 28.01.2012. The complainant approached the insurer for getting the maturity amount in 2008 itself.

It was submitted by the insurer that the date of maturity was shown in the status report as 28.01.2008, just by a mistake and actually date of maturity is only 28.01.2012. The insured is also well aware of it as he has repaid the loan outstanding on 07.02.2008. Had the policy matured on 28.01.2008, he would not have repaid the loan. Instead, the same would be adjusted from the claim amount. The correct maturity date was given in the policy document, at the time of alteration. The complainant is eligible to get the maturity benefit only on 28.01.2012.

The term of the policy was reduced to 10 years with 6 years premium paying term. Hence the date of maturity is only 28.01.2012. The insurer has submitted that the correct date of maturity was noted in the policy. But the complainant has not produced the same in spite of our letter dated 26.11.2008 followed by registered letter dated 3.12.2008. Hence the contention of the insurer only is to be believed. Even in the status report, it is stated that the term of the policy is reduced to 10 years. Hence the date of maturity is only 2012. The complaint is, therefore, denied of any relief and hence, dismissed.

KOLKATA

Kolkata Ombudsman Centre

Case No.266/24/001/L/07/08-09

Shri Indranil Kanti Chakraborty

Vs.

Life Insurance Corporation of India.

Award Dated : 16.10.2008

FACTS AND SUBMISSIONS:

This is a petition filed by the complainant against non-payment of maturity claim.

The complainant, a Valuer and Surveyor, purchased LIC Policy No. 410419703 with DOC 28.03.1989 for Sum Assured (SA) Rs.25,000/- under Jeevan Balya Scheme (Plan 101). He was under the impression that his policy matured on 28.03.2008 and he submitted the original policy bond with discharge voucher. However, he was informed by the insurer that the policy actually would mature on 28.03.2013 and he would have to pay the premium till 28.03.2012. He felt that he was made to suffer and was victimized due to mistake on the part of the agent and the insurer. According to him, maturity claim payment after end of the policy term was the duty on the part of the insurer which was being not honoured. He approached this forum submitting P forms giving his unconditional and irrevocable consent for the Insurance Ombudsman to act as a mediator for the resolution of the complaint.

They have furnished a SCN admitting printing of 19 years term wrongly done on the policy bond instead of correct term of 24 years. As such claim intimation was generated in their system but the mistake was detected while checking the claim voucher.

HEARING:

In response to a notice of hearing, the representatives of the insurance company attended . The complainant did not attend. However, he has sent a letter dated 13/10/08 in which he has stated that he would wait for a further period i.e., till 2013, being the maturity year. He also stated that he would not like to proceed in the matter any further. He requested that the policy may be corrected accordingly. A copy of this letter had been handed to the representatives of the insurance company and they were directed to correct the policy as requested by the complainant.

DECISION:

We direct the LICI to immediately take up the matter and correct the policy as requested by the complainant. This exercise should be completed within 30 days on receipt of this order.

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Kolkata Ombudsman Centre

Case No. 203/24/001/L/07/08-09

Smt. Kalpana Dutta

Vs.

Life Insurance Corporation of India.

Award Dated : 06.11.2008

FACTS AND SUBMISSIONS:

This is a petition filed by the complainant against non-payment of maturity claim on 2nd life.

The complainant had a joint life policy (No. 430131225) with DOC 28.07.1987 under T/T 89-20 for SA of Rs.50,000/- with maturity date – 28.07.2007. On the death of her husband (date not known), she received the Death Claim for the said policy. Subsequently, the policy matured on 28.07.2007 but in spite of several follow-up, she did not receive the maturity benefit for the said policy. She was told that concerned B.O. did not have any record. So she appealed to this Forum seeking justice for non-payment of the maturity claim. She has not submitted the P Forms till date.

In spite of our intervention vide our letter dated 07.07.2008, we have not received the Self Contained Note (SCN) till date.

HEARING:

In response to a notice of hearing, both the parties did not attend. Therefore, we propose to deal with the matter on ex-parte basis.

DECISION:

It is stated by the complainant that she has received death claim on the 1st life against the above policy. If that is so, the status of the policy will become fully paid up and BSA with vested bonus would be payable on 28/07/07. The LIC has sent a letter on 05.11.2008 stating that they have written a letter to Secretary (CRM), C.O. to solve the computer problem for payment of the claim through the module. In that letter, they have requested that some time may be allowed for resolving the complaint.

Keeping in view the above, we direct the LIC to resolve the complaint within 30 days from the receipt of this order and pay whatever due to the complainant as per the policy. However, the complainant can revert back to this forum or go to any other forum if she is not satisfied with the decision of the insurance company. Accordingly, the complaint is disposed of.

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