

AHMEDABAD OMBUDSMAN CENTRE

CASE No. 21-001-0788-12

Smt. Anjana B. Vaidya V/s. Life Insurance Corporation of India

Award dated 29th June 2012

Short payment of Surrender Value under Jeevan Dhara Plan

Complainant received annuity upon maturity amount Rs.2,08,919/- instead of Rs.2,16,318/-. Respondent issued letter to indicate her preference with regard to commutation, pension payment option and mode of pension payment, but complainant preferred to surrender the policy instead to submit option letter for pension which was considered by the Respondent and paid the Surrender value as per terms and condition of the policy. The payment accepted by the complainant so there is no ground for interfere the Respondent.

Thus Complaint closed without any relief to the complainant.

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AHMEDABAD OMBUDSMAN CENTRE

Case No.23-001-0858-12

Shri Mukesh S. Joshi V/s. LIC of India

Award dated 20th July 2012

Rejection of Annuity benefit of the DLA

Complainant's deceased mother covered Individual Pension Plan with Term/Table 189-01 Jeevan Akshay –IV Policy for S.A Rs.3.00 Lacs.

Respondent paid S.A plus interest for late payment but Annuity amount not paid as per the Circular of the Head of the Department.

The DLA was 80 year old, Concession are offered by Govt. of India and its various Department and Organizations to Senior Citizens in several schemes, the Forum favoured to the Complainant and advised to the Respondent to settle the claim on ex-gratia basis.

In the result complaint succeeds.

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AHMEDABAD OMBUDSMAN CENTRE

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In the result complaint succeeds.

AHMEDABAD OMBUDSMAN CENTRE

Case No.21-012-1041-12

Shri Vipul Bhatt V/s. Met Life India Life Insurance Co. Ltd.

Award dated 23rd July 2012

Rejection of Premium paid amount

Complainant paid an amount of Rs.1,00,000/- for single premium mode in the proposal form filled by the complainant but in the policy printed for regular premium for 15 years. Complainant is having 2 more policies S.A Rs.30,00,000/- with the same Insurer. However Complainant cancelled his proposal before receiving the Policy which was not acceded by the Respondent.

On scrutiny of both the parties, the Forum considered fair and proper to accept his complaint as special case and ordered to refund the amount as per rules.

In the result complaint succeed.

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AHMEDABAD OMBUDSMAN CENTRE

Case No.21-003-0977-12

Shri Shankarbhai M. Prajapati V/s. TATA AIG Life Insurance Co. Ltd.

Award dated 17th July 2012

Repudiation of Free Look cancellation of policy

Complainant applied cancellation of policy and refund of first premium paid without any deduction was rejected by the Respondent, and deduction made were towards service tax, cost of insurance, loss towards investment and stamp duty.

A policy holder has a right to cancel the policy within 15 days from the date of receipt of policy document and receive premium paid amount after deducting any expenses like stamp duty, medical examination, service charge, cost of investment etc.

In view of this complaint succeeds partially.

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AHMEDABAD OMBUDSMAN CENTRE

Case No.21-004-0999-12

Ms. Varshaben Bhatt V/s. ICICI Prudential Life Insurance Co. Ltd.

Award dated 18th July 2012

Repudiation of Critical Illness Benefit

Complainant hospitalized for para umbilical Hernia, cirrhosis of liver, portal hypertension etc and claimed for Rs.1,39,455/-was repudiated by the Respondent by invoking conditions No.3 (i).

The Critical Illness Benefit policy covered 35 critical illness but the complainant treated for above mentioned diseases are excluded in the 35 critical illness.

Complainant treated for hernioplasty and claimed for end stage liver disease which was proved by the Respondent.

In the result complaint fails to succeed.

AHMEDABAD OMBUDSMAN CENTRE

Case No.22-001-0997-12

Shri Krunal N. Patel V/s. Life Insurance Corporation of India Ltd.

Award dated 18th July 2012

Repudiation of Free Look Cancellation of policy

Complainant had a Jeevan Saral Policy for S.A Rs.25.00 Lacs and first half yearly premium paid for Rs.60,650/-. Thereafter complainant decided to cancel the policy within 15 days and immediately completed all formalities which was not accepted by the Respondent.

From examination of both the parties, the Forum advised the Respondent to cancel the policy and refund the premium paid as per rules within 15 days from the receipt of consent from the complainant.

In the result the complaint succeeds.

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AHMEDABAD OMBUDSMAN CENTRE

Case No.21-002-0921-12

Smt. Diptiben J. Panchal V/s. SBI Life Insurance Company Ltd.

Award dated 12th July 2012

Rejection of refund of Premium paid amount

Complainant signed a Proposal Form of SBI Life Insurance Company and first premium paid for Rs.25,000/-. After getting the policy, she came to know that the premium have to pay up to 10 years yearly Rs.25,000/-, the Agent advised her to pay premium only 5 years and 6th year maturity amount will be Rs.1,80,000/-. However complainant decided to cancel the policy after Free Look period which is not acceptable by the Respondent.

The Forum advised the complainant and her husband to continue the policy as it is not possible to cancel after Free Look period.

In the result complaint fails to succeed.

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AHMEDABAD OMBUDSMAN CENTRE

Case No.21-022-0866-12

Shri Dhananjay K. Jani V/s. Star Union Dai – Ichi Life Insurance Co. Ltd.

Award dated 9th July 2012

Short receipt fund value under annuity policy

Complainant lodged a claim on death of his wife which was paid by Respondent very late and short amount, so complainant demanded for difference amount plus interest for late payment.

The Respondent informed the policy was fully pension plan for 5 years plan and only two installment for Rs.36,000/- each was paid, this policy was no life cover.

The Forum instructed to pay interest for late payment as per IRDA's Act within 30 days from the date of consent from the complainant.

In the result complaint partially succeeds.

AHMEDABAD OMBUDSMAN CENTRE

Case No.25-012-0955-12

Shri Chandrakant P. Bhuva V/s. Met Life India Insurance Co. Ltd.

Award dated 24th July 2012

Rejection of cancellation of policy and refund of Premium paid

Complainant requested to cancel the policy and refund of premium during Free Look Period was repudiated by the Respondent stating that the request for cancellation is after free look period. The Complainant had not received the policy so free look period is not applicable.

However the Forum recommended to the Respondent to cancel the policy and refund the premium with interest as per IRDA Rules.

In the result complaint succeeds.

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AHMEDABAD OMBUDSMAN CENTRE

Case No.21-010-0970-12

Shri Tushar Kantilal Thakkar V/s. Reliance Life Insurance Co. Ltd.

Award dated 25th July 2012

Delay in correction of Sum Assured in Policy

In the Proposal Form, Complainant by mistake written S.A as Rs.15,00,000/- instead of Rs.1,50,000/- due to slip of his pen so requested to correct and issue the revised Policy document and credit the excess premium charged from his account was delayed by the Respondent.

Respondent accepted his mistake and agreed to issue revised policy document so the Forum closed the file without any quantitative award.

AHMEDABAD OMBUDSMAN CENTRE

Case No.21-007-1039-12

Mrs. Samgita R. Patel V/s. Max New York Life Insurance Co. Ltd.

Award dated 27th July 2012

Repudiation of Premium Paid amount

Complainant's deceased husband had taken two policies for which proposal Form filled one on 3-12-2010 and another one on 12-12-2010 but the Life Assured accidentally fall on his bath room on 5-12-2010. The policy documents were issued on 9-12-2010 and 13-12-2010. Life Assured expired on 14-12-2010.

Respondent had repudiated the death claim on account of withheld material information regarding health of the Life Assured and refunded one policy's fund value.

On scrutiny of both the parties, the Forum decided to uphold the Respondent's decision without any relief to the complainant.

AHMEDABAD OMBUDSMAN CENTRE

Case No.22-007-1087-12

Shri Paresh Panalal Ghehlani V/s. Max New York Life Insurance Co. Ltd.

Award dated 27th September 2012

Repudiation of Surrender Value

Complainant claimed for Surrender value of his Life Insurance Policy after three years from the date of inception of policy was repudiated by the Respondent giving reason that the Policy was in lapsed condition because one premium was not received by the Respondent.

Respondent produced concrete evidences to prove the premium was not received by them so policy was in lapsed condition which was noticed to the complainant 3 times but no response was received by the Respondent. After a lapse of three years, the Complainant required to surrender which is not possible.

In view of these, complaint fails to succeed.

AHMEDABAD OMBUDSMAN CENTRE

Case No.22-007-1087-12

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In view of these, complaint fails to succeed.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 22-003-1391 MISCELLANEOUS

Sri Kaniska Rath Vs. TATA AIG Life Ins. Co. Ltd.,Cuttack Branch Office

Award Dated 10th May, 2012

FACT :- The Complainant states that he paid the 2nd annual premium of Rs.20,000/- through Cheque. On being informed by the Insurer that his cheque was dishonoured, he made cash deposit. But his bank confirmed that the cheque was cleared. In spite of the deposit of the premium being made twice, the O.P. arbitrarily debited Units from his policy a/c. Being dissatisfied, he requested the O.P. to refund all his premiums with interest and Rs,2,00,000/- more towards its wrongful action and consequent sufferings caused to him.

In the Counter, it is stated by the O.P. that when the Complainant paid the said premium through Cheque, units were inadvertently allocated immediately. As the cheque bounced, the units so allocated were reversed. Subsequently, when the cheque was cleared, units were allocated again. No cash payment was received towards the same premium. The Complainant too could not produce the Money Receipt for the cash deposit. Since request for cancellation was made beyond the free look period it could not oblige.

At hearing, the Complainant submitted that he deposited the cheque on 11.09.2007 and it was cleared on 13.09.2007. Yet, he was telephonically informed by the O.P. that his cheque had been dishonoured. He immediately made a cash deposit of Rs.20,000/- to the O.P. and a receipt was granted to him. Thus, the O.P. took the same premium twice – first, through cheque and the second one by cash. He further submits that plea of the insurer that it got the credit for the cheque on 17.10.2007 from the Bank is not correct. The debit of the units on 19.09.2007 was not justified. None on behalf of the O.P. appeared for hearing.

AWARD :- Hon'ble Ombudsman held that the main issue is whether two deposits for the same premium have been made. In the counter it is stated in clear words that the above cheque was cleared on 13.09.2007 which fact is also corroborated from the bank's certificate. As regards cash payment, a photo-copy of the receipt dated 22.10.2007 described as 'Renewal Life Insurance Premium Receipt' has been filed by the Complainant. No contention is raised by the O.P. in the counter disputing issue of this receipt by it. This receipt was issued against a temporary receipt dated 17.10.2007. In the receipt, the payment method i.e. Cash/Cheque are left untouched without deletion of the either. Nowhere in the receipt, it is indicated that this deposit appertains to the said cheque. In the absence mention of such fact, the only conclusion to follow would be that a second deposit towards the annual premium for the same year was made by the Complainant and it was received by the O.P. Also, the Complainant's application for refund of deposits should have been considered under the surrender clause when the policyholder wanted to opt out of contractual relationship.

Hence, Hon'ble Ombudsman directed the O.P. to refund the surrender value of the deposit due on the date surrender value is payable on the policy and in absence thereof from the date of receipt of application dated 25.10.2010 of the Complainant with penal interest @8% per annum till payment and to further refund Rs.20,000/- with interest @8% per annum from 17.10.2007 till payment.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 23-003-1998 MISCELLANEOUS

Sri Asish Agrawal Vs. Tata AIG Life Ins. Co. Ltd.

Award Dated 24th May, 2012

FACT :- In this case, the Complainant has sought corrections in SA in six policies and alternatively, cancellation of all policies and refund of the premium thereof with interest @13.2% per annum.

It is the case of the Complainant that on the allurements given to appoint his wife as Agent who would earn around 15% commission on each premium, his father submitted Proposals for taking six nos. of its Invest Assure Super Star Policies for him on annual premium of Rs.1,00,000/- with SA of Rs.20,00,000/- on each policy. In the Initial Premium Receipts dated 21.12.2009, the Policy nos. U013237954, U013237941, U013237899, U013237938, U013237925 and U013237912 were reflected along with premium amount and SA. But, subsequently the O.P. with fraudulent intention and by forging his signatures in Amendment letters, reduced the SA from Rs.20,00,000/- to Rs.5,00,000/- in each policy besides changing the policyholder's name in Policy No: U013237912 from his name to that of his wife with different Policy No. He wrote to the O.P. to rectify the SA as per the original Proposals and Initial Deposit Receipts issued by the O.P. and alternatively to refund the premium amounts with 13.2% interest per

annum. Since there was no response despite several correspondences made by him, he has to file the complaint.

In the counter, the O.P. has stated that after initial deposit of Rs.1 Lac each on 21.12.2009, during underwriting financial documents were called for but the proposer did not furnish the same. Instead, he filed Amendment Forms for reducing the SA to Rs.5lacs and the policies vide Nos.,U013237954, U013237941, U013237899, U013237938, U013237925 were issued by it on 25.01.2010. The Policy no U013237912 could not have been issued to the Complainant. In its place, at his request, fresh policy under No. U013225102 was issued in the name of his wife with transfer of funds. It is further stated that policies with Rs.20 lacs SA could not have been issued and that there was no discrepancy in the sale process. The Complainant made complaint only on 03.02.2011 regarding change made in SA without his consent. As the Complainant approached for cancellation beyond the free-look period, it declined the request.

AWARD :- Hon'ble Ombudsman observed that the Complainant wanted policies with SA of Rs.20 Lacs each and the Insurer granted Deposit Receipts mentioning the same. For the changes made in the SA, the specific stand of the Complainant is that he had not made any such request. As per the principles of law of Evidence, the burden lies on the O.P. to establish that the signatures in the Amendment Applications are of the Complainant. But, the burden has remained undischarged. That apart, a naked-eye examination of the documents would show that the signature of the Complainant in the Proposal Form clearly differs from the so-called signature of the Complainant in the Amendment application. It is not made clear by the O.P. as to why and for what gain the Complainant opted to reduce the SA. Once the Amendment Applications are eliminated out of consideration, there remains no other material with the O.P. to unilaterally make the changes in the policies with regard to the SA. The same having been done, breach in the policy terms and conditions has been committed by the O.P.. In such circumstances, the Complainant has every right to ask for cancellation of the policies and refund of his deposits. It is clearly stated by the O.P. that the policy holder made the complaint on 03.02.2011.

Hence Hon'ble Ombudsman directed the O.P.to cancel the six policies of the complainant and to refund the premium deposits with interest @8% per annum from 03.02.2011 till date of payment after deducting the Commission amount paid to his wife.

BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 23-003-1399 MISCELLANEOUS

Smt Sumedha Agrawal Vs. Tata AIG Life Ins. Co. Ltd.

Award Dated 29th May, 2012

FACT :- In this case, the Complainant has sought corrections in SA and Name of the insured in one policy and issue of policy bond in respect of another. Alternatively, she has prayed for cancellation of both policies and refund of the premium thereof with interest @13.2% per annum.

It is the case of the Complainant that her father-in law intending to take Life Invest Assure Superstar policy in the name of her husband for Rs.20 Lacs SA, submitted the Proposal with a deposit of Rs.1,00,000/- towards annual premium to the O.P. which issued Initial Premium Deposit Receipt wherein the Name of the insured, Policy No. U013237912, premium amount and the SA of 20 lacs were correctly reflected. But subsequently, another policy bearing no. U013225102 in her name for 5 lacs SA was fraudulently issued to her in place of policy no. U013237912. It is further stated that her father-in-law also paid Rs.1,00,000/- for taking a similar policy in her name. But, in spite of the deposit, neither the Initial Premium Deposit Receipt nor the original policy document nor even a Xerox copy thereof was provided to her by the OP. Sometime afterwards, when the Unit Statement in respect of the latter policy was received, she could know the policy no. to be U013237909 and the SA to be Rs. 20 Lacs on the policy. Her father-in-law made representation to the OP to bring the entries in the policy document of U013237912 in consonance with the Initial Premium Deposit Receipt or alternatively cancel both the policies and refund the premiums deposited thereon with 13.2% interest per annum. But there was no response.

In the counter, while admitting the fact of receipt of application for policy no. U013237912 in the name Complainant's husband on 21.12.2009 for SA of Rs.20 Lacs, the OP has stated that during financial underwriting, the applicant was asked to submit additional document which he did not furnish. Instead, he submitted a duly signed General Amendment Form for decrease of SA from 20 lacs to 5 lacs and further requested in writing on 27.01.2010 for transfer of the deposit in the name of his wife, the complainant. On receipt of the above, a fresh policy bearing no. U013225102 was issued in the name of the Complainant. It is stated, since there was no discrepancy noticed in the sale process and the insured approached for cancellation of the policy beyond the free-look period, it did not accept the request.

At hearing, it was asserted that the Complainant's husband did not submit any application for reduction of the SA and the Amendment application filed by the OP does not bear his genuine signature. The O.P.'s representative asserted that the application contains the genuine signature of the applicant and on the basis of the request made by the husband of the Complainant, the amount was transferred and the SA reduced.

AWARD :- Hon'ble Ombudsman observed that the husband of the complainant has also filed a complaint before this forum against the OP challenging the decrease in the SA in respect of the policy no. U013237912 and an award has already been passed. Hence, the grievance relating to the same policy be treated to have been disposed of. In respect of policy no. U013237909 the complaint is that the original policy document is not yet been received by her. The photocopy of the unit statement would show that the policy no. U013237909 relates to her. In this document, date of issue policy is shown as 31.12.2009. In the counter, not a word has been whispered by the OP regarding delivery of the policy document to the insured. Even during the hearing, OP's representative was unable to say anything regarding the issue of the policy. Though, she sought for some time to furnish

details and enough time was available, yet no material was produced to show the delivery of the policy documents. The contention of the complainant has to be accepted.

Hence Hon'ble Ombudsman directed the O.P. to deliver the policy document relating to the policy no. U013237909 to the Complainant.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 22-002-1402 MISCELLANEOUS

Sri Radhashyam Swain Vs. SBI Life Ins. Co. Ltd.

Award Dated 5th June, 2012

FACT :- In this case, the Complainant has sought for the relief of treating her ULIP as Single Premium policy commencing from 19.10.2006 with consequent accrual of all benefits or alternatively, refund of premium with interest and damages.

It is stated by the Complainant that on the allurement given by the O.P. that his deposit would double in 3 years time, he submitted proposal for purchase of Unit Plus II policy with a deposit of Rs.1,00,000/- by draft dated 19.10.2006 towards single premium. Since he did not receive the policy document within the reasonable time, he contacted the Agent and the officials time and again and had to return every time with their assurance that the document would be received by him. The process continued for around six months where after one day during his absence from the house, the Agent came and handed over the policy bond in his house. Then he noticed that his policy had been made regular one instead of single premium with date of commencement being made from 12.02.2007. There was no indication given for omitting the preceding four months for which his deposit lied with the O.P from the cover period of the policy. As some of the features in the policy were beyond his comprehension, he again contacted the Agent and the official who assured him that there would be no inconvenience for him in the matter. Believing them in good faith, he remained quiet. After lapse of three years when he went to O.P.'s Bhubaneswar office to surrender his policy to secure payment, he was informed that the surrender value of his policy was only Rs.82, 000/-. He could then come to know about the fraud being played by the Agent and the official of the O.P. on him. He came to know that in order to convert his policy from one time deposit policy to regular policy, the branch had made another Proposal forging his signature therein and substituting someone for him before the doctor for medical examination. It further stated by him that being a retired govt. servant getting a monthly pension of Rs.4203/- he could hardly afford to take a policy with deposit of premium for Rs.1.00,000/- per annum. He represented to the O.P. but got no effective response. Being aggrieved thereby, he has filed this complaint seeking reliefs as mentioned above claiming an amount of Rs.1,75,000/-- towards mental agony and harassments suffered by him at the hands of the O.P.

In the counter, while challenging the Complaint on the grounds of maintainability and limitation, the O.P. has stated that initially the Complainant applied for Unit Plus II single premium policy with initial deposit of Rs.1,00,000/-. But before issuance of the policy, he submitted another Proposal opting for a regular policy with annual premium for 5 years term along with a letter of request for such change. When such proposal for change was received, he was to undergo medical examination on 15.11.2006. After consideration of the statements and answers furnished by the Complainant in the Proposal which were supported by the declaration made by him in the Proposal which all were accepted in good faith and upon assessment of the risk involved, the policy was issued to the Complainant for the basic Sum Assured of Rs.5,00,000/- for a term of five years commencing from 12.02.2007. It is stated that the policy was issued as per the option exercised by the complainant in the Proposal form. It is also stated that the Complainant did not exercise his option within the Free-look period and that as per the terms and conditions of the policy when premium for at least one year is paid, only surrender value is payable at the end of three years from date of commencement of the policy. The policy condition does not envisage any refund of deposit. Denying the other allegations made in the complaint it has asked for dismissal of the complaint. Before the hearing, the OP filed additional SCN stating that the policy taken by the complainant would mature on 11.02.2012 and on maturity, fund value as per the prevalent NAV as on the date of maturity would be payable. As the policy has not matured, the complaint is not maintainable.

At hearing, the Complainant asserted that he did not submit any proposal for change of the mode of premium. Referring to the copy of the Proposal produced by the OP, he submitted that the signature of the Proposer does not belong to him and that he did not appear before the Doctor for medical examination on 15.11.2006. In its turn, the O.P.'s representative submitted that it received the Proposal from the Complainant on 19.10.2006 along with the initial premium

deposit of Rs.1,00,000/-. He submitted that the Policy was issued as per the specifications given in the Proposal. He asserted that on 15.11.2006 the policy-holder underwent medical test and the policy was issued to him in February'2007. But, he did not utter any word regarding submission of the Proposal in relation to which the premium deposit was made by the Complainant. Nor did he say anything regarding the letter of request being filed by the Complainant for change of mode of deposit of premium from single to regular.

AWARD :- Hon'ble Ombudsman observed that the policy issued was a Regular policy of 5-year term with yearly premium of Rs.1,00,000/- which is in direct contrast to the proposal form and the position recorded in the Proposal Deposit Receipt as regards the Product Name & Frequency of the premium. In other words, the policy issued to the Complaint is not as per the specifications given in the Proposal. The OP's contention that before issue of the policy, the complainant submitted another Proposal opting for regular premium for a term of 5 years along with a request letter is seriously refuted by the Complainant saying that neither such proposal form was submitted by him nor does the

signature in the proposal form belong to him. During hearing, the OP's representative gave a total go-by to these vital aspects upon which the case of the OP rests. Curiously, the so called letter of request through of the complainant has been withheld for the reason best known to it, though several other documents have been filed on behalf of the OP. That apart, a naked-eye comparison between the signatures appearing in the subsequent proposal form on the one hand and the undisputed signatures of the complainant available in several other documents would bring out that the signatures are not in the one and the same hand. Besides, the subsequent proposal form indicates that the proposer i.e., the complainant is a retired employee earning annually Rs.80,000/-. It does not stand to reason that a person making an annual income of Rs.80,000/- would opt for policy with annual premium of Rs.1,00,000/- for a term of 5 years. It is not clarified by the OP when the initial deposit was made on 20.10.2006, why the commencement of the policy was allowed from 12.02.2007 i.e., almost 3 and a half months after. The totality of the circumstances supports the contention of the complainant that he did not submit any subsequent proposal opting for a regular annual mode of premium, much less with the letter of request for change of mode of premium. When such a conclusion is reached, there would remain no justification for issue of the policy changing the periodicity of the premium from single to annual. As the policy was not issued as per the proposal, the complainant has every right to ask for refund of his deposit. In these circumstances, objection of the O.P. to the maintainability of the complaint would not stand. The complaint is therefore not barred by time. Such being the position the OP ought to have refunded the deposit to the complainant. Instead, it retained the money with it depriving the complainant from its use for several years.

Hence Hon'ble Ombudsman dismissed the complaint and directed the O.P. to refund the premium deposit of Rs.1,00,000/- to the complainant with 8% interest per annum from 20.10.2006 till the date of payment.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 22-002-1403 MISCELLANEOUS

Smt. Bishnupriya Swain Vs. SBI Life Ins. Co. Ltd.

Award Dated 13th June, 2012

FACT :- In this case, the Complainant has sought for the relief of treating her ULIP as Single Premium policy commencing from 30.11.2006 with consequent accrual of all benefits or alternatively, refund of premium with interest and damages to the extent of Rs.25,000/- by the O.P.

It is stated by the Complainant that on the persuasion made and allurements given by the Agent of the O.P. that her deposit would double in 3 years time, she made over on 14.10.2006 a sum of Rs.50,000/- out of her own savings for purchase of Unit Plus II-Single premium policy to the said Agent who at that time took only her signatures on the proposal form. On 30.11.2006, he gave her the policy which she preserved carefully

waiting for the period to expire. After completion of 3 years, she contacted the Agent who avoided and did not later on respond to her at all. So, she went to O.P.'s office to surrender the policy to receive back the assured amount but was disheartened to learn that she would get only Rs.42,000/- losing instantly Rs.8000/- from the basic amount deposited by her. Then she could come to know that the policy had been made 'Regular' one and that for non-payment of the subsequent premiums, it had gone to lapsed status. She contends that she is an illiterate lady and has learnt only to sign her name with difficulty and that she does not run any business and has no independent source of income. But in the proposal form, false and incorrect entries were made to convert her single premium deposit policy to a regular one. On 05.05.2011 she represented to the Mumbai Office of the O.P. narrating the entire facts. But there was no response. Being aggrieved thereby, she has filed this complaint seeking reliefs as mentioned in paragraph above.

In the counter, the O.P. while challenging the complaint on the technical grounds of maintainability and limitation, has stated that the Complainant applied for "Unit Plus-II Regular" policy for a term of 5 years in Proposal Form dated 16.10.2006 with an initial proposal deposit of Rs.50,000/-. On the basis of the Proposal which was duly signed by her and was supported with her Declarations as to the correctness of the facts stated therein and about her understanding the questions contained therein, the policy was accordingly issued. The complainant received the policy in the year 2006, but she did not seek cancellation under free look option. After the lapse of more than 4 ½ years and that too after availing the risk cover for the period, she has brought the allegation of mis-sale and has raised the demand for conversion of her policy to single premium policy and alternatively asked for refund of full premium which are not permissible as per the terms of the policy. It is further stated that there is payment of one yearly premium only and as per the terms of the policy surrender value equal to the fund value minus the surrender charges is payable. Denying all other allegations, the O.P. has prayed for dismissal of the complaint.

At hearing, the Complainant submitted that after his retirement, her husband gave her money for taking a single premium policy for Rs.50,000/ and that the Proposal Form was filled by the Agent. After she got the policy, her husband found that it had been made a regular premium policy. Her husband contacted the Agent and the Servicing office but no action was taken on the mis-sale. The O.P.'s representative, reiterated the same facts as mentioned in the counter.

AWARD :- Hon'ble Ombudsman observed that the mode of payment of the premium is clearly mentioned as "Annual" in the Policy bond and First Premium Receipt copies of which are filed by the complainant. In the Proposal form under the Item no. 4.1 "Basic Plan Details", tick mark is put against the word 'yearly' under regular premium column indicating thereby that the frequency of premium payment chosen by the complainant was "yearly". Thus all the above documents consistently bring out that a regular policy with deposit of premium by annual mode was opted. It is clearly stated by the complainant that on 30.11.2006, the Agent handed over the policy bond to her and that she preserved it carefully. It would appear from the proposal form that besides signing

below the declaration part of the proposal form with regard to the correctness of statements and facts noted in the proposal form, she had also signed below the declaration that the contents of the form were explained to her in oriya and answers given by her were correctly recorded in the proposal form. The proposal form would show that the proposer i.e. the complainant signed the declaration at both the places in presence of the Agent. In view of above declarations, the natural conclusion to follow would be that facts noted in the proposal form were what the proposer stated and desired. All the same, the complainant has taken a stand that except signing on the proposal form she had not filled up the proposal form intending thereby to say that facts stated and the information as noted therein were not her version. She further claims that she is an illiterate lady. Besides her declaration that contents of the proposal form application were explained to her in Oriya, it is clearly stated by the complainant in the Complaint that on 30.11.2006 the policy was handed over to her by the Agent and her husband found that the policy was a regular premium one. This indicates that fact of the policy issued being a regular one was within the knowledge of the complainant as well as her husband. The copy of the policy terms and conditions would show that it contains a free-look clause which allows the policy holder an option to seek for refund of her amount if the terms and conditions were found not agreeable. Undeniably, no such option was exercised by the complainant. It is the contention of the O.P. that before April'2011, no allegation regarding the mis-sale of the policy was raised by the complainant. It is not explained by the complainant what made her to remain silent for such long years without making a single correspondence in this regard with the O.P.. It would obviously follow that the complainant opted for regular premium policy and the policy document was accordingly issued to her. In such circumstances, prayer of the complainant for converting her policy from regular to single cannot be entertained.

Hence Hon'ble Ombudsman dismissed the complaint and directed the O.P. to refund the Fund Value under the policy to the Complainant.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 21-001-1409 MISCELLANEOUS

Sri Hemanta Ku. Sethi Vs. L.I.C. of India, Sundargarh BO

Award Dated 29th June, 2012

FACT :- This is a complaint filed challenging repudiation of health insurance claim.

It is stated by the Complainant that he took O.P.'s Health Protection Plus policy of insurance for self and his spouse commencing from 15.03.2010. The policy extends the benefits of initial daily Hospital Cash Benefit (HCB) of Rs.2500/- and Major Surgical Benefit (MSB) of Rs.5,00,000/- in respect of him. In February'2011, getting intermittent pain in his stomach, he was admitted to the Hospital as an in-patient on 14.02.2011. He underwent surgical operation in his gall bladder and was discharged on

16.02.2011. Expenses he incurred in his treatment were Rs.23,498/- comprising of Rs.18,989/- towards hospitalization & surgical operation charges and Rs.4,509/- towards medicines. He lodged the health-claim on 22.02.2011 with the OP which wrongly repudiated his claim on twin grounds, such as, 1) total hospitalization period does not exceed 52 hours and 2) the surgery of Cholecystectomy is not one of the listed items of surgery allowed under the policy. It is claimed by the Complainant that as per policy conditions, he is entitled to 2 days' HCB and full MSB. Being dissatisfied with the above reasonings, he represented to the OP for payment of his health-claim. But, when his representation did yield any result, he has to file this complaint.

In the counter, the O.P. has stated that as per the terms & conditions of the policy, hospitalization exceeding the duration of 52 hours is only payable. Since the period of hospitalization of the Complainant which was from 10 A.M. of 14.02.2011 to 2 P.M. of 16.02.2011 was exactly 52 hours, hospitalization benefit as per policy stipulation was not allowed to him. As regards MSB, it has taken the stand that surgery of Cholecystectomy of gall bladder in relation to which claim was lodged by the Complainant is not enlisted as an allowable surgery under Annexure-II of policy conditions. Thus, MSB was also not allowed to him and the decision was accordingly taken to repudiate the claim.

At hearing, the Complainant and the O.P.'s representative reiterated the facts as stated in the complaint and the counter.

AWARD :- Hon'ble Ombudsman observed that under Clause 2 of the policy conditions, HCB is payable if period of such hospitalisation exceeds continuous period of 52 hours. In this case the duration of stay in the Hospital for treatment as an in-patient is exactly 52 hours. In view of the clear durational stipulation in the policy, no HCB is payable to the Complainant and its rejection is in consonance with the policy stipulation. Apropos of the MSB claim, the policy conditions make the same payable when the surgery performed falls within the list of surgeries as drawn up under the Surgical Benefit Annexure-II to the policy conditions and privileges. A perusal of Annexure II would show that the surgical procedures relating to various systems of human organs are listed in it. One such item has been listed under the grouping "Liver, Gall Bladder and Pancreas". Under this category, the specifications reflected are Partial Resection of Liver and Partial Pancreatectomy in relation to which 60% of the S.A each is payable. Clearly, these two specifications relate to "Liver" and "Pancreas" respectively. But, in respect of Gall Bladder, nothing is mentioned in the box where only percentage of S.A payable is shown. But as the sub-heading would reflect that in the List of Surgical Procedures as has been drawn up under the scope of the policy, the human organ- Gall Bladder- figures indicating thereby that surgery at Gall Bladder is an item of surgery under the list. Were it otherwise, mention of the words Gall Bladder would be purposeless and sans significance. Entries below cannot nullify the entry above. The list has to be read in its entirety and harmoniously. Non-mention of the percentage may lead to the next question as to what percentage of S.A would be payable on Gall Bladder surgery. It is to be borne in the mind that a policy of insurance is meant to protect and to safeguard the interest of the insured against the hazards of life which the insurer takes upon itself to ameliorate on certain terms. The scheme of insurance is a social protection measure enacted for the benefit of the persons opting for insurance

cover. Such being the purpose behind the scheme of insurance, an interpretation which would be favourable to the policy holder needs to be made. The Annexure II also reflects that in respect of some surgeries 100% of the S.A is payable. When the percentage is not mentioned in the Annexure in respect of Gall Bladder surgery, the limit would naturally be 100% of the S.A. Undisputedly, the surgery undertaken by the insured which is Cholecystectomy of Gall Bladder concerns the organ Gall Bladder. In view of the conclusion arrived at as above, MSB benefit for Cholecystectomy of Gall Bladder is fully payable to the Complainant by the O.P.-Insurer subject to the monetary cap of the sum assured.

Hence Hon'ble Ombudsman directed the O.P. to settle the Major Surgical Benefit claim in the light of the observation made above. The prayer of the Complainant for Hospital Cash Benefit claim stands rejected.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 24-001-1410 MISCELLANEOUS

Sri Bhagaban Rout Vs. L.I.C. of India, Aska BO

Award Dated 12th June, 2012

FACT :- This is a Complaint filed for non-payment of annuity due on the Jeevan Dhara Pension Policy taken by him.

It is stated by the Complainant that he has taken a pension policy under Jeevan Dhara Plan with Table –Term 96-18 commencing from 28.12.1987 from the OP-Insurer on single premium of Rs.8217.60 with GIVE amount of Rs.48,000/-. The policy matured on 28.12.2005. As per policy conditions, upon maturity of the policy, he is to get annuity every month thereafter. As he did not receive the annuity amount from the O.P., on 20.08.2007 he approached O.P.'s Aska Branch Office and also followed it up with Berhampur Divisional Office and P&GS unit at Bhubaneswar. As there was no response, he has to file this complaint seeking early settlement of annuities.

In the counter, the O.P. has stated that due to non-availability of policy bond, docket and Policy Master with it, the claim was not able to be settled. However, obtaining a copy of the policy bond from this forum and after confirmation of facts from the policy holder, the Policy Master has been created and the same is being processed at its East Central Zone, Patna. It is further stated by the O.P. that the release of the Annuity to the Complainant would start in no time. However, before commencement of the hearing the O.P. filed an additional SCN stating that it created the policy master and it could extract the record and the matter is now awaiting confirmation in respect of certain particulars from the policy holder. When the requirements are received from the policy holder, it would be able to ratify the record and send it to IPP Cell, Patna for immediate disbursement of annuities.

At hearing, the Complainant was not present citing old age and poor financial condition. The O.P.'s representative reiterated the facts as stated in the counter and assured that the annuities would be released within 7days.

AWARD :- Hon'ble Ombudsman observed that on the basis of the Annuity policy taken from the O.P., the Complainant became entitled to receive the annuity dues from the O.P. every month after the maturity date i.e. from 28.12.2005. The OP does not deny its liability to effect payment of the Annuity to Complainant from the date due. It is explained by the O.P. that the situation has occurred due to unavailability of policy master, policy docket and policy bond with it and that the matter is being already processed to make the payment early. But as yet, no intimation has come to the forum from the O.P. if in the mean time matter has been finalized and Annuity payment has commenced. On the facts stated by the O.P. in the SCNs and during hearing, it emerges that the Annuity has become due to the Complaint from 28.12.2005 and he has remained deprived of the amounts since then. There is delay on the part of the insurer in processing the matter for payment of Annuity to the policyholder. The former is therefore liable to pay penal interest for the period of delay in effecting payment of annuity under the policy to the Complainant.

Hence. Hon'ble Ombudsman directed the O.P. to settle the annuity under the policy in question w.e.f 28.12.2005 in favour of the Complaint and to pay the annuity dues to him with interest at the rate of 8% from the date due till payment.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 23-001-1412 MISCELLANEOUS

Manager UCO Bank Vs. L.I.C. of India, Khurda BO

Award Dated 22nd June, 2012

FACT :- This is a complainant filed by the assignee Bank for non-settlement of death claim in its favour. It is stated by the Complainant that the deceased LA had taken an annuity policy under plan- Jeevan Suraksha (Endowment Funding) Policy with Guaranteed Additions commencing from 26.02.2000. for SA of Rs 80,000/- from the Opposite Party. Upon the policy being assigned to it by the Policy holder through Khurdha BO of the O.P. on 26.06.2007, it advanced a loan of Rs. 80,000/- to the Assignor. The loan was not repaid by the Assignor who died on 17.09.2008 i.e before vesting of the policy. On the strength of the assigned policy, it requested the O.P. to pay the claim amount towards the loan taken by the Assignor. But the O.P. replied to it stating that the policy is an un-assignable one which should not have been assigned and that after the death of the annuitant, the pension is payable to the spouse of the DLA as per the policy conditions. Not being satisfied with the reply given, it represented time and again to the O.P.. As there was no

fruitful result, it has to file the present complaint seeking for a direction to the O.P. to make the payment to it.

In the counter, while admitting the fact of assignment of the policy of deceased LA in favour of U.Co. Bank, Khurdha on 26.06.2007 and death of policy-holder on 17.09.2008, the O.P. has stated that as per the policy conditions, the annuity policy should not have been assigned in favour of U.Co. Bank, Khurdha but by oversight, it was so done on 26.06.2007. It is stated that as the nominee of the DLA is not giving her consent for payment to the Bank and as the Bank has not submitted the Policy Bond and the Discharge Voucher, payment is being not made to the either of the two.

At hearing, the Manager, UCO Bank submitted that it furnished the policy bond and the discharge voucher, but the O.P. returned the same to it stating its inability to make payment to it. It is submitted by him that being the assignee, it is entitled to get the payment from O.P.. On the other hand O.P.'s representative submitted that the policy holder had taken a pension policy on which no assignment is permissible for which it had not paid the amount to the assignee. He admitted that the pension amount has also not been paid to the spouse of the policy- holder either.

AWARD :- Hon'ble Ombudsman observed that the policy was assigned in favour of the Bank in presence of the witness who had attested the same by affixing his signature below the endorsement. The assignment was registered in the Khurda BO of the OP vide Registration no. 36 of 26.06.2007 under the signature of its Branch Manager. As per Sec.38 of the Insurance Act,1938, assignment becomes complete and effectual upon execution of such endorsement and on such endorsement the assignee becomes the only person entitled to the benefits under the policy. The objection of the OP is not with regard to the genuineness of assignment but with regard to the assignability of the policy. It is the contention of the O.P. that the policy in question is not assignable and hence assignment should not have been allowed. But having allowed the assignment in favour of the Complainant Bank which upon such assignment granted the loan to the policy-holder-assignor, it would now not be open to the OP to retrace its steps after lapse of several years when assignee made its claim on the basis of such assignment and to plead that the policy is not assignable. The OP would be precluded from raising such objection at this stage. There being a valid assignment, the Complainant is entitled to all the benefits under the policy.

Hence. Hon'ble Ombudsman directed the O.P. to settle the claim in favour of the Complainant Bank on compliance of necessary formalities by the latter.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 21-004-1413 MISCELLANEOUS

Sri Gagan Kumar Swain Vs. ICICI Pru Life Ins. Co Ltd., Bhubaneswar BO

Award Dated 9th July, 2012

FACT :- This is a complainant filed for delay in settlement of health insurance claim. It is stated by the Complainant that he had taken the O.P.'s Pru. Health Saver Plan for himself, his wife and their three children for Sum Assured of Rs.5 Lacs with the policy commencing from 13.07.2009. During the cover period of the policy, his wife being taken ill was admitted to Maternity Care Hospital, Sahid Nagar, Bhubaneswar on 29.12.2009 as an in-patient and received treatment upto 04.01.2010 when she underwent the surgical operation for the disease diagnosed as Fibroid Uterus, B/L Ovarian Cyst. On 20.01.2010 he lodged the health-claim with the O.P. for Rs.15,000/-. Despite submission of all papers connected with the treatment his claim is not settled even after lapse of 2 years. Being aggrieved, he has filed this complaint seeking relief of Rs. 15,000/- plus interest.

In the counter, it is stated by the O.P. that the health-claim with few medical bills relating to the hospitalization of the life assured (L.A.) on 25.09.2009 was received by it on 24.09.2010. On examination of the papers it was found that the treatment was an OPD treatment and not of hospitalization. The policy condition under Clause 8.30 excludes payment of the expenses for out-patient diagnostic and treatment. It requested the Complainant to submit indoor case-papers of treatment, original Medical Discharge Card etc. for consideration of his claim. But, the papers were not filed by the Complainant who submitted only the additional bills. Hence, it rejected the claim and communicated its decision to the Complainant. However, after receipt of the copy of the complaint from this forum, it again wrote the Complainant to submit above documents. The Complainant submitted the Discharge Card and medical reports on 03.11.2011 which revealed that the LA suffered from the disease of Fibroid Uterus with B/L Ovarian Cyst and she underwent Hysterectomy which is excluded under policy clause no. 8.8.9. Therefore, the Company cannot be made liable to make payment to the Complainant. With the above contentions it has asked for dismissal of the complaint.

At hearing, both the parties reiterated the facts as stated in the complaint and the counter.

AWARD :- Hon'ble Ombudsman observed that the crux of the matter in controversy lies on determining whether the treatment involving surgical operation of the LA comes within the exclusion clause of the policy conditions. As per the policy conditions, Hysterectomy for fibroids done during first two years of the commencement of the policy has been made not payable by the company. The policy commenced from 13.07.2009. The claim made is in respect of the treatment undertaken during the period from 29.12.2009 to 04.01.2010. Thus, the treatment has been taken during the very first year of the commencement of the policy. The histopathology report of LA would show that the disease in her was clinically diagnosed to be "Fibroid Uterus. B/L Ovarian Cyst". The 'Discharge Report' of the hospital would show that there was abdominal Hysterectomy in her. These facts are not disputed by the complainant. The treatment of LA being related to hysterectomy for fibroid and the same having been undertaken within the first two policy years, no liability on the O.P. would arise for payment of the expenses incurred on the treatment.

Hence, Hon'ble Ombudsman dismissed the complaint.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 22-005-1423 MISCELLANEOUS

Sri Lakshmikanta Panda Vs. HDFC Standard Life Ins.Co.Ltd., Mumbai BO

Award Dated 30th July, 2012

FACT :- This is a complaint filed seeking relief by way of issue of Single-premium policy in lieu of Regular- premium one. It is stated by the Complainant that on the solicitation of the Agent of the OP, he chose the policy with Single premium of Rs 5,00,000/- under Unit-linked Endowment Plus plan with Rs 10,000/-top-up premium for second and third years. Accordingly, he paid the premium of Rs 5,00,000/- in November, 2007 and also paid in time the top-up premiums of Rs 10,000/- each for the next two subsequent years. In the month of May,2011 when he made enquiry as to the status of his policy, it was informed to him that his policy had been cancelled for non-payment of the regular yearly premium of Rs 5,00,000/- for the 2nd and 3rd years. It is further stated by the Complainant that he had never wanted a regular premium policy and had only sought for a single premium policy on the reason that being a middle class salaried employee, he could not afford to pay premium to the extent of Rs 5,00,000/- on regular basis. It is also stated by him that his signature in 'Know your Client' Form has been forged by the OP with ulterior motive. Alleging mis-sale, he has sought for the relief as mentioned above.

In the counter, it is stated by the OP that after understanding all the features of policy the Complainant submitted the proposal on 07.11.2007 for taking a Unit-linked Endowment Plus plan for a term of 10 years with deposit of premium by yearly mode. The policy was issued as per the proposal. Though the policy contains the "Option to Return" clause, the policy holder did not avail himself of the benefit of this clause within the stipulated period of 15 Days from the date of receipt of policy document by him. After lapse of three years, he came up with the allegation of mis-sale making baseless and wrong allegations. Since the policy-holder did not exercise the option within the specified period of 15 days, he has disintitiled himself to ask for refund from it. It is further stated by the OP that by his letter dated 06.12.2008 the Complainant requested for reduction of the premium amount from Rs. 5,00,000/- to Rs.10,000/- and upon his such request the premium was reduced. It is also stated that for the first time in his letter dated 02.05.2011 the Complainant in order to make unwarranted gain brought the allegation of mis-sale. To this letter of Complainant, it sent its reply explaining to him that in a paid-up policy if number of accumulated units goes below the minimum paid-up value as specified in the schedule, then the policy gets automatically cancelled and the NAV on the date of cancellation is only payable. Since premium due on the Complainant's policy from 29.11.2010 was not paid, the policy got terminated on 16.12.2010. Rs 3,26,791.60 was accordingly sent to the Complainant on 27.12.2010. But being not satisfied with the reply given, the complainant again raised his grievance before it with self-same allegations of mis-sale and forgery which were completely false. With the above contentions, it asks for dismissal of the complaint. Subsequently, it has reported to this forum that cheque for Rs.3, 26,791.60 dated 27.12.2010 has returned undelivered due to

wrong address. The cheque had to be cancelled and that it would reissue a fresh cheque for the amount to the Complainant within next 10 days.

At hearing, the Complainant while reiterating the facts as mentioned in the complaint informed about non receipt of any such cheque. The O.P.'s representative reiterated the facts as stated in the counter and submitted that no mis-sale was made.

AWARD :- Hon'ble Ombudsman observed that the fact of mis-sale being disputed by the O.P., the burden squarely lies on the complainant to substantiate the same. The O.P. strongly denies the allegation of mis-sale with a positive contention that the complainant submitted the proposal for taking a regular policy with yearly mode of deposit of premium. The Complainant does not question the authenticity of the document. There is a tick mark put against the words 'Annual Premium Amount: (Rs.)' which fact suggests that the policy chosen by the proposer was an annual premium policy and not a single premium policy. This fact is confirmed from the subsequent entry under sub-section II where against the "Term" 10 years and as against 'frequency of premium payment' tick mark put inside the box below the word "Yearly". These entries clearly bring out that the proposer wanted an annual premium policy of 10 years term. The contention of the complainant that he wanted a single premium policy is not thus borne out from the proposal. Besides, on behalf of the O.P a copy of the letter dated 06.12.2008 of the insured has been filed and it would appear from the letter that in this letter the insured-complainant had applied to the O.P. for reduction in the premium from Rs. 5,00,000/- to Rs 10,000/-. This letter brings out that around the next anniversary of the policy the complainant who as the proposal would show is an educated person and was working as Assistant General Manager in a fertilizer company at the relevant time, wanted a reduction in the premium amount. If the policy taken by him was a single premium policy there would not have arisen any occasion for the policy holder to ask for reduction in the premium amount. The policy commenced from 29.11.2007. If the frequency of payment of premium was made yearly, the next premium due was on 29.11.2008. The grace period which the policy allows was 15 days from the due date. The letter of the complainant referred to above bears the date 06.12.2008 and from the date seal impression available thereon, it appears that the application was received by the OP on 08.12.2008. Thus before the expiry of grace period the complainant desired the reduction in premium amount and that the OP accepted the request where upon the deposits for the second and third years @ Rs.10, 000/- were made by the complainant. All these materials clearly bring out that the complainant wanted a regular premium policy and such a policy was issued to him and that he did not raise any objection during free look clause.

Hence. Hon'ble Ombudsman dismissed the complaint being devoid of merit.

BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 24-009 -1438 MISCELLANEOUS

Sri D.P.Tripathy Vs. Bajaj Allianz Life Ins. Co. Ltd., Bhadrak BO

Award Dated 26th June, 2012

FACT :- This is a complaint filed against non-refund of premium deposit sought under free-look cancellation clause of the policy. The grievance of the Complainant is that after being told about the scope and benefits of the Endowment plan by the Branch Manager (B.M) of the Insurer, he took the policy depositing Rs.1,00,000/- towards the premium. After the receipt of the policy bond, on being not satisfied with the terms/conditions he submitted the original policy bond with all documents within the free-look period on 13.10.2010 seeking cancellation of the policy and refund of his deposit. But, the B.M of the OP, instead of processing the matter got annoyed with him and asked him in threatening tone to vacate the office. For such behavior shown to him by the B.M, he filed an F.I.R. Then, he represented to the Grievance Cell Officer of the OP on 21.10.2010. But, despite reminder he did not receive any reply. Hence, he has filed this complaint seeking refund of his deposit of Rs.1,00,000/- with interest and compensation of Rs.50,000/-.

The OP in its reply stated that the policy was issued on 05.10.2010 as per the proposal. The Complainant approached it on 13.10.2010 with a request for cancellation of the policy under Free-Look clause. It accepted the application with policy bond and gave acknowledgement for the same. However, in order to personally ascertain the reason for cancellation, the B.M called him for a discussion. But in the midst of such talk, the policy holder left office taking away the policy bond with him. To process the matter, it contacted the Complainant several times for return of the policy bond which he did not deposit. In absence of the policy bond, it could not process the request. But, when complaint is filed and notice is received by it from this forum, it settled the complaint amicably and refunded Free-Look cancellation amount of Rs.99,373/- by cheque dated 17.12.2011 and dispatched the same by speed post to the Complainant.

At hearing, the Complainant submitted that when he followed up the matter with the Branch Manager of OP, he vide letter dated 23.12.2010 intimated him that his policy bond had been misplaced. After a lapse of more than a year, the O.P. refunded Rs.99,373/- after deducting administrative charges but without any interest being paid for the period of delay. The O.P.'s representative reiterated the same facts as in the counter.

AWARD :- Hon'ble Ombudsman observed that the request of the Complainant seeking cancellation of the policy was filed on 13.10.2010 which is within free-look period. The endorsement on the letter would indicate that the policy bond and other documents were received by the O.P. along with the application. The payment to him was made on 17.12.2011. There is thus delay of more than 13 months in the refund of the amount to the Policy-holder. There is no material filed on behalf of the O.P. to show that any point of time till cancellation, any letter addressed to the Complainant was sent to resubmit the policy bond much less about his taking away the same after submission. The letter dated 23.12.2010 of the O.P. had admitted about misplacement of the policy bond. Therefore, the stand as taken to explain away delay in cancelling the policy is baseless and imaginary. In view of the delay made by the O.P. to refund the amount due to him in time, he is entitled to interest. Hence, Hon'ble Ombudsman directed the O.P. to pay interest @ 8% on the amount refunded to the Complainant for the period from 13.10.2010 to 17.12.2011.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 21-006-1445 MISCELLANEOUS

Sri. Prafulla Kumar Mohanty Vs. Birla Sun Life Ins. Co. Ltd.

Award Dated 31st August, 2012

FACT :- In this complaint, the Complainant has prayed for reinstatement of the policy cover in respect of his wife-Smt. Chhabi Kanungo and in the alternative, for refund of the premium paid in respect of her on the health policy.

The grievance of the Complainant is that he had taken for himself and for his wife a Universal Health Plan Policy from the O.P. for a term of three years commencing from 09.03.2010 on deposit of premium of Rs.21,929/-. Before issue of the policy, the O.P. put both of them i.e., him and his wife to detailed medical tests which did not reveal either Umbilical Hernia or Diabetes in his wife. The policy provided for cashless medical treatment facility in any of O.P.'s net-work hospitals which as per the guide book supplied to him included Kalinga Hospital, Bhubaneswar. Subsequently, his wife developed Umbilical Hernia and was advised operation. Intimating the position to the Branch Manager, Bhubaneswar Branch of the OP who verbally told him to take the operation at Kalinga Hospital, the operation was done incurring expenditure of Rs 44,000/-. It is stated

By the Complainant that prior to the operation he came to know that Kalinga Hospital had ceased to be one of the approved hospitals of the O.P.'s Company. But no such intimation was given to him by the O.P.. On the contrary, the Branch Manager concerned advised him to go for the operation in Kalinga Hospital and to submit the bills thereof. When he submitted the health-claim for Rs.44,000/- to the OP, it rejected the claim on the ground that the disease of Diabetes Mellitus which was pre-existing in her was not disclosed at the time of taking the policy. It further also arbitrarily withdrew the policy cover from his wife. He represented against rejection of claim and withdrawal of policy cover from his wife. But he got no response.

The O.P.,in its counter stated that in the medical papers, the Doctor diagnosed the diseases in the Claimant as Diabetes Mellitus, Hypertension and Hypothyroidism. It was further indicated that the suffering of the patient from Diabetes Mellitus was continuing since 12 years dating thus back to the time much prior to the submission of the Proposal. But this material fact was suppressed. It is also stated that the disease of Hernioplasty for external Hernia with mesh repair and Herniotomy or Herniorrhaphy (open/laparoscopic) are excluded items of surgeries as per the terms and conditions of the policy and hence, the claim was not payable.

At hearing, the Complainant submitted that about six months prior to the surgical operation his wife had intermittent stomach pain. On the advice of Doctor they went to Kalinga Hospital where his wife received treatment for about 10 days i.e. from 24.05.2011 to 02.06.2011 as an indoor patient. After different medical tests, Hernia operation in her was done. The expenses incurred for the operation was Rs.44,000/-. His wife submitted the claim which without any valid reason was rejected by the O.P.. On the other hand, O.P.'s representative submitted that the ALI underwent surgery for Umbilical

Hernia which item of surgery was excluded under policy conditions and for that the claim was repudiated. His further submission was that as per the medical report of the treating doctor the ALI was suffering from Type II Diabetes Mellitus much prior to the proposal but this fact was not disclosed in the proposal. When this disease in the ALI came to its knowledge, the policy cover from her was withdrawn.

AWARD :- Hon'ble Ombudsman observed that the medical treatment was for "Herniography Operation" and it was case of Obstructive Hernia. As per policy conditions, this item of surgery is not covered before commence of Guaranteed Insurability Health Benefit. Since the surgery done in the Claimant comes under Hernioplasty & the stage of operation being before commencement of Guaranteed Insurability Benefit, rejection of Health claim as has been made by the O.P. cannot be said to be unjust and inappropriate. There is no material produced by the Complainant to support this version of the Complainant that as per the consent of BM of the O.P. Even assuming that there was some discussion by the Complainant with the BM of the Insurer, his verbal permission even if

given, cannot override the conditions of the policy to make the insurer liable for such act of the BM.

The next aspect for consideration is with regard to termination of the policy cover from its inception in respect of the ALI. The stand as well as the documents filed on behalf of the O.P. would show that the termination of the policy cover with forfeiture of premium has been made only on the basis of the prescription dated 15.03.2011 which is more than a year after the commencement of the policy. On the left-hand side of the prescription, there is a noting reflecting the words "T2DM >12Years". On what basis, such entry is made by the Doctor is not made known. Nor does the prescription give any indication about the same. There is no other medical paper on record to show that she was a patient of Diabetes Mellitus prior to having the consultation with Doctor on 15.03 2011. Though the stand is taken by the O.P. in the counter that the tests done at the time of proposal are not conclusive tests of all medical implications which exist in the Life Insured, yet nothing is shown as to why these reports are to be discarded for the purpose of taking the view contrary to what is reflected in the test reports. There is no other medical paper filed to show receipt of treatment or consultation by the ALI for Diabetes. The assertion about the suffering of ALI from Diabetes being made by the O.P., the burden lies on it to substantiate that the disease of Diabetes was a pre-existing disease with the ALI. When this is not established, question of suppression of material fact relating to the disease would not thus arise. When such findings is arrived, the inescapable conclusion is that termination of the policy cover in respect of ALI as has been made by the O.P. is not at all justified. Policy of insurance is a contract and the parties have the choice of entering into the contract. Since, the Complainant has alternatively asked for the refund of the premium amount paid in respect of his wife for the policy cover and as termination of the policy cover on the ALI has been found not justified, the Complainant is entitled to get the refund of the premium paid.

Hence, Hon'ble Ombudsman directed the O.P. to refund the premium amount taken in respect of the Additional Life Insured with penal interest @ 8% per annum from the date of deposit till refund to the Complainant. The prayer in respect of the health claim settlement stands rejected.

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BHUBANESWAR OMBUDSMAN CENTRE

COMPLAINT NO- 21-004-1570 MISCELLANEOUS

Sri Ramesh Chandra Swain Vs. L.I.C. of India, Cuttack BO

Award Dated 26th September, 2012

FACT :- This Complaint was filed seeking refund of premiums paid with interest and costs. It is stated by the Complainant that he had taken the pension policy w.e.f 27.10.2007 and had paid 7 monthly premiums. Due to certain difficulties he could not pay the subsequent premiums and continue with the policy. He then approached the insurer to get refund of his deposited premiums. But, he was advised to wait till completion of three years of the policy to get the surrender value on the policy. Thus, he waited till 26.10.2010 and then requested the insurer for foreclosure of the policy, but his request was not granted.

In the Counter, it is stated by the O.P. that as per foreclosure clause when full premiums for three years are not paid and the policy is not revived within two years from the due date of the first unpaid premium, surrender value will be paid as per surrender clause of the policy at the end of third policy year or at the end of the reinstatement period, whichever is later. And as per surrender clause, the policy acquires surrender value after payment of full premium for the first policy year. Since the premium on the policy was paid for the period less than one year, no amount is payable to him. It is further stated that in reply to the letters of the complainant it had already intimated the position to the complainant, but in order to make illegal gain the complainant has filed the complaint with baseless allegations.

At hearing, the Complainant submitted that he underwent an operation and was bed-ridden for which he could not pay the subsequent premiums. Neither the O.P. nor the Agent contacted and came to him to take the deposit of the premiums. It was stated that the default in payment was not intentional and it occurred as he was unable to move out during the period of his illness and had no one to help him then. The Insurer's representative reiterated the same facts as stated in the counter.

AWARD :- Hon'ble Ombudsman observed that the full premiums for the first year of the policy were not paid by the Complainant. The revival clause provides that a policy which has lapsed for non-payment of premium within the days of grace, may be revived within a period of 2 years from the due date of the 1st unpaid premium and if the policy is not revived within this period, the policy shall be foreclosed by paying surrender value at the end of three years or at the end of revival period, whichever is later. The Surrender clause of the policy stipulates that the policy acquires surrender value after payment of full premium for the 1st policy year. The chart provided under this Clause reflects that on a policy where premiums are paid for less than one year, the surrender charge is 100% and no benefit is payable. The terms and conditions do not contemplate any other circumstance where default in the payment of premium is to be ignored. Neither it contains any provision to exonerate the defaulter on ground of illness. The benefits or

loss of the parties to the insurance are only to be decided on the terms and conditions of the policy and not otherwise.

Hence, Hon'ble Ombudsman dismissed the complaint being devoid of any merit.

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OFFICE OF THE INSURANCE OMBUDSMAN, CHENNAI

COMPLAINT No. IO(CHN)/21.06.2775/2011.12
Sri.P.Rajamohan Vs. LIC of India, Thanjavur
AWARD No. IO(CHN)/L-001 Dated 18.04.2012

Sri P. Rajamohan had taken a LIC'S Health plus policy, bearing number 755535091 from LIC of India (Insurer), covering, self, spouse and son, with date of commencement 27.05.2008. The spouse of the complainant, Smt. R. Praba, the insured member 1 (M1) under the policy underwent diagnostic tests and surgery for excision biopsy of lump on right breast in Apollo Specialty Hospital, Chennai-600035 on 20-10-2010. The M1 was admitted as in-patient in the hospital from 19-10-2010 to 21-10-2010. TPA of the Insurer, E-Meditek Services Limited, for the expenses incurred towards hospitalisation. On 30-03-2011 and 02-08-2011, the TPA of Insurer rejected the claim on the grounds without quoting any specific policy condition. Subsequently, the TPA vide their mail dated 29-12-2011, had communicated to the complainant that the 'Surgeries not listed in the allowed surgeries (1-49)' and rejected under rejection code M01'.

The hearing was held on 24.02.2012. The complainant stated that his wife was identified with a lump in her right breast. He said that only after the biopsy, she was diagnosed and confirmed of breast cancer. The claim of Rs.57,437/- .

In the instant case the insured was hospitalised for undergoing surgery for excision biopsy of lump on Rt. Breast which is not included in the list of surgical procedures covered under the policy. The clause 2 (II), under Major Surgical Benefit, reads, " In the event of an Insured under this policy undergoing any specified surgery in a Hospital due to accidental bodily injury or sickness first occurring or manifesting itself after the date of cover commencement and during the cover period then, subject to the terms and conditions of this policy, the Benefit Amount, shall be payable by the Corporation". The complainant is not eligible for any benefit under this head as the surgery performed on M1, namely excision biopsy does not find a place in the list of surgeries mentioned in the Surgical benefit Annexure, there by attracting the policy condition 3 (II)(vii), which states ' no payment shall be made under this benefit for the operations performed, which are not listed in the surgical benefit annexure'.

The complaint is disallowed.

OFFICE OF THE INSURANCE OMBUDSMAN, CHENNAI

COMPLAINT No. IO(CHN)/24.01.2001/2012.13

Sri.N.Varadarajan Vs.. L.I.C. of India –Chennai -I

AWARD No. IO(CHN)/L-013 Dated 31.05.2012

The complainant Sri N.Varadarajan had taken a Market plus Unit linked Pension policy bearing number 714216319 under Single Premium of Rs.115000/- for 5 years term with D.O.C. 13.11.2006. The date of vest of annuity of the policy is 13.11.2011. And another market plus unit linked policy bearing no 714216320 on the life of Smt V.Kalyani W/O Sri N.Varadarajan under Single Premium of Rs.115000/- for 5 years term with the D.O.C. 13.11.2006. The date of vest of annuity of the policy is 13.11.2011. Hearing was held on 02.04.2012.

Sri. N.Varadarajan claimed for the surrender amount under the policy from the Insurer vide his letter dated 03.02.2012. On 13.02.2012 the Insurer replied that the policy has already vested and the annuity payment has already commenced. They were unable to surrender the policy as the policy conditions do not provide surrender of annuity policies after the date of vesting. The complainant further stated that neither had he received any letter from LIC nor any option was given to him. He stated that it was his fault that he didn't go through the policy terms and conditions and further stated that he was not aware that Market Plus policy was a pension policy.

The representative of the Insurer submitted that as per policy conditions, the option to be exercised by the policyholder shall be sent to him 6 months before vesting date and the option letter shall be generated 9 months before the vesting date. In this particular case, due to system problem, the letter could not be generated and sent to the policyholder for their exercising the option before the vesting date. The representative accepted the mistake on their part and offered to surrender the policy in case of medical reasons. She said that medical certificate is mandatory as per their CO circular. The Forum observed that (i) without issuing option letter how the insured would know the fund value available is his account, and take the decision regarding the suitability of exercising the particular option to receive the particular type of annuity or choose to opt to get annuity from some other insurer for competitive reasons, (ii) circular issued by CO is an internal matter which is not incorporated in the policy terms and conditions.

It has been established that the Insurer had not given any opportunity to the complainant before the vesting date about the annuity options and other procedures. The medical certificates for payment of lump sum surrender value in lieu of the annuity, called for by the Insurer flows from the internal circular of the Insurance Company. In as much as the same is not part of the policy conditions, this Forum opines that the complainant need not be required to submit any such certificates. Though the complainants are supposed to know policy conditions and are subjected to play their part of obligations under the contract, the forum, in view of the failure of the Insurer to issue advance notice, has to take a liberal view on the complaints.

Considering the above facts, I am of the opinion that there is a lapse on procedural matters on the part of the Insurance Company in not intimating the complainant the various provisions and account value available before the date of vesting of the annuity of

the policy. I therefore direct the Insurer to settle the Fund value as on the date of vesting of the policies in full and final settlement under the policies.

The complaint is ALLOWED.

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OFFICE OF THE INSURANCE OMBUDSMAN, CHENNAI

COMPLAINT No. IO(CHN)/21.04.2240/2012.13

Sri.R.B.Shanmugavel Vs.. L.I.C. of India – Madurai.

AWARD No. IO(CHN)/L-036 Dated 08.08.2012

Smt. B. Magesware had taken a LIC'S Health plus policy, bearing number 718373467 for term 20 years covering self and daughter, with date of commencement 31.03.2008. The complainant, Smt. B.Magesware, the insured member 1 (M1) under the policy underwent 'Laparoscopic Nissen's Fundoplication' surgery for GERD + IHD in Life Line Multi Specialty Hospitals, Chennai-600010 on 04.07.2011. The M1 was admitted as in-patient in the hospital from 27.06.2011 to 07.07.2011. The complainant preferred a claim with the TPA of the Insurer, E-Meditek (TPA) Services Limited, for the expenses incurred towards hospitalisation.

On 30-09-2011 and 03-10-2011, the TPA of Insurer rejected the claim towards "Major Surgical Benefits" on the grounds that the surgery underwent by the claimant "LAPROSCOPIC NISSEN'S FUNDOPLICATION" does not fall the purview of listed surgeries, without quoting any specific policy condition. The TPA had given the details of payment for Rs.9200/-, which relates to the daily Hospital Cash Benefit (HCB) for 8 days of hospitalization. The Sr. Divisional Manager, L.I.C. of India, Division – II, Chennai, has replied to the complainant on 05.05.2012 quoting the above referred e-mail that "as per the policy conditions of Health Plus Plan, only certain specified listed surgeries are covered. The surgery underwent by the complainant does not fall under this category. Hence not possible to consider Major Surgical Benefit". Hearing was held on 25.07.2012.

During the hearing the complainant also an agent of LIC said that she was hospitalised from 27.06.11 to 7.07.11 and underwent "Laparoscopic Nissen's Fundoplication" for treatment of GERD + IHD. Since she had earlier undergone four surgeries including cesarian, hysterectomy, hernia and as there was no place to cut open, the doctor advised her keyhole surgery and laparoscopy was done through 5 keyholes. On rejection she approached the treating doctor Dr. J.S. Rajkumar, who vide certificate dated 23.11.11, certified that "Laparoscopic Nissen's Fundoplication is similar to Ulcer and Oesophageyills". The insured stated that the doctor while issuing the certificate stated that Laparoscopic Nissen's Fundoplication is a different procedure used to treat gastroesophageal reflux disease (GERD) and was reluctant to use the policy wordings.

The representative of the Insurer submitted that the complainant, an agent, was insured under Health Plus policy. The Insured under the policy was hospitalised and underwent "Laparoscopic Nissen's Fundoplication" for treatment of GERD which is not listed under the 49 surgeries specified in the policy. The file along with medical records was sent to DMR for his opinion. The DMR opined that surgery undertaken is 'not covered within the purview of the listed surgeries as per policy condition'. The representative further said that the file was referred to standing committee with DMR's opinion and later it was forwarded to Central Office for decision.

The Forum observed that (i) discharge summary mentioned Grade-I oesophagitis with 74% both (acid & alkaline) reflux, (ii) what is the difference between the surgery listed out in the policy under digestive system and the treatment undergone by the insured, (iii) DMR should have explained why the procedure cannot be covered. (iv) LIC should have obtained opinion from an independent doctor who is not way concerned with LIC (v) when laparoscopic treatment was done through 5 key holes, will it not fall under the 'artificial opening into stomach' mentioned in the policy. Repudiation letter of TPA, without quoting clearly the policy condition initially, there after , without clearly differentiating the various benefits and their Significance, with reference to the policy conditions, communications were sent. The Insurer who had actually entered into the policy contract with the insured had chosen to remain silent in respect of the complaint and dispute, in spite of several communications from the insured which reveals lack of coordination between the Insurer and TPA.

On the basis of our experience in respect of health insurance disputes, the Forum would advise the Insurer to make appellant procedure effective, specifically mentioning the competent authority of the Insurer for preferring appeals in respect of disputes of health insurance policies.

The Insurer had referred the case to their Divisional Medical Referee vide letter dated 30.04.2012, seeking his opinion, whether the surgery underwent by the claimant falls within the purview of the listed surgeries as per Policy conditions. He has given his opinion as "NOT COVERED" without assigning any reasons.

As per the Discharge Summary dated 07/07/2011, the M1 has undergone 'Laparoscopic Nissen's Fundoplication' surgery for GERD + IHD in Life Line Multi Specialty Hospitals, Chennai-600010 . As per the investigation findings of the above summary, the patient was admitted for retro sternal burning sensation with abdominal pain, UGI-Grade-I oesophagitis, 24 hrs showed - 74% both (acide & alkaline). It is reported that the M1 has already undergone four surgeries including cesarian, hysterectomy, hernia. It was also reported that the Doctor had advised her key hole surgery and laparoscopy was done through five key holes as there was no place to cut open the stomach. The certificate dated 23.11.2011 issued by Dr.J.S.Rajkumar of Life Line Multi Specialty Hospitals, Chennai - 10 says that the patient has undergone "Laparoscopic Nissan Fundoplication surgery which is very similar to Ulcer and oesophagus" (one of listed surgeries as per policy conditions). It evident from the above facts that the complainant would not have undergone the above laparoscopic procedure instead of open abdominal surgery, if earlier four surgeries were not undergone. If it was the sole intention of the complainant to avail the benefits under the policy, the complainant would not have undergone the above procedure because of earlier surgeries. Obviously the medical conditions and circumstances had necessitated the procedure.

In view of the above, the Insurer's rejection of MSB claim on the ground that the above surgery does not find a in the list of 49 surgeries mentioned in the Surgical benefit Annexure to policy conditions is not tenable.

Taking all the facts into consideration, I hereby direct the Insurer to settle the claim treating the above said surgery under the listed surgeries namely "ARTIFICIAL OPENING INTO STOMACH" under Digestive system for 40% of the Sum Assured as per the Policy conditions.

The complaint is ALLOWED.

GUWAHATI OMBUDSMAN CENTRE
Complaint No. 24/001/108/L/11-12/Ghy

Mr. Nayanmani Sharma

- Vs -

Life Insurance Corporation of India

Date of Order : 21.05.2012

Complainant: The Complainant stated that he procured LIC's Health Plus Plan bearing Policy No. 484418868 from L.I.C. of India for spouse with the date of commencement on 20.03.2008. While the policy was in force, his wife Madhusmita Goswami was admitted in RSV Hospital Pvt. Ltd., Kolkata due to abdominal pain and fever on 10.09.2011. She was also pregnant with multifetal pregnancy. Condition of his wife deteriorated due to low Platelet count with possible features of septicemia and on 16.09.2011 she was shifted to AMRI Hospital, Kolkata for evacuation of uterus and she was discharged from the Hospital on 20.09.2011. After completions of usual treatments, he lodged a claim before the Medicare TPA Services (I) Pvt. Ltd. along with all supporting documents. But, till now he has not received any communication from the Insurer. Being aggrieved, he has lodged this complaint.

Insurer : The Insurer has stated in their "Self Contained Note" that the Policy holder submitted hospitalization claim towards spouse Madhusmita Goswami against Policy No. 484418868 vide his executed claim form dated 26.09.2011. In the treatment summary from AMRI Hospital it is stated that the final diagnosis as - incomplete abortion. Their TPA, who processed the claim, rejected the hospitalization claim under the following clauses :

- 1) H. 15 - Diagnosis or treatment arising from or traceable pregnancy, child birth including caesarean section medical termination of pregnancy and / or treatment related to pre and postal natal care of the mother and new born.
- 2) M - B - Diagnosis or treatment or surgery arising from or traceable to pregnancy (whether uterine or extra uterine).

The rejection was properly done as the above diagnosis is not covered under the policy condition. The decision was communicated to him by TPA on 28.10.2011 followed by their letter dated 04.11.11.2011 and Regd. Letter dated 14.12.2011.

Hence the rejection by TPA is justified, as per the exclusions as stated in the conditions and privileges of the policy.

Decision : According to the Complainant, his wife Madhusmita Goswami was admitted in RSV Hospital Pvt. Ltd., Kolkata due to abdominal pain and fever on 10.09.2011. She was also pregnant with multifetal pregnancy. Condition of his wife deteriorated due to low Platelet count with possible features of septicemia and on

16.09.2011 she was shifted to AMRI Hospital, Kolkata for evacuation of uterus and she was discharged from the Hospital on 20.09.2011. Thereafter, he lodged a claim before the TPA – Medicare TPA Services (I) Pvt. Ltd. being supported by documents. It is stated by him that he has neither received any communication from the Insurer nor from the TPA. The copy of repudiation letter dated 28.10.2011 (Annexure – B) addressed to the Insured Madhusmita Goswami issued by Medicare TPA Services (I) Pvt. Ltd. goes to show that the claim of the Complainant has been repudiated as per policy Condition Nos. H 15 & M 13. It is clear from Annexure – B that the claim repudiation letter was sent to the Complainant in the month of October, 2011. The Representative of the Insurer stated that in the treatment summary from AMRI Hospital it is stated that the final diagnosis as - incomplete abortion. Their TPA, who processed the claim, rejected the hospitalization claim under the following clauses :

1. H. 15 - Diagnosis or treatment arising from or traceable pregnancy, child birth including caesarean section medical termination of pregnancy and / or treatment related to pre and postal natal care of the mother and new born.
2. M – B - Diagnosis or treatment or surgery arising from or traceable to pregnancy (whether uterine or extra uterine).

Hence, the rejection by TPA is justified as per the exclusions as stated in the conditions and privileges of the policy. Policyholder was already aware of the provisions as per conditions and privileges of the booklet which was supplied to him alongwith the policy document. It reveals from the statement of the Complainant that the patient Madhusmita Goswami was pregnant with multifetal pregnancy at the time of hospitalization and was hospitalized due to abdominal pain and fever. It is also stated by the Complainant in his statement as well as in the complaint petition that the patient Mrs. Madhusmita Goswami was hospitalized in AMRI Hospital, Kolkata for evacuation of uterus and on 17.09.2011, Dilation and curettage done by the Doctor under general anesthesia. It is ample clear from the documents and statements of the parties that the patient Mrs. Madhusmita Goswami was treated for pregnancy related diseases and the diagnosis of the Hospital as - incomplete abortion. As per policy exclusion clauses H 15 and M B, the disease for which treated by the Insured Mrs. Madhusmita Goswami is not covered and not entitle to get re-imburement of the expenses incurred in connection with hospitalization and treatment.

Under the above facts and circumstances of the case, it is crystal clear that the Insurer has got no liability under the policy to pay any claim amount to the Complainant. Their

rejection of the claim is just and proper. Finding no interference with the decision of the Insurer, the complaint is treated as closed.

GUWAHATI OMBUDSMAN CENTRE
Complaint No. 23/001/002/L/12-13/Ghy

Mr. Ramesh Kr. Daga

- Vs -

Life Insurance Corporation of India

Date of Order : 30.07.2012

Complainant : The Complainant stated that he procured Policy No 481350118 from the above Insurer with the date of commencement on 28/03/1994 for a Sum Assured of Rs. 25,000.00. The said policy was taken by Mr. Ramesh Kumar Daga who continued payment of premium upto 03/2005 status of policy being lapsed acquiring paid up value. But suddenly the policy holder came to know that his policy had been fore-closed due to non-payment of loan and interest. Astonished, he wrote to the insurer that he never availed any loan under the policy. But no remedial action was taken by the insurer. Hence he preferred the complaint.

Insurer : The Insurer informed that they do not have any loan docket. The original policy is also not with them which is still with the policy holder. However, their records indicates that there was a loan of Rs. 11,400/- and hence the policy was fore- closed for non-repayment of loan.

Decision : It is stated by the Complainant that when he approached the Insurer to surrender the above policy, Rs. 11,400/- was shown as Loan under his above policy in the system of LICI. He vehemently denied that he never took any loan under the above policy. Moreover, he stated that policy loan for Rs.11,400/- was sanctioned to his mother's policy No. 481353201. Unfortunately, by mistake loan was showing in both the policies for the same amount. The representative of the Insurer stated that as per their record, the Insured took loan for Rs.11,400/- from them on 21.03.2001. It is an admitted fact that as per rules of Life Insurance Corporation of India whenever a policy holder applies for policy loan, the policy document is submitted with the Servicing Branch of the Corporation with due endorsement of absolute assignment in favour of the corporation and the document is retained by the said branch of the corporation till the amount of loan is repaid in full. There can not be any deviation from this rule. The policy document along with other loan related papers are kept in a separate envelope in safe custody of the office which is called loan docket. The policy document is released and handed back to the policy holder with fresh endorsement of re-assignment only when the full amount of loan is repaid. In this case the policy holder is having the original policy document and there is no endorsement on the body of the document. It only indicates that there was no loan against the policy. As for the record of loan in the books or system of the insurer it may be due to wrong data entry on the part of the employees/officers of the insurer and it seems that the fore-closure action is not justified.

Considering the above facts and circumstances, the Insurer was directed to re-instate the policy of the Complainant and settle the dispute as per rules. The Insurer was also directed to complete the process of settlement of the dispute within 15 days from the date of receipt of this order. With this observation the complaint was closed.

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GUWAHATI OMBUDSMAN CENTRE
Complaint No. 23/015/032/ 12-13/Ghy

Mr.J.Henry Robertson

- Vs -

Bharti AXA Life Ins.Co.Ltd.

Date of Order : 26.09.2012

Complainant : (1) Policy was issued against a payment of Rs.50000.00 made to Bharti AXA Life Ins. Co.Ltd. through ICICI Ch.no.186813 in July,2010 and after lots of follow up a policy was issued in Nov,2011 bearing policy no.5006010572 to a person not known to him. (2) The above Insurance company had collected an amount of Rs.120000.00 by cheque on the commitment of payment of surrender value against six policies but cheated by issuing two Aajeeban Anand Policies for which no papers have been signed and submitted to the Insurance company. Being aggrieved complaint has been lodged.

Insurer : The insurer informs that Policy no. 500-6010572 has been cancelled based on the request of the complainant and the premium for Rs.50000/-has been refunded vide ch.no.083073 dated 17.5.2012 drawn on HDFC bank which has been received by Mr.Ujjal Das on behalf of the complainant on 7.8.2012. It is also confirmed that they have paid panel interest also for Rs.4912.00 vide ch.no.102993 dated 23.8.2012 to the complainant. Against the amount of Rs.1,20,000/- two policies were created bearing pol.nos.5007914756 and 5007914178 and these two policies are now cancelled and premium have been refunded to the party vide ch. Nos.100039 dated 16.8.2012 and 100038 dated 16.8.2012.

Decision : It is observed that policy no. 500 6010572 was issued to an unknown person though premium of Rs.50000.00 was paid by Mr.J.H.Robertson. After lots of follow up, matter was streamlined and premium of Rs.50000.00 was refunded to the Complainant by the Insurer Vide Cheque No.083073 dated 17.5.2012 drawn on HDFC bank. It is also confirmed by the Insurer that they have Paid penal interest for Rs.4,912.00 vide Ch.no.102993 dated 23.8.2012. So, the first complaint is resolved to the satisfaction of the Complainant. Regarding complaint no.II. the Insurance company collected an amount of Rs.1,20,000.00 from Mr.Robertson as a security money for getting surrender value against his six previous policies. But subsequently two "Aajeevan Anand" policies were issued to the Complainant without taking any proposal forms or

other allied documents duly signed by him. When the Complainant asked the Insurer regarding this unfair deed and asked to refund the amount with interest, the Insurance Company has cancelled the policies and refunded the amount vide Ch.nos.100038 and 100039 dated 16.8.2012 without any penal interest. The Insurance Company is evidently liable to pay penal interest against the amount of Rs.1,20,000.00 from the date of depositing the said amount till release of the amount.

Considering all the above aspects, the Insurer was directed to complete the process of payment of penal interest against the amount of Rs.1,20,000.00 to the Complainant within 15 days from the date of receipt of this order. With this observation the complaint is treated as closed.

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GUWAHATI OMBUDSMAN CENTRE
Complaint No. 22/L005/025/L/12-13/Ghy

Mr. Mrinmoy Barua

- Vs -

HDFC Standard life Insurance Co Ltd

Date of Order : 12.09.2012

Complainant : The Complainant stated that he submitted a proposal for a single premium policy and he deposited Rs. 50,000/- to the Insurer as single premium. He received the policy document on 09.04.2012. While going through the policy, he found that it was for seven years terms and he is to pay premium of Rs.50,000/- yearly for seven years. The Complainant asked for Single Premium policy but was granted yearly mode with 7 year premium payment term. He applied for refund of premium which is not yet acceded. Being aggrieved, he has filed this complaint.

Insurer : The Insurer has not submitted their "Self Contained Note".

Decision : According to the Complainant, he submitted a proposal for insurance policy with single premium mode and he deposited Rs.50,000/- as single premium to the Insurer. On receipt of policy document, he found that it was an annual premium policy with seven years terms. He further stated that he would not be able to continue the above policy with seven years terms as the annual premium was Rs.50,000/-. Therefore, he submitted a representation on 19.04.2012 before the Insurer for cancellation of the policy in the Free Look Period and refund his premium of Rs.50,000.00. The copy of letter dated 19.04.2012 (Annexure – II) written by the Complainant to the Insurer shows that he received the policy on 09.04.2012 wherein he found some discrepancies and requested the Insurer to cancel the policy in the Free Look Period and refund of his premium of Rs. 50,000/-. It also discloses from the copy of forwarding letter of the policy document dated 04.04.2012 that in the column of Cancellation in the Free-Look

Period it is clearly mentioned that in case he is not agreeable to any of the provisions stated in the policy and the details in the proposal form, you have the option of returning the policy to us stating the reasons thereof, within 30 days from the date of receipt of the policy. Whether it was a case of mis-selling or not the policy holder submitted his request for refund of premium under free look period on eleventh day from date of receipt of policy as against stipulated period of 30 days as per the laid conditions by the company (vide letter dated 04/04/2012). Hence there is no reason for not accepting his request. Premium paid by him is definitely refundable. The Insurer is liable to refund the premium of the Complainant.

Considering all the aspects of the matter, the Insurer was directed to refund the premium of Rs. 50,000/- to the Complainant within 15 days from the date of receipt of this order. With this observation, the complaint is treated as closed.

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OFFICE OF THE INSURANCE OMBUDSMAN, Hyderabad

<p>PROCEEDINGS OF THE INSURANCE OMBUDSMAN, HYDERABAD (Under Rule 16 of The Redressal of Public Grievances Rules, 1998)</p> <p>COMPLAINT No. I.O.(HYD) L-21-003-882-2011-12</p> <p>Present: Sri K Chandrahas Insurance Ombudsman</p>		
1	Name & address of the complainant	Sri Aavula Dharmender Yadav S/o Sri A Krishna Swamy H.No.11-1-129, Bapu Nagar RoadNo.2 Saroor Nagar HYDERABAD – 500 035
2	Policy No.	C320436736
3	Name of the insured	Sri A. Dharmender Yadav
4	Name of the insurer	Tata AIG Life Insurance Co. Ltd.
5	a) Date of receipt of the Complaint	8.2.2012
	b) Date of issue of proforma PII & PIII	14.2.2012
	c) Date of rt. of proforma PII&III	23.3.2012
	d) Date of rt. of self contained note	15.3.2012
6	Nature of complaint	Non receipt of original Policy Document

7	Amount of relief sought	Refund of Premium & cancellation of policy
8	Date of hearing/Place	29.3.2012 & 26.4.2012, Hyderabad
9	Representation at the hearing	
	a) For the complainant	Self
	b) For the insurer	H.B. Guru Prasad, Asst Manager (Legal)
10	Complaint how disposed	Allowed
11	Date of Order/Award	26.4.2012

AWARD NO. I.O. (HYD) L-1/2012-13

Sri Aavula Dharmender Yadav paid Rs.18000/- in April 2010 for obtaining a policy under Maha Life Gold Plan on his life from Tata AIG Life Insurance Co. Ltd. The original policy bond bearing number C320436736 said to have been issued in his name by the company was not received by him. Since the date the cheque tendered was debited to his account he had been complaining to the insurer. The insurer neither issued any receipt nor policy document in token of receipt of the first premium. Despite making several complaints to the insurer, there was no response from them. However, the insurer vide letter dated 14.9.2011 intimated that the policy bond was dispatched to his address through Blue Dart courier services on 24.4.2010 and it was received by his wife Mrs. Pavani on 26.4.2010. On requesting the insurer to supply a copy of acknowledgement obtained if any in proof of delivery of the policy bonds to his wife, the insurer failed to do so. Therefore, in view of the negligent attitude of the insurer he opted for refund of the premium amount of Rs.18000/- under his policy. His request for refund of premium was not acceded to by the insurer. Aggrieved, Sri Dharmender Yadav filed this complaint with us.

The complaint fell within the scope of the Redressal of Public Grievance Rules, 1998 and it was registered.

ORDER

I have heard the contentions of both the parties and perused the documents submitted.

I note that the insurer has not acceded to the complainant's request for cancellation of the policy for the reason that it was not received within the free look period. As per the insurer, the policy document was delivered to Mrs. Pavani, wife of

complainant, on 26.4.2010 but the insurer failed to obtain proof of delivery from the courier through which it was allegedly delivered. I note that the complainant lodged his complaints regarding non-receipt of the policy bond through toll free telephone facility provided by the insurer. The insurer has failed to issue a document furnishing the vital details of the policy such as premium payable, frequency and due date of premium, etc. to the insured. The insurer also failed to acknowledge receipt of first premium to the complainant. I note that the second premium which was due in April 2011 could not be paid by the complainant as he had no information relating to his policy. It is clear that due to omission on the part of the insurer, the policy got lapsed. During the hearing, the representative of the insurer offered to issue duplicate policy to the complainant. But the complainant sought cancellation of the policy and refund of the premium on the ground of deficiency of service and highly negligent attitude of the insurer.

Since the insurer failed to produce evidence of proof of delivery of policy bond, the complainant's contention of non- receipt of the policy on 26.4.2011 has to be treated as correct. I hold that the insurer has not issued the policy and consequently I direct the insurer to refund the premium amount paid to the complainant.

In the result, the complaint is allowed.

PROCEEDINGS OF THE INSURANCE OMBUDSMAN, HYDERABAD (Under Rule 16 of The Redressal of Public Grievances Rules, 1998)		
COMPLAINT No. I.O.(HYD) L-21-003-882-2011-12		
Present: Sri K Chandrahas Insurance Ombudsman		
1	Name & address of the complainant	Smt. Aavula Pavani S/o Sri A Krishna Swamy H.No.11-1-129, Bapu Nagar RoadNo.2 Saroor Nagar HYDERABAD – 500 035
2	Policy No.	C304236736

3	Name of the insured	Smt. Avula Pavani
4	Name of the insurer	Tata AIG Life Insurance Co. Ltd.
5	a) Date of receipt of the Complaint	8.2.2012
	b) Date of issue of proforma PII & PIII	14.2.2012
	c) Date of rt. of proforma PII&III	23.3.2012
	d) Date of rt. of self contained note	15.3.2012
6	Nature of complaint	Non receipt of original Policy Document
7	Amount of relief sought	Refund of Premium & cancellation of policy
8	Date of hearing/Place	29.3.2012 & 26.4.2012, Hyderabad
9	Representation at the hearing	
	a) For the complainant	Self
	b) For the insurer	H.B. Guru Prasad, Asst Manager (Legal)
10	Complaint how disposed	Allowed
11	Date of Order/Award	26.4.2012

AWARD NO. I.O. (HYD) L-2/2012-13

Smt Aavula Pavani paid Rs.18000/- in April 2010 for obtaining a policy under Maha Life Gold Plan on her life from Tata AIG Life Insurance Co. Ltd. The original policy bond bearing number C304236736 said to have been issued in her name by the company was not received by her. Since the date the cheque tendered was debited to her husband's account she had been complaining to the insurer. The insurer neither issued any receipt nor policy document in token of receipt of the first premium. Despite making several complaints to the insurer, there was no response from them. However, the insurer vide letter dated 14.9.2011 intimated that the policy bond was dispatched through Blue Dart courier services on 24.4.2010 and it was received by her on 26.4.2010. On requesting the insurer to supply a copy of acknowledgement obtained if any in proof of delivery of the policy bonds to her, the insurer failed to do so. Therefore, in view of the negligent attitude of the insurer she opted for refund of the premium amount of Rs.18000/- under her policy. Her request for refund of premium was not acceded to by the insurer. Aggrieved, Smt. Pavani filed this complaint with us.

The complaint fell within the scope of the Redressal of Public Grievance Rules, 1998 and it was registered.

ORDER

I have heard the contentions of both the parties and perused the documents submitted.

I note that the insurer has not acceded to the complainant's request for cancellation of the policy for the reason that it was not received within the free look period. As per the insurer, the policy document was delivered to Mrs. Pavani, wife of complainant, on 26.4.2010 but the insurer failed to obtain proof of delivery from the courier through which it was allegedly delivered. I note that the complainant lodged his complaints regarding non-receipt of the policy bond through toll free telephone facility provided by the insurer. The insurer has failed to issue a document furnishing the vital details of the policy such as premium payable, frequency and due date of premium, etc. to the insured. The insurer also failed to acknowledge receipt of first premium to the complainant. I note that the second premium which was due in April 2011 could not be paid by the complainant as he had no information relating to his policy. It is clear that due to omission on the part of the insurer, the policy got lapsed. During the hearing, the representative of the insurer offered to issue duplicate policy to the complainant. But the complainant sought cancellation of the policy and refund of the premium on the ground of deficiency of service and highly negligent attitude of the insurer.

Since the insurer failed to produce evidence of proof of delivery of policy bond, the complainant's contention of non- receipt of the policy on 26.4.2011 has to be treated as correct. I hold that the insurer has not issued the policy and consequently I direct the insurer to refund the premium amount paid to the complainant.

In the result, the complaint is allowed.

**PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, HYDERABAD
(Under Rule 16 of The Redressal of Public Grievances Rules, 1998)**

COMPLAINT No. I.O.(HYD) L-21-015-054 to 59-2012-13

Present:

**Sri K Chandrahas
Insurance Ombudsman**

1	Name & address of the complainant	Sri N.Venkateswarlu H.No. 11-5-500/1 Road No.14, Near Mandal Office Sri Venkateswara Colony Saroornagar, Hyderabad-500035
2	Policy Nos.	500-7009607,7057549, 7057556, 7054918, 7054926 & 7045940
3	Name of the insured	Mr. Sampath Kumar, Ms.Shravani, Ms.Sowmya
4	Name of the insurer	Bharathi Axa Life Ins. Co.
5	a) Date of receipt of the Complaint	17.4.2012
	b) Date of issue of proforma PII & PIII	25.4.2012
	c) Date of rt. of proforma PII&III	9.5.2012
	d) Date of rt. of self contained note	31.5.2012
6	Nature of complaint	Return of premium
7	Amount of relief sought	Rs.4,50,000.
8	Date of hearing/Place	28.06.2012 & 23.7.2012
9	Representation at the hearing	
	a) For the complainant	Self (on both days)
	b) For the insurer	Mr. Naveen Vyas, Area Head Mr. V. Ashok, RM (CM)
10	Complaint how disposed	Allowed
11	Date of Order/Award	24.7.2012

AWARD NO. I.O. (HYD) L- 32/2012-13

Mr. N.Venkateswarlu took six (6) insurance policies on the lives of his son and two daughters from Bharathi Axa Life Insurance Co. in February, 2011. When the policies were taken he was told that they were single premium plan. But later on, he came to know that they were endowment with 10 years term with annual premium payment. He made a complaint to the insurer about misselling and demanded refund of the amount which was not considered favourably. Aggrieved by their decision, he filed this complaint.

The complaint fell within the scope of the Redressal of Public Grievance Rules, 1998 and so it was registered.

ORDER

I have heard the contentions of both the parties and perused the documents.

After a careful examination of the documents shown by the company representative relating to the financial strength of the complainant, I am of the view that they are not genuine. Somebody has fabricated them. The amounts shown in the copy of the tax return are fudged and over written. The amount of tax paid does not match with the taxable income. The building asset was assessed by the company officials at Rs. 5 crore. There is no basis for arriving the said figure. A building built on 80 sq. yards in an area like Saroornagar of Hyderabad cannot have a market value of Rs. 5 crore. It is prima facie absurd. The business carried on by the complainant is petty. He is semi literate. Insofar as the English Language is concerned, he can be described as illiterate even though he has learnt to sign in English. His income and assets do not permit him to imagine contribution of Rs. 4,50,000/- premium every year. The need of insurance for the life assured also does not match with the coverage.

In view of the aforesaid, I hold that this obviously is a case of mis-sale calling for my intervention. Accordingly, I direct the insurers to refund the premiums collected without causing any deduction whatsoever.

In the result, the complaint is allowed for refund of the premium paid by the complainant under the impugned six policies.

**PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, HYDERABAD
(Under Rule 16 of The Redressal of Public Grievances Rules, 1998)**

COMPLAINT No. I.O.(HYD) L-21-002-221-2012-13

Present:

**Sri K Chandrahas
Insurance Ombudsman**

1	Name & address of the complainant	Smt. Vimala G. Prakash, H.No. 10-1-734 3/2 RT, West Maredpally, SECUNDERABAD – 500 026
2	Policy No.	4001036110
3	Name of the insured	Smt. Vimala G. Prakash
4	Name of the insurer	SBI Life Insurance Co. Ltd.
5	a) Date of receipt of the Complaint	7.6.2012
	b) Date of issue of proforma PII & PIII	27.6.2012
	c) Date of rt. of proforma PII&III	3.7.2012
	d) Date of rt. of self contained note	19.7.2012
6	Nature of complaint	Refund of Sum Assured
7	Amount of relief sought	Rs. 100,000/- + Bonus
8	Date of hearing/Place	7.8.2012 (Tuesday) at Hyderabad
9	Representation at the hearing	
	a) For the complainant	Sri B.V. Gnana Prakash, Husband
	b) For the insurer	Sri R.S.R. Murthy, Manager (Operations)
10	Complaint how disposed	Partly allowed
11	Date of Order/Award	8.8.2012

AWARD NO. I.O. (HYD) L-36 /2012-13

Smt.Vimala took a policy 'SBI Life Scholar Policy' on 16.3.2002 for the benefit of her son for a sum assured of Rs. 100,000/- with 10 years of term. The said policy matured for 1st survival benefit on 16.3.2012 as per the policy conditions. However, she opted for return of the entire sum assured along with bonus in lump sum instead of receiving Rs. 25,000/- each in 4 installments. But contrary to her request, the company made payment of Rs. 25,000/- ignoring her request for return of the entire amount. Aggrieved, she filed this complaint.

The complaint fell within the scope of the Redressal of Public Grievance Rules, 1998 and so it was registered.

ORDER

I have heard the contentions of both the parties and also perused in detail all the documents submitted.

It is noted that the complainant made a request to the insurance company vide letter dated 23.1.2012 to receive the entire sum assured in lumpsum. The said request was acknowledged by the company on 28.1.2012, i.e., much prior to the maturity date of 16.3.2012. The condition in the policy document that the life assured has to intimate in writing to the company at least 3 months prior to the date of maturity to receive the amount in lump sum cannot be totally inflexible. The insurer needs adequate notice and if the notice is slightly under three months it has to be understood as complied with.

In the case on hand, the complainant had given the intimation well in advance. The insurer had no reason to disregard the request. In the event, the claim of the complainant for payment of reasonable interest for delay merits consideration.

Accordingly, I direct the insurance company to pay interest at the rate of 8% p.a. on the maturity amount of Rs. 96,325/- from 1.4.2012 to 31.7.2012.

In the result, the complaint is partly allowed.

<p style="text-align: center;">PROCEEDINGS OF THE INSURANCE OMBUDSMAN, HYDERABAD (Under Rule 16 of The Redressal of Public Grievances Rules, 1998)</p> <p style="text-align: center;">COMPLAINT No. I.O.(HYD) L-21-001-349/2012-13</p> <p style="text-align: center;">Present: Sri K Chandrahas Insurance Ombudsman</p>		
1	Name & address of the complainant	Mrs. V. Baby W/o late Mr. N. Vijay No. 126, 2nd main, 1st cross Prakash Nagar BENGALURU -21
2	Policy Nos.	614539010
3	Name of the insured	Mr. N. Vijay
4	Name of the insurer	LIC of India
5	a) Date of receipt of the Complaint	23.7.2012
	b) Date of issue of proforma PII & PIII	24.7.2012

	c) Date of rt. of proforma PII&III	16.8.2012
	d) Date of rt. of self contained note	14.8.2012
6	Nature of complaint	Refund of premia for 2004 to 2010
7	Amount of relief sought	Not mentioned
8	Date of hearing/Place	13.9.2012 at Bengaluru
9	Representation at the hearing	
	a) For the complainant	Self & Mr. Saravanan, Son
	b) For the insurer	Mr. N. Sathyanarayana, AO (Claims)
10	Complaint how disposed	Partly allowed
11	Date of Order/Award	18.9.2012

AWARD NO. I.O. (HYD) L-54/2012-13

Sri N. Vijay took an insurance policy from the LIC of India for a sum assured of Rs. 5,00,000/- commencing the risk from 28.1.2002. Subsequently the policy was revived on 15.2.2008. The policy holder died within 2 years of revival. Mrs. V. Baby, nominee under the policy, claimed death benefits from the insurance company. The insurer repudiated the claim on the ground of suppression of material facts and refunded the premia received prior to the date of revival of the policy. Her appeal to the claims review committee of the insurer was turned down. Aggrieved, she filed this complaint.

The complaint fell within the scope of the Redressal of Public Grievance Rules, 1998 and so it was registered.

ORDER

I have heard the contentions of both the parties and carefully perused all the documents submitted by them.

I note that the insurer repudiated the claim under the policy on the ground of suppression of material facts. The evidence adduced by the insurance company in support of their argument is the reports of many hospitals right from 2.7.2001 of Supriya Hospital, Bangalore. His hospitalization was much prior to the submission of the proposal for insurance. Had the ailment of 'carcinoma rectum' been mentioned in the proposal and in the subsequent revival, the insurer would not have accepted the risk.

The insurer reported that Rs.1,97,915/- was settled as paid up value for the premiums received prior to revival. However, after revival the insurer received Rs.2,97,048/- as premium. This was forfeited by the insurer. The complainant sought refund of this amount. The insurer relied upon the forfeiture clause in the declaration of

good health for forfeiture of Rs. 2,97,048/-. This is a huge sum of money and forfeiture thereof in full is punitive in effect, not on the insured but on his family members. The forfeiture in my view is excessive and affects the survivors/dependents for no fault of theirs. On this premise, I hold that the forfeiture should be restricted to a reasonable amount and I am of the considered view that forfeiture of Rs. 50,000/- would meet the ends of justice. In view of the foregoing, the insurer is directed to forfeit Rs. 50,000/- and refund the balance amount of Rs. 2,47,048/-.

In the result, the compliant is partly allowed for Rs.2,47,048/- as ex gratia.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/ KCH/LI/21-006-203/2012-13

Shri K K Hareethan

Vs.

Birla Sun Life Insurance Co.Ltd.

Award dated 2.5.2012

In this complaint, the complainant has challenged the cost of insurance under a policy issued by the above insurer. Accordingly, the insurer was deducting Rs. 381.64 every month, towards cost of insurance which was deducted in 3/11 and in the same month, another amount of Rs. 111.64 was also deducted. Hence, this complaint where the complainant has requested for a compensation of Rs. 10000/-.

Records were perused and hearing held. The respondent-insurer's representative submitted that the policy administration charge for the first three policy years is constant and the same would be reduced from the fourth year onwards. Accordingly, the cost of insurance was reduced to Rs. 111.64 in 4/11 and no deduction was made twice in the March, 2011. On a verification of the relevant records, these submissions were found to be true. Hence, the contention of the complainant that the cost of insurance was deducted twice in the month of 3/11 is unfounded.

As there is no genuine grievance, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/ KCH/LI/21-001-212/2011-12

Ms P Jeevalatha

Vs.

LIC of India, Kozhikode

Award dated 8.5.2012

The complainant was covered under a Health Plus policy with the above Insurer. When she underwent treatment for pain over her left shoulder, she preferred a claim towards reimbursement of expenses incurred. It was rejected. She represented to the higher office of the insurer but to no avail. Hence this complaint.

Records were perused and hearing held. The representative of the respondent-insurer submitted that the ailment – cervical radiculopathy suffered by the complainant was congenital in nature, and therefore, not payable as per policy conditions. However, the complainant stated that before this particular treatment, she had never undergone such treatment on any earlier occasion. A reading of the discharge summary issued by the hospital confirmed the submission of the insurer. Also, Clause 6(1) (ix) of the policy conditions clearly excludes payment on account of hospitalization for correction of birth defects or congenital anomalies. As per the discharge summary, the complainant was treated with traction which was adopted for correction of the congenital anomaly. Evenwhile the complainant would contend that she was not actually suffering from any congenital anomaly, she could not produce any proof to that effect.

In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/ KCH/LI/22-001-220/11-12

Ms P P Manjula

Vs.

LIC of India, Kozhikode

Award dated 9.5.2012

The complainant had a policy with the above insurer, the premium for which was being deducted under the salary saving scheme. While so, she took leave without allowance and requested the insurer to convert the premium payment mode to half yearly. However, her employer inadvertently deducted and paid monthly premium till 10/2005 totalling an amount of Rs. 1536/-. As there was no response from the insurer to her request, this complaint.

Records were perused and hearing held. The complainant was absent. However, she informed that she had restricted her claim for interest on the amount. The insurer's representative submitted that immediately on receipt of complaint regarding double recovery of premium, they had refunded the amount through a cheque to the complainant. Further, when they verified their records, it was found that the amount received in excess was adjusted towards premium due in 6/2008. Hence, the further refund made to the complainant, was done by mistake. To confirm the same, the insurer's representative produced the history of premium transactions relating to the policy of the complainant. From the same, it is evident that no payment was directly made by the insured for the premium due in 6/2008 and the premium adjustment made by the insurer for 6/2008 was known to the complainant. The refund made to her in 6/11, is, in fact, the second refund of the excess premium paid by the complainant. Actually, she is not entitled to the said payment. As the excess amount paid by the complainant had been adjusted towards the premium due in 6/2008, the claim for interest does not arise at all.

In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/ KCH/LI/21-012-226/11-12

Ms P S Usha Kumari

Vs.

Metlife India Insurance Co Ltd

Award dated 18.5.2012

The complainant had taken a Met Smart Policy from the above insurer by remitting an amount of Rs. 300000/- as premium out of which she had taken a loan of Rs. 200000/- on the policy. Later, she wanted to close the policy and on an enquiry, she was informed that the fund value available was Rs. 153232.25 out of which she received only an amount of Rs. 93238.85 after deduction of Rs. 59993.4 as surrender penalty. As the complainant felt that such deduction is illegal and not acceptable, this complaint.

Records were perused and hearing held. As per the respondent-insurer's representative, surrender penalty was charged as per relevant policy conditions. On consideration of the relevant policy conditions, it was found that the surrender penalty payable in the 5th year of the policy, which is so in the present instance, is 60% of the first year base policy premium which works out to Rs. 99989/-. The complainant had accepted the policy conditions and acted based on those policy conditions. Now, she cannot turn around and contend that the policy conditions are not applicable as far as surrender of her policy is concerned.

In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/ KCH/LI/21-012-206/11-12

Dr Hyder Kunnummal

Vs.

Metlife India Insurance Co Ltd

Award dated 21.5.2012

The complainant had taken a policy from the respondent-insurer presuming it to be a single premium policy. He had not gone through the policy conditions even after receipt of the policy document. He received a letter in 10/10 from the insurer asking to pay Rs. 100000/- towards premium due for two years in response to which he had sent the cheque and the same was encashed by the insurer. Further, another communication was received from the insurer asking him to remit further premium of Rs. 50000/-. In 4/2011, he received a cheque for Rs. 100000/- from the insurer and in the accompanying covering letter, it was stated that he had to pay Rs. 150000/- to reinstate the policy. The complainant prays that the policy should be revived wef 6.12.2010 as the cheque for the same was encashed by the insurer. In another letter to this Forum, the complainant stated that he received a cheque for Rs. 20079.88 along with an intimation that his policy has been foreclosed. In the letter, the fund value is stated as Rs. 25099.85.

Records were perused and hearing held. On a thorough study of the various documents, the following facts could be established. The cheque for Rs. 100000/- was not remitted by the complainant within time which resulted in lapsation of the policy. As there was no revival of the policy, it was terminated; the surrender charge, as per relevant policy conditions, was deducted and balance fund value was paid to the complainant. Further contention of the complainant that he knew about the nature and features of the policy only in 2010 cannot be believed at all. One more doubtful circumstance is that while the respondent insurer offered revival of the policy on or before 30.11.10, why were they unaware of the fact that the 4th premium was due on 5.11.10 and why was the cheque for Rs. 100000/- encashed by them even after the expiry of the offer period on 30.11.10. This is not a small amount and was kept with the insurer for more than four months. So for the delayed refund of the amount, the complainant is entitled to interest.

In the result, an award is passed directing the respondent-insurer to pay interest @ 9% pa on Rs. 100000/- for a period of four months plus cost of Rs. 1500/- for the inconvenience caused to the complainant, and the payment shall be made within the period prescribed failing which Rs. 100000/- shall carry further interest @ 9% pa from the date of complaint (13.6.11) till payment is effected.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/ KCH/LI/21-004-273/11-12

E A Johny

Vs.

ICICI Prudential Life Insurance Co. Ltd.

Award dated 31.5.2012

The complainant had taken Life Time Super Pension policy from the respondent-insurer by paying an annual premium of Rs. 12000/-, in 2008. Further premiums were not remitted. In 2011, he received a cheque for Rs. 2719.25 after his policy was foreclosed by the insurer. He approached this Forum with a request that the insurer be directed to pay a further sum of Rs. 9280 + interest and compensation to the complainant.

Records were perused and hearing held. The complainant remained absent. The respondent-insurer's representative submitted that there is no obligation on their part to send notice regarding payment of premiums. As the complainant failed to make payment of further premiums, the policy was foreclosed in 4/11. The amount was paid strictly based on policy conditions. On a perusal of the concerned clauses in the policy conditions, it could be ascertained that 'premiums are payable without any obligation on the company to issue a notice for the same'. Also, in a case where the policy had paid only premium for one year, the surrender charge is 75% of the fund value which in the present instance was Rs. 10877 (approx) on the date of foreclosure. Accordingly, the payment made was as per policy conditions. The complainant is not entitled to any relief.

In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/ KCH/LI/21-001-260/11-12

K Raveendran

Vs.

LIC of India

Award dated 5.6.2012

The complainant had a policy with the above insurer. He suffered a stroke and was paralysed. He submitted an application before the respondent-insurer for disability benefit under the policy. It was rejected. Therefore the complaint.

Records were perused and hearing held. As the complainant was disabled, his agent attended. As per the respondent-insurer, disability benefit is payable only when it is the result of an accident, which should be caused by outward, violent and visible means. However, on perusal of the relevant clauses, it was revealed that the term accident used therein intended to mean differently in different contexts. The qualifications put forth by the insurer's representative were conspicuously absent or omitted in the said policy conditions. As per the dictionary meaning, the word accident meant an unexpected untoward event. Stroke is a very major ailment. It was not expected by the complainant. That the accident had resulted in hemiplegia and hemiplegia had resulted in permanent total disability to the life assured. So, without hesitation, it can be found that the complainant had suffered permanent disability on account of stroke which is an accident in the life of the life assured.

In the result, an award is passed directing the respondent-insurer to provide all benefits enumerated under the relevant clauses of the policy conditions to the complainant. No cost.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

RECOMMENDATION IN THE MATTER OF

Complaint No. : **1131/22/003/L/01/2011-12**

Nature of Complaint : **Refund of premium**

Category under RPG Rules, 1998. : **12 (1) (c)**

Policy Nos. : **C253266170, C253266183, C673867162 & C673867188 in the name of Shri Giridhari Burman.
U188710393, U188710403 & U188710416 in the name of Smt. Tamashi Burman.**

Name & Address of complainant : **Shri Giridhari Burman & Smt. Tamashi Burman,
50A, Madhu Roy Lane, Girish Park,
Kolkata – 700 006.**

Name & Address of Insurer. : **Tata AIG Life Insurance Co. Ltd.,
Legal Department,
5th Floor, Chowringhee Court,
55, Chowringhee Road,
Kolkata – 700 071.**

Date of Order : **20th April, 2012**

RECOMMENDATION

Facts and Submissions

1. Complainant

The complainant couple purchased the above 7 policies from Tata AIG Life Insurance Co. Ltd. The first four policies were issued in favour of Shri Giridhari Burman and rest three policies were issued in favour of Smt. Tamashi Burman. They have mentioned in their complaint dated 30.12.2011 that they were convinced by the representative of India Infoline Brokers Ltd. that if they invest Rs.2,50,000/- (Rs.1,50,000/-

in favour of husband and Rs.1,00,000/- in favour of wife) towards two separate single premium policies, they would receive separate medical cashless cards worth Rs.1,75,000/- and Rs.1,54,000/- and ten times loan against the said investment after three months from the date of commencement of the policies. Being satisfied with the offer, both of them agreed to the same and put their respective signatures on in single application forms. After some time, they were surprised on receiving the 7 policy bonds (4 in favour of Shri Burman and 3 in favour of Smt. Burman) from the insurer instead of 2 policy bonds. They further mentioned that these 7 policies were issued to them without their consent and knowledge as also done on the basis of forged signatures of them. Being dissatisfied, they applied to the insurer vide their letter dated 2nd May, 2011 for cancellation of the policies and refund of premiums thereof. But till date they have not received any response from the insurer. Finding no other alternative, they approached this Forum seeking justice and submitted 'P' Forms giving their unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainants for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission dated 12th April, 2012 that the above 7 policies were issued by them on receipt of signed and valid proposals for insurance from the LAs on their own lives along with sales illustration. The first 4 policies were issued in favour of Shri Giridhari Burman under "Mahalife Gold" plan for a term of 15 years with yearly premiums @ Rs.50,204/-, Rs.50,204/-, Rs.25,126/- and Rs.25,126/- respectively. The remaining 3 policies were issued in favour of Smt. Tamashi Burman under "IA Flexi Supreme" plan for a term of 15 years with yearly premiums @ Rs.25,000/-, Rs.25,000/- and Rs.49,900/- respectively. The issuing dates of the policies were from 10th November, 2010 to 28th November, 2010. After verification of the records, they have confirmed that the LAs had submitted their proposals and other documents for insurance only after having been duly convinced about the details of the plan. They have mentioned that the policy no.C253266170 was dispatched to Shri Burman on 12th November, 2010 under POD No.EM124563193 IN and other 3 policies bearing nos. C253266183, C673867162 and C673867188 were dispatched on 29th November, 2010 under POD Nos. EM124546650 IN, EM124545075 IN and EM124545022 respectively. All the policies in the name of Smt. Tamashi Burman were dispatched on 6th December, 2010 under POD Nos.EM124550742 IN, EM124550305 IN and EM124550291 IN respectively. They further mentioned that they have received on 2nd May, 2011 from the complainants a letter of request for cancellation of the policies and refund of premiums which was much beyond the 'free look' period. They have investigated the matter and not found any discrepancy in their sales process. Accordingly, they intimated their decision to the complainants vide their letter dated 11th May, 2011. They added that the complainants further sent to them a letter dated 11th May, 2011 wherein they have given their consent to continue 3 policies issued in favour of Smt. Burman and also accepted that they were fully aware of the policies. In turn, they have replied to the letter of the complainants vide their letter dated 30th May, 2011. In view of the above fact, they mentioned in their written submission that they are unable to accede with the request of the complainants for cancellation of their policies.

3. Hearing :

Both the parties were called for a personal hearing on 17.04.2012. The complainant attended along with his wife Tamashi Burman and submitted the grounds of their complaint. They alleged mis-selling and forgery by the insurance broker, who had sold them seven policies with a false promise of advancing a loan of Rs.14,98,789/- after three months of commencing the policies. They had also assured them to provide cashless health card for four persons of the family. But later on they realized that they had played a fraud against them. They also stated that they do not intend to continue the policy and requested for refund of the invested amount. They further alleged that their signatures were forged by the broker in collusion with officials of the insurance company.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and discussed above.

4. Decision :

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. The complainants have approached this forum with allegation of mis-selling, cheating and forgery by the broker M/s. India Infoline Insurance Broking Ltd, which could not be substantiated by them with any strong and convincing evidence. From the documents submitted to this forum, we find that the couple had duly signed the proposal forms, sales illustration and the declaration confirming that they have read and understood the contents of the application form and the answers provided by them are complete and true to the best of their knowledge. There is no indication that they had acted under the influence or misguidance of the broker. Both of them are educated and matured persons, well established in business with annual income of Rs.13.00 lakh, which has not been disputed. Once they have signed the benefit illustrations, they cannot take the plea that they were not aware of the projected returns under 7 policies. They have further alleged that they were lured by the broker with promises of hefty loan and free medical insurance. The allegation however, remains unsubstantiated and cannot be a valid ground for demanding cancellation of policies and refund of premium. As matured and educated persons, they were expected to carefully read and understand the policy features before signing the proposal form and not to act under the lure of free gifts, which were not assured by the Company. Moreover, they lodged their complaint for cancellation of the policies for the first time on 02.05.2011 after five months of receiving the policy documents on different dates during November – December, 2010. Under the circumstances, the insurer has rejected their request for cancellation of the policies as the request was received much beyond the free look cancellation period. This fact has not been disputed by the complainants. Under the circumstances, we find that the decision of the company not to cancel the policies and refund the premium is in order and the same is upheld.

However, we find that the couple is unable to renew the policies and as a result, their funds will be ultimately forfeited. This will cause great hardship to them.

Considering their inability to finance so many policies and taking a humanitarian view of the matter, we direct the insurance company to convert four policies under Maha Life Gold Premium bearing no. C 253266183, C673867162, C 253266170 and C673867188 into single premium policies without deduction of any charges. As per Company's letter dated 23.04.2012, these four policies may be converted to IA Plus Supreme under single plan on payment of some additional premium, which should not be difficult as Mr. Burman has a good income. As regards the three policies in the name of Smt. Tamashi Burman, the complainant has given a letter dated 11.05.2011 to the insurer wherein he has agreed to continue the three policies and has admitted that he is fully aware about the terms and conditions of these policies. So, no intervention is necessary in respect of these policies, which may be continued by the policy holder. The complaint is accordingly disposed off.

OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No. : 1222/22/003/L/01/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules, 1998. : 12 (1) (c)

Policy No. : C283012873

Name & Address of complainant : Shri Sheikh Jamal,
Dakshin Padir Hati 9,
Kolkata – 700 066.

Name & Address of Insurer. : Tata AIG Life Insurance Co. Ltd.,
Legal Department,
5th Floor, Chowringhee Court,
55, Chowringhee Road,
Kolkata – 700 071.

Date of Order : 20th April, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant has submitted in his complaint dated 30.01.2012 that he is the Life Assured (LA) of the above policy which was purchased from Tata AIG Life Insurance Co. Ltd. He mentioned that in the month of December, 2010, one of the representatives of India Infoline Insurance Brokers Ltd. assured him that they would arrange for a loan of Rs.1,00,000/- with minimum interest within 60 days if he purchased a policy with annual premium of Rs.15,000/-. On agreeing to this proposal, he signed the loan form and handed over the same to the agent along with a cheque of Rs.15,000/- drawn on Canara Bank. After that, he received the policy bond from the above insurer on 12th January, 2011. He mentioned that he has not signed any form for purchasing an insurance policy. He did not receive any loan amount even after 60 days from the date of receipt of the policy bond. Ultimately, he realized that there is no hope for obtaining loan from the insurer. As a result, he made a number of correspondences with the insurer for cancellation of the policy and refund of premium but received no response from them. So, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission dated 13th April, 2012 that on receipt of a valid and signed proposal dated 9th January, 2011 from the LA, they have issued to the LA a policy under "Tata AIG Life Maha Guarantee" plan with yearly premium of Rs.14,739/- for a term of 10 years of which the sum assured is Rs.1,22,000/-. The policy bond was dispatched to the complainant on 15th January, 2011 under Speed Post No.EM693109675 IN. After necessary examination at their end, they have not found any discrepancy in their sales process as also mis-selling of the policy to him. They have received the first complaint of cancellation of the policy from the complainant on 4th August, 2011 which was much beyond the 'free look cancellation' period. In view of the above mentioned fact, they are unable to accede with the request of the complainant for cancellation of the policy. However, the insurer has not submitted any documentary evidence to us in support of the statements made in their written submission.

3. Hearing :

Both the parties were called for a personal hearing on 17.04.2012. The complainant attended and explained the grounds of his complaint. He alleged mis-selling by the insurance brokers who had sold them an insurance policy with a false commitment of loan of Rs.1,00,000/- within 45 days. Now he is in a critical condition as he had taken loan for paying the premium. He is unable to continue the policy and requested for refund of the invested amount. He further alleged that he had only signed a form for loan and not for insurance policy and his signature was forged by the broker in collusion with the officials of the insurance company.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN as discussed above. They have further submitted that they are ready to convert the policy into a single premium plan on payment of additional premium of Rs. 33109/-.

4. **Decision :**

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. The complainant has approached this forum with allegation of mis-selling and forgery by the broker M/s. India Infoline Insurance Broking Ltd, who had promised a business loan of Rs. 100,000/- on taking a policy. The company have pleaded that the policy was issued after receiving a duly signed proposal form along with sales illustration, but they have submitted to this forum only the copy of the proposal form vide Annexure A to their self contained note. The sales illustration alleged to have been signed by the party was not produced. It is seen that the policy was sold through Shri Tabish Mahamood, agent code no. 11FL-A107859. In some other case also (Md. Mirajuddin Molla), we have observed that the said agent has adopted similar modus operandi to attract the gullible clients. The sales illustration alleged to have been signed by the party was not produced. It is also not clear how the broker/agent had illustrated the guaranteed return or bonus as suggested by the name of the plan "Life Maha Guarantee" plan. Under the circumstances, we cannot accept the contention of the insurer that there was no irregularity in the sale process and their official had made proper explanation about the terms and conditions of the policy. Any policy sold without explaining the features/benefits properly through written documents/illustrations is invalid and deserves to be cancelled.

After careful consideration of the facts and circumstances of the case, we are of the opinion that the possibility of the complainant being misguided by the broker with a false promise of business loan cannot be ruled out. He was made to wait for 45 days for the loan due to which he could not return the policy bond during free look cancellation period. There is no documentation to prove that policy was sold after explaining the projected benefits under the plan. We have also considered the poor economic and educational background of the complainant. We therefore, consider it fair to cancel the policy and order full refund of premium within 15 days of the receipt of the order along with the consent letter of the complainant. We also recommend appropriate action against the agent/broker involved in this case as also in the other case quoted above for adopting unfair trade practice.

In result, the complaint is allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No. : 1241/22/003/L/02/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules 1998. : 12 (1) (c)

Policy No. : C283001240

Name & Address of the Complainant : Md. Mirajuddin Molla,
Q 501, Gulam Molla Lane,
(Santoshpur Akra Road),
Kolkata – 700 024.

Name & Address of the Insurer : Tata AIG Life Insurance Co. Ltd.,
Legal Department,
5th Floor, Chowringhee Court,
55, Chowringhee Road,
Kolkata – 700 071.

Date of Order : 20th April, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant has submitted in his complaint dated 02.02.2012 that he is the Life Assured (LA) of the above policy bearing no.C283001240 from Tata AIG Life Insurance Co. Ltd., through their Agent, India Infoline Insurance Brokers Ltd. on 25th January, 2011 after depositing an amount of Rs.30,000/-. He was under the impression that he could get a personal loan of Rs.3,00,000/- from the insurer against the said policy. After receiving the policy bond, he realized that the loan against the policy is not allowed by the insurer. He communicated about the same to the concerned agent and wrote a letter to the

insurer on 7th June, 2011 for cancellation of the policy and refund of the premium amount already paid. But, in spite of several follow-ups, he did not get any positive response on the part of the insurer. So, he approached this Forum seeking appropriate relief and submitted "P" Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has submitted their Self-Contained Note (SCN) dated 12th April, 2012 stating therein that the Life Assured (LA) had taken the above policy on his own life with yearly premium of Rs.29,507/- for a period of 5 years for sum assured of Rs.1,41,000/- from them duly filled in and signed on the proposal form dated 19th January, 2011 along with sales illustration etc. They confirmed that proper explanation in respect of the terms and conditions of the policy was given to the LA who, in turn, gave his confirmation and consent in the proposal form. They deny and dispute the allegations made by the LA. As per the records of the insurer, the original policy document was dispatched to the customer via Speed Post No.AWB EM698421942 IN dated 28th January, 2011. They received a complaint from the LA on 7th June, 2011 i.e.much beyond the 'free look' period. Since the LA did not approach the insurer within the 'free look' period, they denied the request for cancellation of the policy and refund of premium as requested by the LA.

3. Hearing :

Both the parties were called for a personal hearing on 17.04.2012.The complainant attended and explained the grounds of his complaint. He alleged mis-selling and forgery by the insurance brokers who had sold them seven policies with a false promise of advancing a personal loan of Rs.3,00,000/- within 60 days of commencing the policies after depositing an amount of Rs.30,000/- But later on when he realized that loan against the policy is not allowed by the insurer, he followed up with the concerned broker and wrote a letter to the insurer on 07.06.2011 for cancellation of the policy and refund of premium.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN as discussed above. They have further submitted that they are ready to convert the policy into a single premium plan on payment of additional premium of Rs. 18000/-

4. Decision :

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. The complainant has approached this forum with allegation of mis-selling and forgery by the broker M/s. India Infoline Insurance Broking Ltd, who had promised a business loan of Rs. 300,000/- on taking the policy. The company have pleaded that the policy was issued after receiving a duly signed proposal form along

with sales illustration, which is confirmed by the copy of the proposal form submitted to this forum. The policy was sold through agent Shri Tabish Mahamood, code no. 11FL-A107859. In a similar case decided by this Forum in complaint no. 1222/22/003/L/01/11-12 we have held that the agent (Shri Tabish Mahamood) had sold the policy with false commitment of loan within 45-60 days due to which the party could not avail of the free look cancellation. We find that the same agent had adopted a similar modus operandi in the present case also. The sales illustration alleged to have been signed by the party was not produced. It is also not clear how the broker/agent had illustrated the guaranteed return or bonus as suggested by the name of the plan. Moreover, he was issued a regular plan policy which is beyond his premium paying capacity. Under the circumstances, we cannot accept the contention of the insurer that there was no irregularity in the sale process and their official had made proper explanation about the terms and conditions of the policy. Any policy sold without explaining the features/benefits properly through written documents/illustrations is invalid and deserves to be cancelled.

After careful consideration of the facts and circumstances of the case, we are of the opinion that the possibility of complainant being misguided by the broker with a false promise of business loan cannot be ruled out. He was made to wait for 45 days for the loan due to which he could not return the policy bond during free look cancellation period. There is no documentation to show that the policy was sold after explaining the projected benefits under the plan. We have also considered the poor economic and educational background of the complainant. It is not possible for him to pay additional premiums of Rs.18,000/- required for converting the policy into a single plan policy. We therefore, consider it fair to cancel the policy and order full refund of premium within 15 days of the receipt of the order along with the consent letter of the complainant. We also recommend appropriate action against the agent/broker involved in this case as also in the other case quoted above for adopting unfair trade practice.

In result the complaint is allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No. : 941/22/003/L/11/2011-12
Nature of Complaint : Refund of premium
Category under RPG Rules 1998 : 12 (1) (c)

Policy No. : **U024685980**

Name & Address of the Complainant : **Shri Shom Nath Sahu,
J/9, 103/104, Naskarpara Road,
Ghusuri, Howrah – 711 107.**

Name & Address of the Insurer : **Tata AIG Life Insurance Co. Ltd.,
Legal Department,
5th Floor, Chowringhee Court,
55, Chowringhee Road,
Kolkata – 700 071.**

Date of Order : **20th April, 2012**

AWARD

Facts and Submissions

1. Complainant

The complainant has stated in his complaint dated 24.11.2011 that he is the Life Assured (LA) of the above policy which was purchased from Tata AIG Life Insurance Co. Ltd. by paying single premium of Rs.25,000/-. He was assured by the broker that the amount invested by him would become double in 6 years. He received the policy bond after some days of purchasing the policy but being an illiterate person, he could not understand the terms and conditions. He was never told by the broker that it was a regular premium policy with an annual liability of Rs.25,000/- which is not possible with his small income. After one year he came to know over phone from an employees of the insurer that the policy was issued under regular premium plan and he was required to pay a renewal premium, which was not possible for him. He contacted the insurer several times to resolve the problem but did not get any favourable response. Finding no other alternative, he approached this Forum seeking justice and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission dated 2nd January, 2012 that they have issued to the complainant on 30th December, 2009 a policy under "Jeevan Lakshya" plan with annual premium of Rs.25,000/-. They have not received any intimation from the complainant towards any discrepancy/mis-selling of the policy offered to him. They came to know the same only through the office of the Insurance Ombudsman. The policy was issued on receipt of a duly filled and signed proposal form and sales illustration sheet confirming the premium paying term as 20 years. After necessary examination at

their end, they have not found any discrepancy in their sales process as also mis-selling of the policy to him. Lastly, they have mentioned that they are unable to accede to customer's request towards cancellation of the policy as the request has been received by them beyond the 'free look' period. However, the insurer has not submitted any documentary evidence to us in support of the statements made in their written submission.

3. Hearing :

Both the parties were called for a personal hearing on 17.04.2012. The complainant submitted the grounds of complaint and stated that the agent misguided him and convinced him to deposit Rs.25,000/- in a single premium policy under which he would get double the amount in 6 years. Since he is an illiterate person and has no formal education, he could not understand the terms and conditions of the policy. He does not remember whether he signed the benefit illustration. However, after receiving the renewal premium notice, he realized that it was a regular premium policy which he is unable to continue due to his small income and financial hardships.

The representative of the insurance company reiterated their stand mentioned in the SCN and discussed above.

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum with allegation of mis-selling and misrepresentation by the insurance broker M/s. Religare Insurance Broking Ltd., who persuaded him to invest his surplus funds assuring high returns. The insurance company has turned down his request for cancellation of the policy and refund of premium as he approached them after almost one year of issuance of the policy. The company has claimed that there was no discrepancy in the sale process. But the facts of the case prove otherwise. During hearing we found that he is semi literate person, can barely sign in English, has no formal education and is employed as a labour in a jute mill with a small annual income of Rs.150,000/- (as declared and accepted by the insurer). Looking at this background, it is clear that he cannot pay a regular premium of Rs.25,000/- per annum for 20 years when he has lot of other family responsibilities. The proposal form was filled by the broker, who had ticked the option for a regular premium plan for a term of 20 years. While doing so, the broker had obviously overlooked his premium paying capacity and did not explain the features of the product. Moreover certain important column like 'level of education' was left blank. The company has taken the plea that the policy holder has signed the proposal form and the benefit illustration, but they are silent on the point whether the financial underwriter ever raised a query about his small income, other family liabilities and his education level before finalising the proposal. The money invested by him was his onetime saving, which cannot be saved every year out of his small income and growing family liabilities. Had he been told about the premium paying frequency and the term of the plan, he would never have agreed to purchase the policy. The company has submitted a copy of the benefit illustration alleged to have been signed by the party after understanding the same, but we find that it is

totally illegible, almost a blank sheet from which even we could not make out anything about the projected return on investment. Under the circumstances, how can we expect the complainant to understand the real benefits under the plan. The policy sold by the broker through such illegible documents is void ab-initio and deserves to be cancelled. The company has contended that the policyholder did not raise any dispute for one year. This only goes to prove that he is totally ignorant about the terms and conditions of the policy. Moreover, we find that he has no means to pay the first renewal premium. As a result, the policy will eventually lapse and his hard earned savings will get forfeited. Being placed in acute financial stringency, he has no alternative other than praying for refund of the invested amount or alternatively to convert his policy to a single premium plan. The Company representative has submitted that the only product available under single premium is 'Swarna Pratigya' which would require additional deposit of Rs.75000/-. This option is meaningless for him as he cannot pay even the renewal premium of Rs.25000/-.

In view of the aforesaid discussion, we conclude that misselling by the broker is clearly established in this case. Under the circumstances, the decision of the company not to refund the premium is unfair and erroneous and we set aside the same. The Company is directed to cancel the policy and refund the entire premium without any deductions within a period of 15 days from the receipt of this order along with the consent letter of the complainant. The petition is allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No.	:	942/22/003/L/11/2011-12
Nature of Complaint	:	Refund of premium
Category under RPG Rules, 1998	:	12 (1) (c)
Policy No.	:	U024686329
Name & Address of complainant	:	Smt. Suchitra Devi, J/9, 103/104, Naskarpara Road, Ghusuri, Howrah – 711 107.
Name & Address of Insurer.	:	Tata AIG Life Insurance Co. Ltd., Legal Department, 5 th Floor, Chowringhee Court, 55, Chowringhee Road, Kolkata – 700 071.

Date of Order : 20th April, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant has stated in her complaint dated 24.11.2011 that she is the Life Assured (LA) of the above policy which was purchased from Tata AIG Life Insurance Co. Ltd. by paying single premium of Rs.20,000/-. She was assured by the broker that the amount invested by her would become double in 6 years. She received the policy bond after some days of purchasing the policy but being an illiterate person, she could not understand the terms and conditions. She was never told by the broker that it was a regular premium policy with an annual liability of Rs.20,000/- which is not possible with her small income. After one year she came to know over phone from an employee of the insurer that the policy was issued under regular premium plan and she was required to pay a renewal premium, which was not possible for her. She contacted the insurer several times to resolve the problem but did not get any favourable response. Finding no other alternative, she approached this Forum seeking justice and submitted 'P' Forms giving her unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission dated 17th January, 2012 that they have issued to the complainant on 26th December, 2009 a policy under "Jeevan Lakshya" plan with annual premium of Rs.20,000/-. The original policy bond was dispatched to her in January, 2010. They have not received any intimation from the complainant towards any discrepancy/mis-selling of the policy offered to her. They came to know the same only through the office of the Insurance Ombudsman. The policy was issued on receipt of a duly filled & signed proposal form and sales illustration sheet confirming the premium paying term as 25 years. After necessary examination at their end, they have not found any discrepancy in their sales process as also mis-selling of the policy to her. Lastly, they have mentioned that they are unable to accede to customer's request towards cancellation of the policy as the request has been received by them beyond the 'free look' period. However, the insurer has not submitted any documentary evidence to us in support of the statements made in their written submission.

3. Hearing :

Both the parties were called for a personal hearing on 17.04.2012. The complainant submitted the grounds of complaint and stated that the agent misguided her and convinced her to deposit Rs.20,000/- in a single premium policy under which she would get double the amount in 6 years. Since she is an illiterate person and has no formal education, she could not understand the terms and conditions of the policy. She does not

remember whether she signed the benefit illustration. However, after receiving the renewal premium notice, she realized that it was a regular premium policy which she is unable to continue due to her small income of Rs. 1 lakh and financial hardships.

The representative of the insurance company reiterated their stand mentioned in the SCN and discussed above.

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum with allegation of mis-selling and misrepresentation by the insurance broker M/s. Religare Insurance Broking Ltd., who persuaded her to invest her surplus funds assuring high returns. The insurance company has turned down her request for cancellation of the policy and refund of premium as she approached them after almost one year of issuance of the policy. The company has claimed that there was no discrepancy in the sale process. But the facts of the case prove otherwise. During hearing we found that she is an illiterate person, can barely sign her name, has no formal education and is employed as a sub staff in a nursing home with a small annual income of Rs.100,000/- (as declared and accepted by the insurer). Looking at this background, it is clear that she cannot pay a regular premium of Rs.20000/- per annum for 25 years when she has other family liabilities. The proposal form was filled by the broker, who had ticked the option for a regular premium plan for a term of 25 years. While doing so, the broker had obviously overlooked her premium paying capacity and did not explain the fact that she would be required to pay regular premium of Rs.20,000/- for 25 years. Moreover certain important column like 'level of education' was left blank. The company has taken the plea that the policy holder has signed the proposal form and the benefit illustration, but they are silent on the point whether the financial underwriter ever raised a query about her small income, her family liabilities and her education level before finalising the proposal. The money invested by her was her onetime saving, which cannot be accumulated every year out of her small income and growing family liabilities. Had she been told about the premium paying frequency and the term of the plan, she would never have agreed to purchase the policy. The company has submitted a copy of the benefit illustration alleged to have been signed by the party after understanding the same, but we find that it is totally illegible, almost a blank sheet from whichever we could not make out anything about the projected return on investment. Under the circumstances, how we can expect the complainant to understand the real benefits under the plan. The misrepresentation is clearly established by the illegible sales illustration given to the policyholder. The policy sold through such misrepresentation is void ab-initio and deserves to be cancelled. The company has contended that the policyholder did not raise any dispute for one year. This only goes to prove that she had no knowledge of the terms and conditions of the policy. She was absolutely sure that it was a one-time instalment and realized her predicament on receiving the renewal notice. She has no means to renew the policy, which eventually will lapse and her hard earned savings will get forfeited. Being placed in acute financial stringency, she has no alternative other than praying for refund of the invested amount or alternatively to convert the policy to a single premium plan. The Company representative

has submitted that the only product available under single premium is 'Swarna Pratigya' which would require additional deposit of Rs.80000/-. This option is meaningless for her as she cannot pay even the renewal premium of Rs.20000/-.

In view of the aforesaid discussion, we conclude that misselling by the broker is established in this case. Under the circumstances, the decision of the company not to refund the premium is unfair and erroneous and we set aside the same. The Company is directed to cancel the policy and refund the entire premium without any deductions within a period of 15 days from the receipt of this order along with the consent letter of the complainant. The petition is allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No.	:	1190/22/008/L/01/2011-12
Nature of Complaint	:	Refund of premium
Category under RPG Rules 1998.	:	12 (1) (c)
Policy No.	:	02288895
Name & Address of the Complainant	:	Shri Subhas Ch. Nag Chowdhury, 519, Kalikapur (E), Narkel Bagan, P.O. Barasat, District: North 24-Parganas, Kolkata – 700 124.
Name & Address of the Insurer	:	Kotak Mahindra Old Mutual Life Insurance Ltd., 7th Floor, Kotak Towers, Building No.21, Infinity Park, Off Western Express Highway, General A.K. Vaidya Marg, Malad (E), Mumbai – 400 097.
Date of Order	:	23rd April, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant purchased the above policy on 11th April, 2011 under "Kotak Surakshit Jeevan" plan from Kotak Mahindra Old Mutual Life Insurance Ltd. by paying a sum of Rs.35,000/- as premium. He purchased the policy with the understanding that it would be (i) a joint life policy (husband and wife) with risk coverage up to the age of 70 years, (ii) no medical examination required, (iii) payment of premium may be discontinued after paying 2 years premiums, (iv) total premium amount is refundable after 3 years with 13% interest, (v) death benefit will be around Rs.6,00,000/- (almost double) if 5 years premiums have been paid etc.

He received the policy bond on 30th April, 2011 and noticed that the policy was in favour of his wife Smt. Jharna Nag Chowdhury as Life Assured (LA), without inclusion of his name as Joint Life Assured. Being dissatisfied, he immediately approached the insurer vide his letter dated 4th May, 2011 (within free look period) for cancellation of the existing policy and purchase of two new policies in favour of himself with premium of Rs.20,000/- and his wife with premium of Rs.15,000/- by transferring Rs.35,000/- (under the existing policy). The insurer, in turn, informed the complainant after a long gap vide their letter dated 12th October, 2011 about their inability to effect this alteration in the policy due to non-fulfilment of certain requirements. Meanwhile, the complainant approached the insurer vide his letter dated 28th June, 2011 for cancellation of the policy and refund of premium. Since no response was received by him, he again requested the insurer vide his letter dated 30th July, 2011 for cancellation of the policy. This time also, he received no positive response from them. As a result, he approached this Forum seeking justice and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainants for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission dated 19th April, 2012 that on receipt of a duly filled and signed proposal form dated 11th April, 2011, they have issued a policy under "Kotak Surakshit Jeevan" plan to the complainant. The said proposal form at column no.3 clearly mentions the term of the policy as 10 years. After thoroughly understanding the features, terms and conditions of the plan, the complainant had signed and executed a benefit illustration dated 11th April, 2011. The complainant did not approach them for cancellation of the policy within 15 days free look period. In fact, he has never approached them with any grievance and hence the present complaint (through the Office of the Insurance Ombudsman) is the first complaint made by him which is approximately 9 months from the expiry of the said free look period.

3. Hearing :

Both the parties were called for a personal hearing on 20.04.2012. The complainant attended and explained the grounds of complaint. He stated that he received the policy bond on 30.04.2011 and after going through the terms and conditions he immediately approached the insurer for cancellation of the policy vide his letter on 04.05.2011 within free look cancellation period. In this letter, he had requested for cancellation of the existing policies and purchase of two new policies, in favor of himself and his wife.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and as discussed above. He further stated that the complainant had requested only for conversion of the policies and not cancellation of the same.

4. Decision :

We have heard both the parties and find that the complainant has lodged his complaint expressing his dissatisfaction with the policy terms and conditions within 5 days of receiving the policy documents on 30.04.2011. In the said letter he had requested for conversion of existing policy into two separate policies by transferring Rs.35,000/- from existing policy towards the premium of new policies. Since the insurer did not take any action on his request, he lodged another complaint on 28.06.2011 for cancellation of the existing policy. After verification of the documents, we find that the insurance company has not taken any action on the complaint filed by the complainant during the free look cancellation period. Their decision is therefore, erroneous and the same is set aside. Since the request for conversion/cancellation was made within free look period, the insurance company is directed to cancel the policy and refund the premium under the policy within a period of 15 days after receiving this order along with consent from the complainant.

In result the complaint is allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072

RECOMMENDATION IN THE MATTER OF

Complaint No. : 1283/22/002/L/02/2011-12

Nature of Complaint : **Refund of premium**

Category under RPG Rules 1998. : **12 (1) (c)**

Policy Nos. : **35008890103, 35009027002 & 44017464403**

Name & Address of the Complainant : **Md. Hasan Khan,
W/155A, Haji Ratan Lane,
Aman Market, 1st Floor,
Kolkata – 700 018.**

Name & Address of the Insurer : **SBI Life Insurance Co.Ltd.,
Turner Morrison Building, 2nd Floor,
G.N. Baidya Marg,
Fort,
Mumbai – 400 023.**

Date of Order : **23rd April, 2012**

RECOMMENDATION

Facts and Submissions

1. Complainant

The complainant Md. Hasan Khan is the Life Assured (LA) of 3 policies bearing nos. 35008890103, 35009027002 & 44017464403 which were purchased from SBI Life Insurance Co. Ltd., through their representative, with the impression that these policies are single premium policies @ Rs.1,00,000/- each and will be doubled after expiry of 6 years as assured by the representative of the insurer at the time of taking the said policies. Since he did not get the original policy bonds from the insurer within the stipulated period of 30 days, he applied to the insurer on 20th April, 2011 for sending the same as soon as possible to his mailing address mentioned in the proposal forms. In reply to his letter dated 20th April, 2011, the insurer issued him the duplicate policy bonds vide their letter dated 20th May, 2011 without clarifying the reason of non-delivery of the original certificates. Being aggrieved, he applied to the insurer by 3 separate applications all dated 21st May, 2011 for cancellation of the policies and refund of premiums but did not get any response from the insurer. Thereafter, he has given a reminder notice dated 28th October, 2011 to the insurer to know about the fate of his cancellation request letters dated 21st May, 2011, but again did not get any response from the insurer. After waiting a period of 15 days, he again sent a notice to the insurer on 14th November, 2011 to know the status of his 3 policies.

In reply to his letter dated 14th November, 2011, the insurer intimated to him through 3 separate letters dated 20th December, 2011

stating therein that they are unable to accept his free look cancellation requests dated 21st May, 2011 as because they had delivered the original policy documents to him on 14th March, 2011 and 21st March, 2011. Finding no other alternative, he approached this Forum seeking justice and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has submitted their Self-Contained Note (SCN) dated 16th March, 2012, stating therein that on the basis of the proposal forms submitted by the LA and believing the information furnished therein to be true and accurate, they had issued the above 3 policies under "Shubh Nivesh" and "Smart Performer" plans respectively, details of which are mentioned in their SCN dated 16th March, 2012. They dispatched the original policy documents to the mailing address of the policyholder vide POD No.EM718342778 IN, dated 11th March, 2011; POD No.EM738561199 IN, dated 15th March, 2011 and POD No.EM7180563001 IN, dated 7th March, 2001 and delivered the same on 21st March, 2011 and 14th March, 2011 respectively. On receipt of the duplicate policies on 20th May, 2011, the complainant requested for the free look cancellation of the policies on 20th May, 2011 which was rejected by them as the free look period has already lapsed. They have placed the Post Office Certificate which clearly establishes that the complainant had received the policy documents on 14th March, 2011 and 21st March, 2011.

3. Hearing :

Both the parties were called for a personal hearing on 20.04.2012. The complainant attended and submitted the grounds of complaint. He stated that he has not yet received the original policy bond and also alleged that these were sent to the address of his in-laws. On his request, the company has issued the duplicate policy bond and he applied cancellation of the policies within 15 days of receiving the same. Therefore, he should be allowed free look cancellation of the policies and refund of premium.

The representative of the insurance on the other hand, reiterated their stand as mentioned above.

4. Decision :

We have heard both the parties, perused the written submissions and verified the documents submitted to this forum. The complainant has approached this forum with the allegation that the three policies were mis-sold by the representative of the insurance company with the promise that these were single premium policies and will be double after 6 years. He has also alleged that he did not receive the policy bond and applied after cancellation of the policies after receiving duplicate policy bond. The representative of the insurance company on the other hand provided the full details of the proof of delivery of the three policies which was sent through speed post and were not returned undelivered.

It is also seen that the policy bonds were dispatched at the address mentioned in the proposal form by the complainant. The delivery of the policy bonds have also been confirmed by the Postal authority by the Indian Post Tracking system on the internet. Under the circumstances, the contention of the complainant that he has not received the policy bonds is not tenable. The policy bonds were delivered was lodged on 20.05.2011 which is clearly beyond the free look cancellation period.

After careful evaluation of all the facts and circumstances of the case, we are of the opinion that mis-selling has not been established in this case. Since the complainant failed to avail of free look cancellation period, the decision of the company not to refund the premium is in order and the same is upheld. However, to mitigate the financial hardship of the complainant we direct the company to convert the policy no.35008890103 & 44017464403 to a single premium policy without deducting any surrender charges and after taking the consent from the policyholder.

OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072

RECOMMENDATION IN THE MATTER OF

Complaint No.	:	1191/22/012/L/01/2011-12
Nature of Complaint	:	Non-adjustment of premium
Category under RPG Rules 1998.	:	12 (1) (c)
Policy No.	:	1200500079292
Name & Address of the Complainant	:	Mrs. Mamta Srivastava, 464A, Ashok Nagar, Ranchi – 834 002, Jharkhand.
Name & Address of the Insurer	:	Met Life India Insurance co. Ltd., Brigade Seshamahal, 5, Vani Bilas Road, Basavanagudi, Bangalore – 560 004.

Date of Order : 26th April, 2012

RECOMMENDATION

Facts and Submissions

1. Complainant

The complainant has stated in his complaint letter dated 16.01.2012 that she started a policy for her son on 16th March, 2005 and has been paying the annual premium of Rs.4,990/- regularly since March, 2005. She paid the premium by PNB Credit Card for the year 2010 on 26th March, 2010 through Transaction No.260031848293 for an amount of Rs.5,078.67/- mentioning policy no.50079292. She paid the premium for March, 2011 vide BOI Bill Desk dated 24th March, 2011 for Rs.4,990/- which appeared in her Card Statement dated 15th April, 2011. After 18 months from March, 2010, all of a sudden, she received a letter from the insurer informing her that due to non-receipt of adequate premium, her policy has become lapsed since 15th March, 2010. Her husband communicated with the insurer through mail dated 22nd October, 2011 and found that the PNB Card Statement of 5th August, 2010 reflected that the insurer had reversed the amount in her account. On enquiry with the insurer, it was found that the insurer had credited back the amount after 5 months i.e. in the month of August, 2010 because the complainant had mentioned an invalid policy number. She made several correspondences with the insurer trying to explain that the initial 4 digits "1200" was some time not mentioned in the insurer's letter received by her. In spite of several correspondences, her policy is still in a lapsed condition since March, 2010. So, she approached this Forum seeking justice and submitted "P" Forms giving her unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer have mentioned in their Self-Contained Note (SCN) dated 26th March, 2012 stating that the complainant had taken the policy bearing no. 1200500079292 on the life of her son from them on 15th March, 2005 for sum assured of Rs.1,00,000 and yearly premium of Rs.4,990/-. They received the renewal premium from the complainant till the year 2009 and the premium which was due on 15th March, 2010, was paid by the complainant through Credit Card towards an incorrect policy number. They returned the amount so received to the Customer's Credit Card Account on 9th April, 2010 and the same was communicated to the complainant. But there was no effort from the policyholder or from the side of the complainant to remit the renewal premium even after the grace period. The status of the policy was changed to paid-up status as the option of non-forfeiture was opted by the policyholder at the time of taking the policy. The complainant remitted the renewal premium due for March, 2011 on 25th March, 2011 but it was insufficient to reinstate the policy and the same was kept in the Suspense Account under the said policy. The fact of inadequate funds was communicated to the complainant and

she was informed that for reinstatement of the policy they would require an amount of Rs.11,007.94. The policyholder had sought for clarification for the renewal premium after almost one and a half years. The insurer requested her to reinstate the policy by paying the required amount but in spite of several reminders, the payment was not made by the complainant. They are ready to reinstate the policy at this stage along with a payment of Rs.10,269.63 and submission of the declaration of good health by the complainant's son, as per the terms and conditions of the policy.

3. Hearing :

Both the parties were called for a personal hearing on 24.04.2012, but both of them remained absent. We therefore, propose to deal with the matter on the basis of their written submissions and documents submitted to this forum.

4. Decision :

We have perused the written submissions filed by both the parties and the documents submitted to this forum. It is seen that the premium under the said policy, which was due on 15.03.2010 amounting to Rs. 4990/- was paid by the complainant on 26.03.2010, but as the policy number mentioned by the complainant was incomplete, the insurer returned the amount to the customer's credit card account on 09.04.2010. The insurer have stated that they have communicated their decision to the complainant but on the other hand, the complainant alleged that the said information was received by her after 18 months from the date of payment. The insurance company has not produced any evidence to prove that they had intimated the complainant about the return of premium. We further find that there was a long gap in reversing the premium by the insurance company. The premium was deposited in March, 2010 but due to an error in the policy number as alleged by the insurance company the payment was reversed in August, 2010 i.e. after five months. However, we find that the ground for reversal of the premium was also invalid as the insurance company themselves have mentioned incomplete policy number in all their communication dated 27.09.2011, 22.10.2011 & 28.10.2011. We find that the complainant has mentioned the same policy number as quoted by the company and therefore, the company has no valid ground to refuse the premium for reasons of incorrect policy no.

Under the circumstances, we do not find any lapse on the part of the policyholder. The payment was made in time and the policyholder should be entitled to the benefit for timely payment of premium. The insurance company is directed to reinstate the policy immediately by waiving the requirement of DGH and revival charges, which are totally irrelevant in this case. The complaint is allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No. : 1311/22/003/L/02/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules 1998. : 12 (1) (c)

Policy No. : C283010435

Name & Address of the Complainant : Mr. Moniruddin Baidya,
Vill. Mollapukur D. Para,
Mollapukharia, Diamond Harbour,
P.O. Patra – 743 368,
District: South 24-Parganas.

Name & Address of the Insurer : Tata AIG Life Insurance Co. Ltd.,
Legal Department,
5th Floor, Chowringhee Court,
55, Chowringhee Road,
Kolkata – 700 071.

Date of Order : 25th June, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant has stated in his complaint dated 08.12.2012 that he was approached by a representatives of India Infoline Brokers Ltd. who assured him that he would get a loan of Rs.1,00,000/- on taking a policy of Rs.1,25,000/-. Accordingly, he took a policy bearing no.C283010435 from Tata AIG Life Insurance Co. Ltd. commencing on 11th February, 2011,on payment of Rs. 15000/- . On receipt of the policy documents he learnt that the loan was not available under the said policy. He approached the broker, but he denied having made any such promise. Subsequently, he applied for cancellation of the policy and refund of premium to the insurer on 10th June, 2011. In spite of several reminders, he did not receive any response. So, he approached this Forum seeking appropriate relief and submitted "P" Forms giving his unconditional and irrevocable

consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer have mentioned in their Self-Contained Note (SCN) on 10th May, 2012 stating that the policy no. C283010435 was issued to the Life Assured (LA) for yearly premium of Rs.14,831/- for a period of 10 years for sum assured of Rs.1,25,000/-. The LA has confirmed that he had received and read the proposal/application form and sales illustration provided by the insurer and had endorsed his signature after understanding the contents and features of the policy plan. As per their records, the original policy document was dispatched to the customer via Speed Post bearing No.EM704255107 IN on 14th February, 2011. The insurer received a complaint from the LA on 10th June, 2011 i.e. much beyond the free look period. On investigating the case, the insurer has not found any discrepancy in the sales process and so they submitted that the complaint is devoid of any substance and the claim is unlawful, malafide and not made in accordance with the terms and conditions of the said policy.

3. Hearing:

Both the parties were absent on the date of called on 22.06.2012. Therefore, the complaint will be decided on the basis of their written submissions.

4. Decision

We have gone through the written submission of the complaint and find that he had purchased a policy through India Infoline, a broking firm in the hope of obtaining a loan of Rs.100,000/-, which was promised by the broker. He received the policy bond in time, but when he did not receive the loan he approached the broker, who assured him that his loan was under process. Soon he realized that he was mis-sold the policy, but due to his ignorance and misguidance of the broker he could not apply for cancellation of the policy within freelook cancellation policy. The insurance company, on the other hand, have denied the allegation of mis-selling by the broker and stated that the policy was issued on receiving valid proposal form and sales illustration which were duly signed by the policyholder. Since the request for cancellation was received beyond free-look cancellation period, they are unable to cancellation of the policy.

On verification of the documents submitted by the Insurer, we find that their decision is solely based on the proposal form. They have overlooked the fact that no need analysis was done by the broker before recommending the product. A blank proposal form was signed by the policy holder who depended totally on the wisdom of the broker. Looking at the education and economic background of the complainant, it is apparent that the complainant was thoroughly misled by the broker both prior to and after the sale. The delay in lodging a complaint with the insurer is little over 3 months, which is sufficiently explained by the ignorance of the complainant and the assurance of the broker that the loan was under process, which kept his hopes alive. Thus, it is clearly a

case of misselling and the policy deserves to be cancelled. We, therefore, direct the company to cancel the policy and return the premium within 15 days from the date of receiving the order. The complaint is allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No. : 1312/22/003/L/02/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules 1998. : 12 (1) (c)

Policy No. : C674198445

Name & Address of the Complainant : Mr. Wasim Akram,
Mollapukharia Uttarpara,
P.O. Patra, P.S. Diamond Harbour,
District: South 24-Parganas,
Pin: 743 368.

Name & Address of the Insurer : Tata AIG Life Insurance Co. Ltd.,
Legal Department,
5th Floor, Chowringhee Court,
55, Chowringhee Road,
Kolkata – 700 071.

Date of Order : 25th June, 2012

AWARD

The petition has been filed by the complainant against the above mentioned insurer for non-refund of premium under the policy no. C674198445 and the same has been admitted under Rules 12(1) (c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his complaint dated 08.02.2012 that he had purchased the above policy from Tata AIG Life Insurance Co. Ltd. through India Infoline

Insurance Brokers Ltd. At the time of taking the policy, he was told that a loan of Rs.1,00,000/- will be granted to him after 45-60 days from the date of purchase of a policy with Rs.15,000/- premium per annum. He received the policy bond after one month of handing over the first premium cheque to the agent. When he did not receive the loan, he tried to contact the representatives of India Infoline and came to know that they had left the organization; thus his hope for getting the loan was not fulfilled. After 2 months, he met one of the above representatives and as per his advice he applied to the insurer on 27th June, 2011 for cancellation of the policy and refund of premium. Since the premium has not been refunded to him by the insurer till date, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer have mentioned in their written submission dated 10th May, 2012 that the above policy was issued by them under "Tata AIG Life Maha Guarantee" plan for yearly premium of Rs.29,638/- for a period of 5 years for sum assured of Rs.1,44,000/-. The said policy was issued by them on receipt of a signed and duly filled proposal form dated 30th January, 2011 along with sales illustration and other relevant documents. The original policy bond was dispatched to the Life Assured (LA) on 14th February, 2011 through Speed Post bearing no.AWB EM706002397 IN. They have received a complaint of mis-selling of the policy from the LA on 27th June, 2011 which was much beyond the 'free look' period. They have investigated the case and have not found any discrepancy in the sales process. In view of the above, they are unable to accede with the request of the LA for cancellation of the policy.

3. Hearing:

Both the parties were absent on the date of called on 22.06.2012. Therefore, the complaint will be decided on the basis of their written submissions.

4. Decision

We have gone through the written submission of the complaint and find that he had purchased a policy through India Infoline, a broking firm in the hope of obtaining a loan of Rs.100,000/-, which was promised by the broker. He received the policy bond in time, but when he did not receive the loan he approached the broker, he found that he had left the job. He pursued the loan matter with the broking firm but was not guided properly and due to his ignorance he failed to apply for cancellation of the policy within free look cancellation policy. The insurance company, on the other hand, have denied the allegation of mis-selling and stated that the policy was issued on receiving valid proposal form and sales illustration which were duly signed by the policyholder. Since the request for cancellation was received beyond free-look cancellation period, they are unable to cancellation of the policy.

However, considering the economic and educational background of the complainant and also the fact that his main purpose was not investment, but obtaining a loan for which he was running after the broker and was not guided by them properly, the decision of the company to refuse cancellation of the policy does not appear to be fair and justified. There is a strong indication that the broking company had mis-sold the policy on a false promise of a loan which was not paid to him in time. After careful evaluation of all the facts and circumstances of the case, we direct the company to cancel the policy and return the premium within 15 days from the date of receiving the order. The complaint is allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No. : 1345/25/009/L/02/2011-12

Nature of Complaint : Non-receipt of policy bond

Category under RPG Rules 1998. : 12 (1) (f)

Policy No. : 0035516515

Name & Address of the Complainant : Mr. Vikas Ranjan,
12/101, Kamdhenu Apartment,
Hari Om Nagar, Mulund (East),
Mumbai – 400 081.

Name & Address of the Insurer : Bajaj Allianz Life Insurance Co. Ltd.,
Ashoka Plaza, 5th Floor,
Corporate Software Park,
Survey No.32/3, Nagar Road,
Viman Nagar,
Pune – 411 014.

Date of Order : 25th June, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant is the Life Assured (LA) of the above ULIP policy which was purchased from Bajaj Allianz Life Insurance Co. Ltd. in the month of January, 2007 by paying annual premium of Rs.10,000/-. He has mentioned in his complaint Nil received by us on 22.02.2012 that he has not received the policy bond till date. He had personally visited the Patna Office of the insurer on 27th September, 2010 and submitted a letter of complaint dated 27th September, 2010. But he neither received the policy bond nor any favourable reply from the insurer. Being an employee of State Bank of Patiala, he was unable to contact the insurer on regular basis but paid his due premiums regularly. Afterwards, he made a lot of correspondences through e-mail with the insurer and came to know that the policy was delivered to him vide RL No.233507733 dated 19th April, 2007 and the insurer has advised him to submit indemnity bond for issuance of a duplicate policy bond. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint. Through a separate letter dated 10th April, 2012, he approached this Forum for transferring the case to the Office of the Insurance Ombudsman, Mumbai. In the said letter, he also mentioned that at present he is residing in Mumbai and the cost of appearing in person in the Office of the Insurance Ombudsman, Kolkata, will be Rs.25,000/- approx. which is too high for him.

2. Insurer

The insurer has mentioned in their written submission dated 18th April, 2012 that the above policy was issued on 11th January, 2007 and the policy bond was dispatched to the mailing address of the LA on 19th April, 2007 via "registered letter" with consignment no.233507733 and the same has not been returned to them undelivered. After a lapse of considerable period of time, it is nearly impossible to trace the delivery details of the policy. They have never received any complaint from the LA for more than three and a half years from the commencement of the policy. The LA has paid all the due premiums at their Branch Office but failed to lodge his complaint regarding non-receipt of policy bond before 27th September, 2010. They have also informed the LA that they are ready to issue duplicate policy bond on payment of Rs.200/- towards stamp duty along with indemnity bond. But the customer is not willing to opt for the same.

3. Hearing

Both the parties were called for a personal hearing on 22.06.2012. The complainant has sent a mail dated.15.06.2012 requesting us to decide the case ex-parte as he is unable to appear in person. We therefore, propose to deal with the matter on the basis of written submission made by the party. The representative of the insurance company attended and explained the company's stand.

4. Decision

We have considered the submissions of both the parties and other documents submitted by them. It is seen that the complainant has mentioned three specific complaints against the insurer i.e. (i) not-receipt of policy bond; (ii) not recording change of address and (iii) non-receipt of statement of accounts in respect of his policy. Out of the above, only the first complaint has been admitted by this forum. The other two complaints relate to administrative matters for which he is advised to approach the insurance company directly.

As regards the non-receipt of the policy bond, the insurance company has confirmed that the original policy bond was dispatched to the complainant in time and after a lapse of more than five years it is very difficult to trace the delivery details of the policy bond. However, they have given the consignment no.233507733 which was sent by Registered Post on 19th April 2007 and the same was not returned to them undelivered. We agree with the insurance company that it is not possible for them to trace the proof of delivery after a lapse of five years. Moreover, we find that the complainant has paid regular premium since 2007 and did not make any complaint regarding non-receipt of policy bond during this long period. His first complaint was lodged on 22.09.2010, which was quite late to trace the original bond. Under the circumstances, company's decision to issue a duplicate policy bond is quite justified. They have asked the policyholder to complete the laid down formalities of indemnity bond, but the complainant has not complied till date.

After careful evaluation of all the facts and circumstances of the case, we direct the insurance company to issue a duplicate policy bond waiving the requirement of an indemnity bond which will not make any material difference as the policy is already in force. However, they may make it clear that no cooling off will be available on the duplicate policy bond. The complaint is accordingly disposed of.

OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No. : 1339/22/005/L/02/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules, 1998 : 12 (1) (c)

Policy Nos. : 14388341 & 14739707

Name & Address of the Complainant : Shri Bhawesh Kumar Singh,
5B, KOPT Qtrs., Remount Road,

P.O. Mominpur,
Kolkata – 700 027.

Name & Address of the Insurer : HDFC Standard Life Insurance Co. Ltd.,
Eureka Towers, 5th Floor,
MindSpace Complex, Link Road,
Malad (W),
Mumbai – 400 064.

Date of Order : 6th July, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant mentioned in his complaint dated Nil received by us on 20.02.2012 that he is the Life Assured (LA) under the captioned policies which were purchased by him from HDFC Standard Life Insurance Co. Ltd. in May, 2011 and November, 2011 respectively. Before purchasing the policies, he was told that both the policies will be of single premium plans whereas on receipt of the policy documents, he noticed that both the policies were issued under regular premium plans with 5 years term. He wrote to the insurer on 19th January, 2012 for cancellation of the policies and refund of premiums on the ground of mis-selling as it was not possible for him to continue the policies. In a subsequent letter to the insurer, he had requested the insurer to ignore his earlier letter and treat the case as miscommunication instead of mis-selling with the same prayer of refund of premiums due to urgent need of money. However, his request was not accepted as it was received by the insurer after the 'free look' period. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer in their written submission dated nil, received by us on 16th May, 2012, has intimated that the policy documents for policy no.14388341 under which the premiums are payable for 10 years on yearly basis @ Rs.50,000/-, was delivered to the complainant on 18th May, 2011 and for policy no.14739707 under which the premiums are payable for 5 years on yearly basis @ Rs.24,619/-, was delivered to the complainant on 2nd December, 2011. The aforesaid policies were issued on receipt of proposal forms and illustration sheets confirming the premiums paying term of 5 years under both the policies duly filled in and signed by the complainant. A sheet named "Most Important Document", where the mode and term under the policies are mentioned as yearly and 5 years, was also duly signed by the complainant. The policy documents when dispatched to

the complainant, were accompanied by a letter containing the "Option to Return Clause" which gives the policyholder the option to return the policies stating the reasons thereof, within 15 days from the date of receipt of the same in case he or she is not agreeable to the provisions stated in the policies. It is not a case of mis-selling as the complainant had signed the proposal after having fully understood the contents, terms & conditions and features of the specific plans under which the policies were issued including the "Most Important Document". As the request for cancellation was received by them after the free look period, they are unable to accede to the request of the complainant for cancellation of the policies. The insurer has submitted documentary evidence in support of the statements made in their written submission.

3. Hearing:

Both the parties were called for a personal hearing on 04.07.2012. The complainant attended and submitted the grounds of complaint. He alleged mis-selling of the policy by the agent and submitted that on the request of the agent, he had withdrawn his earlier complaint of mis-selling. He further prayed for cancellation of the policy as he is in urgent need of money for the treatment of his mother.

The representative of the insurance company reiterated their stand as mentioned in the SCN and discussed above.

4. Decision

We have heard both the parties, considered their written representations and other documents submitted to this forum. The complainant had first approached this forum alleging mis-selling but later on he requested the insurer to ignore his earlier letter and treat this case of miscommunication instead of mis-selling. It is seen that the complainant did not dispute the dates of receiving the policy documents. He has alleged mis-selling but he could not establish the same with any documentary evidence. It is also seen that the policy was issued on the basis of the proposal forms and declaration duly signed by him. He also did not read the policy documents after receiving them. In the case of policy no.14388341 there is a delay more than 7 months in lodging his complaint. It is well beyond the free look cancellation period and the insurer's decision in respect of this policy is correct. However, in respect of the 2nd policy no.14739707, we find that there was a marginal delay of 17 days. Considering that he had first approached the agent for filing the complaint and was not guided properly, the delay deserves condonation by the insurer.

After careful evaluation of all the facts and circumstances of the case, we direct the insurance company to cancel the 2nd policy no.14739707 and refund the premium within 15 days of receiving the order and consent letter from the complainant. The complaint is partly allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No. : 1277/22/008/L/02/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules, 1998 : 12 (1) (c)

Policy Nos. : 00832717, 01835951, 01896351, 01976877 & 01976875

Name & Address of the Complainant : Shri Goure Sankar De,
C/7, Katju Nagar,
Kolkata – 700 032.

Name & Address of the Insurer : Kotak Mahindra Old Mutual Life Insurance Ltd.,
7th Floor, Kotak Towers, Building No.21,
Infinity Park, Off Western Express Highway,
General A.K. Vaidya Marg,
Malad (E),
Mumbai – 400 097.

Date of Order : 6th July, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant stated in his complaint letter dated 23.01.2012 that he purchased a policy no.00832717 of Rs.1,00,000 from Kotak Mahindra Old Mutual Life Insurance Ltd., having been convinced by the Manager, Kotak Securities, N.S.C. Bose Road, Kolkata, that a minimum of 35% appreciation per annum will be there. As the fund value fell to 60% of the purchase price, he wanted to withdraw the money. But no definite amount was quoted by the insurer. Thereafter, the Head of Kotak Insurance, Park Street, Kolkata, promised to help him to get back the amount deposited under policy no.00832717 within 6 months on condition that he would invest Rs.35,000/- in another policy (which incidentally he took and policy number 01835951 was issued to him). He took another

policy no.01896351 from the said insurer for Rs.40,000/- on being assured by their another officer Mr. Prakash Podder that he would help the complainant to get back the amount already invested with the insurer, which was not translated into reality. Mr. Podder again persuaded him to invest further amount of Rs.1,25,000/- so that a good pension policy could be given to him. He paid the amount by two Bank Drafts for Rs.75,000/- and Rs.50,000/-. Subsequently, the complainant found that two policy bonds bearing nos.01835951 and 01976875 were issued in the name of his sister-in-law Smt. Jhuma De and another policy bearing no. 0196877 was in the name of his brother-in-law Shri Bhabani Sankar De. The complainant wrote to the insurer for refund of the entire amount of Rs.2,00,000/- paid by him from time to time. As the grievance of the complainant has not been redressed, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer in their written submission dated 5th May, 2012 have submitted that the complainant is neither the policyholder nor the life assured under the policy nos.1835951, 1976875 and 1976877. The policyholder under the first two policies is Jhuma De and that under the 3rd policy is Bhabani Sankar De. The life assured under all the 3 policies is Payel Dey. Accordingly, the complainant does not possess any right to initiate persuasion under the said policies with the insurer. The policy nos.00832717 (risk date as 31st December, 2007 and policy date as 2nd January, 2008) and 1896351 (date of commencement as 26th February, 2010) were issued by them on receipt of valid proposal forms and benefit illustration sheets, duly filled in and signed by the complainant. The policy documents and the welcome letters sent along with the same contain the provision of free look period which gives the policyholder the option to return the policies for cancellation. The complainant approached the insurer for cancellation of the policy nos.00832717 and 1896351 on 26th July, 2011 i.e. almost 3 years and 1 year 9 months beyond the free look period respectively. Accordingly, he has lost his right to get the policies cancelled as per the provision of IRDA Regulations, 2002. The plans chosen by the complainant are Unit Linked Insurance Policy (ULIP), the fund value of which has a great bearing on the performance of the market and as such, the changes in the fund value are not under the control of the insurer. The policy documents contain the disclaimer of the investment risk in ULIP plan.

3. Hearing:

Both the parties were called for a personal hearing on 04.07.2012. The complainant attended the hearing and explained the grounds of complaint. He stated that out of the five policies taken by him four have been issued in the name of his brother and sister-in-law who had never applied for these policies. The cheques for these policies were paid by him as he had intended to take the policies in his name. He alleged that the insurance company has forged the signatures of his brother and sister-in-law in the proposal forms and issued the policies in their names. He also produced the complaints filed by his brother and sister-in-law to the insurance company requesting for cancellation of the

policies. Regarding the policy no.00832717 of Rs.1.00 lakh, he stated that this policy was mis-sold to him by the Manager of Kotak Securities who had assured minimum 35% appreciation. Since the policy is in lapsed condition, he requested that the fund value may be paid to him.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and discussed above. He explained that the policy no.00832717 stands foreclosed due to non-payment of the premium. He admitted that the fund value is payable to the complainant under this policy. Regarding policy no.01838951 he stated that the proposal form was signed by Smt. Jhuma Dey and as per the existing norms the 3rd party cheque can be accepted for a policy taken on the life of family member. In respect of the other two policies no.01976875 in the name of Smt. Jhuma De and policy no.0196877 in the name of Shri Bhabani Sankar De, he explained that these policies were obtained by the policyholders against demand draft payments and therefore there were no irregularities in the payment process.

4. Decision

We have heard both the parties and considered their written representation and verified the documents submitted to this forum. It is seen that the complainant has approached this forum for cancellation of 4 policies, one in his own name and two in the name of his sister-in-law Smt. Jhuma De and one policy in the name of his brother-in-law, Shri Bhabani Sankar De. As regards the policy no.00832717, we find that the complainant paid only one premium and thereafter, due to heavy loss suffered by him in the share market, he could not pay further premium. As a result the policy was foreclosed. However, the company has not paid him the fund value after foreclosure of the policy, which is payable to him. He applied for the cancellation of the policy and refund of premium after three years, which is not possible as per IRDA guidelines. The company's decision in respect of this policy is correct but they have to pay the fund value on foreclosure of the policy.

As regards the 2nd policy no.018335951, we find that the complainant had paid Rs.35,000/- vide cheque no.475497 dated 18.12.2009, but the company issued the policy in the name of his sister-in-law Smt. Jhuma De. The company's representative could not explain how the policy was issued in the name of Smt. Jhuma De by accepting the 3rd party cheque. Although he explained that the company's norms permitted third party cheque, but could not submit the company norms in this respect despite further time allowed to them. Under the circumstances, we direct the company to cancel this policy which was erroneously issued in the name of a different person on the payment made by the complainant and refund full amount of premium of Rs.35,000/-. We further find that the complainant was persuaded to take another policy no.01896351 for Rs.40,000/- in the hope of receiving a good pension. However, when he failed to receive the pension, he applied for the cancellation, but it was late by almost 20 months. As such no cancellation is possible, so the policy could not be cancelled as it was well beyond the free look period. Regarding the other three policies issued in the name of Smt. Jhuma De and Shri Bhabani Sankar De, we find that these policies were issued on the basis of the proposal forms

signed by the two persons against payment received through demand drafts, which is equivalent to cash. The complainant claimed that the demand drafts were purchased by him out of his own bank account. The representative of the insurance company on the other hand argued that since the policies were issued on the basis of the proposal forms signed by Shri Bhabani Sankar De and Smt. Jhuma De on payment of demand drafts, there were no irregularities in the sales process. Since the complaint for cancellation of these three policies was also received beyond free look cancellation period, the insurance company has rejected his request which is in order.

After careful evaluation of all the facts and circumstances of the case, we find that the request of the complainant for free look cancellation and refund of premium under five policies has no merit. Further his allegation that policy no.1835951 was issued erroneously in the name of Smt. Jhuma De has been found to be correct. We, therefore, direct the insurance company to cancel the policy and refund the premium. Regarding the other three policies (no.01896351,01976877, 01976875) nothing is refundable and the decision of the insurance company in this respect is in order. Against policy no.00832717 insurer is directed to pay fund value on foreclosure of the policy. The complaint is partly allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No.	:	1277/22/008/L/02/2011-12
Nature of Complaint	:	Refund of premium
Category under RPG Rules, 1998	:	12 (1) (c)
Policy Nos.	:	00832717, 01835951, 01896351, 01976877 & 01976875
Name & Address of the Complainant	:	Shri Goure Sankar De, C/7, Katju Nagar, Kolkata – 700 032.
Name & Address of the Insurer	:	Kotak Mahindra Old Mutual Life Insurance Ltd., 7th Floor, Kotak Towers, Building No.21, Infinity Park, Off Western Express Highway, General A.K. Vaidya Marg,

Malad (E),
Mumbai – 400 097.

Date of Order : 6th July, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant stated in his complaint letter dated 23.01.2012 that he purchased a policy no.00832717 of Rs.1,00,000 from Kotak Mahindra Old Mutual Life Insurance Ltd., having been convinced by the Manager, Kotak Securities, N.S.C. Bose Road, Kolkata, that a minimum of 35% appreciation per annum will be there. As the fund value fell to 60% of the purchase price, he wanted to withdraw the money. But no definite amount was quoted by the insurer. Thereafter, the Head of Kotak Insurance, Park Street, Kolkata, promised to help him to get back the amount deposited under policy no.00832717 within 6 months on condition that he would invest Rs.35,000/- in another policy (which incidentally he took and policy number 01835951 was issued to him). He took another policy no.01896351 from the said insurer for Rs.40,000/- on being assured by their another officer Mr. Prakash Podder that he would help the complainant to get back the amount already invested with the insurer, which was not translated into reality. Mr. Podder again persuaded him to invest further amount of Rs.1,25,000/- so that a good pension policy could be given to him. He paid the amount by two Bank Drafts for Rs.75,000/- and Rs.50,000/-. Subsequently, the complainant found that two policy bonds bearing nos.01835951 and 01976875 were issued in the name of his sister-in-law Smt. Jhuma De and another policy bearing no. 0196877 was in the name of his brother-in-law Shri Bhabani Sankar De. The complainant wrote to the insurer for refund of the entire amount of Rs.2,00,000/- paid by him from time to time. As the grievance of the complainant has not been redressed, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer in their written submission dated 5th May, 2012 have submitted that the complainant is neither the policyholder nor the life assured under the policy nos.1835951, 1976875 and 1976877. The policyholder under the first two policies is Jhuma De and that under the 3rd policy is Bhabani Sankar De. The life assured under all the 3 policies is Payel Dey. Accordingly, the complainant does not possess any right to initiate persuasion under the said policies with the insurer. The policy nos.00832717 (risk date as 31st December, 2007 and policy date as 2nd January, 2008) and 1896351 (date of

commencement as 26th February, 2010) were issued by them on receipt of valid proposal forms and benefit illustration sheets, duly filled in and signed by the complainant. The policy documents and the welcome letters sent along with the same contain the provision of free look period which gives the policyholder the option to return the policies for cancellation. The complainant approached the insurer for cancellation of the policy nos.00832717 and 1896351 on 26th July, 2011 i.e. almost 3 years and 1 year 9 months beyond the free look period respectively. Accordingly, he has lost his right to get the policies cancelled as per the provision of IRDA Regulations, 2002. The plans chosen by the complainant are Unit Linked Insurance Policy (ULIP), the fund value of which has a great bearing on the performance of the market and as such, the changes in the fund value are not under the control of the insurer. The policy documents contain the disclaimer of the investment risk in ULIP plan.

3. Hearing:

Both the parties were called for a personal hearing on 04.07.2012. The complainant attended the hearing and explained the grounds of complaint. He stated that out of the five policies taken by him four have been issued in the name of his brother and sister-in-law who had never applied for these policies. The cheques for these policies were paid by him as he had intended to take the policies in his name. He alleged that the insurance company has forged the signatures of his brother and sister-in-law in the proposal forms and issued the policies in their names. He also produced the complaints filed by his brother and sister-in-law to the insurance company requesting for cancellation of the policies. Regarding the policy no.00832717 of Rs.1.00 lakh, he stated that this policy was mis-sold to him by the Manager of Kotak Securities who had assured minimum 35% appreciation. Since the policy is in lapsed condition, he requested that the fund value may be paid to him.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and discussed above. He explained that the policy no.00832717 stands foreclosed due to non-payment of the premium. He admitted that the fund value is payable to the complainant under this policy. Regarding policy no.01838951 he stated that the proposal form was signed by Smt. Jhuma Dey and as per the existing norms the 3rd party cheque can be accepted for a policy taken on the life of family member. In respect of the other two policies no.01976875 in the name of Smt. Jhuma De and policy no.0196877 in the name of Shri Bhabani Sankar De, he explained that these policies were obtained by the policyholders against demand draft payments and therefore there were no irregularities in the payment process.

4. Decision

We have heard both the parties and considered their written representation and verified the documents submitted to this forum. It is seen that the complainant has approached this forum for cancellation of 4 policies, one in his own name and two in the name of his sister-in-law Smt. Jhuma De and one policy in the name of his brother-in-law, Shri Bhabani Sankar De. As regards the policy no.00832717, we find that the complainant

paid only one premium and thereafter, due to heavy loss suffered by him in the share market, he could not pay further premium. As a result the policy was foreclosed. However, the company has not paid him the fund value after foreclosure of the policy, which is payable to him. He applied for the cancellation of the policy and refund of premium after three years, which is not possible as per IRDA guidelines. The company's decision in respect of this policy is correct but they have to pay the fund value on foreclosure of the policy.

As regards the 2nd policy no.018335951, we find that the complainant had paid Rs.35,000/- vide cheque no.475497 dated 18.12.2009, but the company issued the policy in the name of his sister-in-law Smt. Jhuma De. The company's representative could not explain how the policy was issued in the name of Smt. Jhuma De by accepting the 3rd party cheque. Although he explained that the company's norms permitted third party cheque, but could not submit the company norms in this respect despite further time allowed to them. Under the circumstances, we direct the company to cancel this policy which was erroneously issued in the name of a different person on the payment made by the complainant and refund full amount of premium of Rs.35,000/-. We further find that the complainant was persuaded to take another policy no.01896351 for Rs.40,000/- in the hope of receiving a good pension. However, when he failed to receive the pension, he applied for the cancellation, but it was late by almost 20 months. As such no cancellation is possible, so the policy could not be cancelled as it was well beyond the free look period. Regarding the other three policies issued in the name of Smt. Jhuma De and Shri Bhabani Sankar De, we find that these policies were issued on the basis of the proposal forms signed by the two persons against payment received through demand drafts, which is equivalent to cash. The complainant claimed that the demand drafts were purchased by him out of his own bank account. The representative of the insurance company on the other hand argued that since the policies were issued on the basis of the proposal forms signed by Shri Bhabani Sankar De and Smt. Jhuma De on payment of demand drafts, there were no irregularities in the sales process. Since the complaint for cancellation of these three policies was also received beyond free look cancellation period, the insurance company has rejected his request which is in order.

After careful evaluation of all the facts and circumstances of the case, we find that the request of the complainant for free look cancellation and refund of premium under five policies has no merit. Further his allegation that policy no.1835951 was issued erroneously in the name of Smt. Jhuma De has been found to be correct. We, therefore, direct the insurance company to cancel the policy and refund the premium. Regarding the other three policies (no.01896351, 01976877, 01976875) nothing is refundable and the decision of the insurance company in this respect is in order. Against policy no.00832717 insurer is directed to pay fund value on foreclosure of the policy. The complaint is partly allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No. : 1269/22/010/L/02/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules, 1998 : 12 (1) (c)

Policy Nos. : 17629142 & 17957294

Name & Address of the Complainant : Mr. Reajul Hossain Mondal,
C/o Sk. Hasan Ali MOnDal,
Vill. & P.O. Andharnayan,
P.S. Garhbeta, District: Paschim Medinipur,
Pin: 721 201.

Name & Address of the Insurer : Reliance Life Insurance Co. Ltd.,
9th & 10th Floor, Building No.2,
R-Tech Park, Nirlon Compound,
Next to Hub Mall, Behind I-Flex Building,
Goregaon (East), Mumbai – 400 063.

Date of Order : 13th July, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant has mentioned in his complaint letter dated 18th January, 2012 that he desired to purchase three policies from Reliance Life Insurance Co. Ltd, one on his own life with annual premium of Rs. 15000/-, and one each in the names of his wife and son with single premium of Rs. 15000/- and Rs. 10000/- respectively. The proposal forms were submitted through the company broker M/S India Infoline, Malancha Branch Kharagpur. After sometime he received five policy bonds, three bonds of Rs. 5000/- each in his own name under regular plans and two policies in the names of wife and son under regular plan with premium of Rs. 15000/ and Rs. 10000/- for 15 and 20 years respectively. He made a complaint to the broker but they promised that the necessary corrections will be made and he would be informed accordingly. But so far no action has been taken by them and the office was closed down. Thereafter, he requested the insurer vide his letter

dated 24th October, 2011 to cancel the policies bearing nos.17629142 and 17957294 under the 'free look' provision. Getting no reply from the insurer, he sent a reminder on 19th December, 2011 requesting either to cancel the 2 policies bearing nos.17629142 and 17957294 or to convert the said policies to single premium mode as he is unable to pay a total yearly premium of Rs.40,000/- under 5 policies but the insurer has denied cancellation due to the reason that free look cancellation period has expired. Being aggrieved he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission dated 30th May, 2012, that the complainant purchased 5 policies bearing nos.16228824, 16488857, 16868662, 17629142 and 17957294 on the crystal clear terms and conditions of the said policies as envisaged in the policy application-cum-proposal forms which were duly signed and submitted by him to the insurer for getting the said policies. The genuine signature on the benefit illustration table expressly indicates that the complainant had clear knowledge of the terms and conditions. They have also mentioned in their SCN that promises made by the advisor without a valid acknowledgement or proof are to be accepted at one's own risk. Hence, the complainant has to prove it. As regards cancellation of the 2 policies bearing nos. 17629142 and 17957294, they received the first request from the complainant on 1st November, 2011, though he had received the original policy documents on 24th August, 2010 and 8th November, 2010 respectively. Thus, a lapse of more than one year was there and the applicability of the 'free look' period of 15 days does not arise. The complainant again applied for cancellation on 19th December, 2011 to them.

3. Hearing :

Both the parties were called for a personal hearing on 11.07.2012. The complainant attended and explained the grounds of his complaint. He alleged mis-selling and stated that he had intended to make one time investment of Rs.40,000/-, but the company has issued him five policies under regular premium plan which he cannot continue due to financial stringency. He also admitted that he had signed in blank forms without understanding the terms & conditions of the policy. He denied having received the policy bonds in August and November, 2010 and alleged that the signatures on the acknowledgement have been forged by the company. He further contended that the policy bonds were received by him on 19.10.2011 through some bearer and he filed the complaint on 24.10.2011, i.e. within free look cancellation period.

The representative of the insurance company on the other hand, reiterated their stand as mentioned in the SCN and discussed above.

4. Decision :

We have heard both the parties and considered their written representations and verified the documents submitted to this forum. The complainant has approached this forum alleging mis-selling and demanding free look cancellation from the two policies which were issued in the names of his wife and son. He however, could not substantiate allegation of misselling with any supporting documents. He had volunteered to purchase policies from the broking company M/s. India Infoline and paid Rs. 40,000/- by cheque along with valid proposal forms and benefit illustration. The premium paying term and premium frequency are clearly mentioned in the proposal forms and once he has signed these forms, he cannot take the plea that he was misguided by the broker. The onus was on the policyholder also to buy the right insurance policies. It is quite evident that the complainant did not exercise any caution at the time of buying five policies in quick succession and even after receiving the policy bonds, he did not care to read the terms and conditions for almost one year. Under the circumstances, we find substantial merit in the company's contention that they are not liable for any promise made by the broker, which is not backed by the company's scheme and offer.

The complainant has also disputed the date of receipt of the policy bonds claiming that he received the bonds on 19.10.2011 by hand delivery, whereas the company has produced valid acknowledgements showing that disputed policy bonds were delivered through the Branch Office on 24.08.2010 and 08.04.2010 respectively. The acknowledgements bear the signature of the complainant but the complainant has alleged that the signatures are forged. However, the complainant has failed to establish his allegation.

After careful evaluation of all the facts and circumstances of the case, we are of the opinion that misselling is not established in this case. The company's decision not to allow free look cancellation of the policies as the request was lodged after more than one year is correct and same is upheld. However, considering his financial stringency and taking a humanitarian view of the problem, we allow refund of premium of Rs. 10000/- under policy no.17629142 issued for a term of 20 years purely on ex-gratia basis. This will enable him to continue the other policies. The company is directed to cancel policy no.17629142 and adjust the refund against other policies subject to the consent of the complainant.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No. : 1284/22/010/L/02/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules, 1998 : 12 (1) (c)

Policy No. : 16617192

Name & Address of the Complainant : Ms. Musarat Jahan,
18/H/17, Girish Vidyaratna Lane,
Kolkata – 700 009.

Name & Address of the Insurer : Reliance Life Insurance Co. Ltd.,
9th & 10th Floor, Building No.2,
R-Tech Park, Nirlon Compound,
Next to Hub Mall, Behind I-Flex Building,
Goregaon (East),
Mumbai – 400 063.

Date of Order : 13th July, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant has stated in her complaint letter dated 10th February, 2012 that she had purchased a policy bearing no.16617192 from Reliance Life Insurance Co. Ltd in March 2010. At the time of investing the amount, she was told that it would be one time investment and every month she would get a regular amount. Later he learnt from a company representative that the policy was issued under a regular premium mode for a term of 15 years. She wrote to the insurer on 9th March, 2011 for cancellation of the policy as she was not in a position to afford it. The regret letter for cancellation dated 23rd March, 2011 was sent by the insurer to her. So, she approached this Forum seeking appropriate relief and submitted 'P' Forms giving her unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer in their written submission dated 30th May, 2012, have stated that after going through the key benefits and terms of the product explained to the complainant, she had chosen to purchase the said policy on crystal clear terms and conditions as envisaged in the policy application-cum-proposal form which was duly signed and submitted by her to the insurer. There is no indication of any frivolous solicitation from any of their authorized agents and/or advisors or any sort of tampering in the proposal form submitted by the complainant. Any promise as allegedly made by the advisor without a valid acknowledgement or proof is at one's own risk, which the complainant has to prove. The allegation of mis-selling with regard to premium payment capacity and the mode of payment from single to regular is not tenable as the payment of Rs.6,000/- per annum is commensurate with her annual income of Rs.90,000/-. The policy was delivered on 24th March, 2010 and the proof of delivery has been forwarded. The first request for cancellation of the policy was received from the complainant on 9th March, 2011 i.e. after a lapse of nearly one year from the date of receipt of the policy document by the complainant and just 10 days before the due date of 2nd yearly premium i.e. 20th March, 2011. As it was beyond the stipulated 'free look' period of 15 days from the date or receipt of the policy documents i.e. 24th March, 2010, cancellation action could not be initiated.

3. Hearing :

Both the parties were called for a personal hearing on 11.07.2012. The complainant attended with her husband Md. Shahab Asraf and explained the grounds of her complaint. She alleged mis-selling by the agent and stated that she was promised a regular monthly income on payment of Rs.6000/- for a policy. She further stated that she is illiterate and has no independent source of income and the premium amount was paid by her husband Md. Afsar, who has also taken similar policies. She pleaded for refund of premium on compassionate ground considering the financial constraint of her husband.

The representative of the insurance company on the other hand, denied the allegation of mis-selling and stated that it was a traditional plan policy which did not require mandatory signature of the benefit illustration. He pointed out that the complainant's husband has taken multiple policies and lodged the complaint after one year of receiving the policy documents. The company has borne the risk under the policy coverage. He further stated that the company is not at fault for any false promise made by the advisor which was at the own risk of the policyholder.

4. Decision :

We have heard both the parties, considered their written representations and verified the documents submitted to this forum. The complainant has approached this forum alleging mis-selling of the policy no 16617192, under Reliance Traditional Super Invest Assure plan, which could not be substantiated by her. Her grounds are similar to those of her husband Md. Shahab Afsar, whose complaint no. 1271/22/010/L/02/2011-12 has been dismissed by this forum vide order dated 18th July 2012. However, considering that the policyholder is totally illiterate and has no independent source of income, it was not appropriate for the advisor/company to sell a policy with such high allocation

charges. It is also seen that no alternate single premium plan is available at a small premium of Rs.6000/-. After considering all the aspects of the case, we allow refund of 50% of the premium purely on ex-gratia basis in this case and direct the company to refund Rs.3000/- within 15 days from receiving this order along with consent letter of the complainant.

The complaint is partly allowed.

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OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No. : 1285/22/010/L/02/2011-12

Nature of Complaint : Refund of premium

Category under RPG Rules, 1998 : 12 (1) (c)

Policy No. : 16838636

Name & Address of the Complainant : Ms. Sajda Khatoon,
24/22, Bipra Das Street,
28, Narkel Danga,
Kolkata – 700 009.

Name & Address of the Insurer : Reliance Life Insurance Co. Ltd.,
9th & 10th Floor, Building No.2,
R-Tech Park, Nirlon Compound,
Next to Hub Mall, Behind I-Flex Building,
Goregaon (East), Mumbai – 400 063.

Date of Order : 13th July, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant has submitted her complaint letter dated 10th February, 2012 to us stating that she had purchased a policy bearing no.16838636 from Reliance Life Insurance Co. Ltd. She had invested money to the insurer with the intention to purchase a single premium policy. At the time of investing the amount, she was told that it would be one time investment and every month she would get a certain amount. Someone from Reliance Life Insurance Company visited her residence and told that the policy issued to her was of a regular premium mode for a term of 15 years. She wrote to the insurer on 9th March, 2011 for cancellation of the policy as she was not in a position to afford it. The regret letter for cancellation dated 23rd March, 2011 was sent by the insurer to her. So, she approached this Forum seeking appropriate relief and submitted 'P' Forms giving her unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has stated in their written submissions dated 30th May, 2012 that after going through the key benefits and terms of the product explained to the complainant, she chose to purchase the said policy on crystal clear terms and conditions as envisaged in the policy application-cum-proposal form which was duly signed and submitted by her to the insurer. There is no indication of any frivolous solicitation from any of their authorized agents and/or advisors or any sort of tampering in the proposal form submitted by the complainant. Any promise as allegedly made by the advisor without a valid acknowledgement or proof is at one's own risk, which the complainant has to prove. The allegation of mis-selling with regard to premium payment capacity and the mode of payment from single to regular is not tenable as the payment of Rs.6,000/- per annum is commensurate with her annual income of Rs.95,000/-. The policy was delivered on 24th March, 2010 and the proof of delivery has been forwarded. The first request for cancellation of the policy was received from the complainant on 9th March, 2011 i.e. after a lapse of nearly one year from the date of receipt of the policy document by the complainant and just 10 days before the due date of 2nd yearly premium i.e. 20th March, 2011. As it was beyond the stipulated 'free look' period of 15 days from the date of receipt of the policy documents i.e. 14th April, 2010, cancellation action could not be initiated.

3. Hearing :

Both the parties were called for a personal hearing on 11.07.2012. The complainant attended with her brother Md. Shahab Asraf and explained the grounds of her complaint. She alleged mis-selling by the agent and stated that she was promised a regular monthly income on payment of Rs.6000/- for a policy. She further stated that she is illiterate and has no independent source of income and the premium amount was paid by her brother Md. Afsar, who has also taken similar policies. She pleaded for refund of premium on compassionate ground considering the financial constraint of her brother.

The representative of the insurance company on the other hand, denied the allegation of mis-selling and stated that it was a traditional plan policy which did not require mandatory signature of the benefit illustration. He pointed out that the complainant's brother has taken multiple policies and the complaint was lodged after one year of receiving the policy documents. The company has borne the risk under the policy coverage. He further stated that the company is not at fault for any false promise made by the advisor which was at the own risk of the policyholder.

4. **Decision :**

We have heard both the parties, considered their written representations and verified the documents submitted to this forum. The complainant has approached this forum alleging mis-selling of the policy no 16838636, under Reliance Traditional Super Invest Assure plan, which could not be substantiated by her. The grounds of complaints are similar to those of her brother Md. Shahab Afsar, whose complaint no. 1271/22/010/L/02/2011-12 has been dismissed by this forum vide order dated 13th July 2012. However, considering that the policyholder is totally illiterate and has no independent source of income, it was not appropriate for the advisor/company to sell a policy with such high allocation charges. It is also seen that no alternate single premium plan is available at a small premium of Rs.6000/-. After considering all the aspects of the case, we allow refund of 50% of the premium purely on ex-gratia basis and direct the company to refund Rs. 3000/- within 15 days after receiving this order along with consent letter of the complainant.

The complaint is partly allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No.	:	1444/22/003/L/03/2011-12
Nature of Complaint	:	Refund of premium
Category under RPG Rules, 1998	:	12 (1) (c)
Policy No.	:	C151504141
Name & Address of the Complainant	:	Shri Subhash Chandra Mondal, 52/2, Ashoke Road, P.O. Garia, Kolkata – 700 084.

Name & Address of the Insurer : **Tata AIA Life Insurance Co. Ltd.,
Legal Department,
5th Floor, Chowringhee Court,
55, Chowringhee Road,
Kolkata – 700 071.**

Present on behalf of the Insurer : **Smt. Sweta Sharma,
Zonal Legal Head**

Present on behalf of the Complainant : **Shri Subhash Ch. Mondal**

Date of Order : **6th August, 2012**

AWARD

Facts and Submissions

1. Complainant

The complainant, Shri Subhas Chandra Mondal, stated in his complaint letter dated 13th March, 2012 that he had taken a policy bearing no.U069918308 from Tata AIG Life Insurance Co. Ltd. through U.B.I. under "Invest Assure Gold Supreme" plan. On being misguided by one Mr. Mithun Saha (Assistant B.A. Manager - Business Associate Model), he got his aforesaid policy cancelled as per the provision of 'free look' period and purchase a new policy no.C151504141 under "Tata AIG Maha Guarantee Flexi" plan. He again decided to cancel the policy no.C151504141 and requested the Grievance Redressal Cell of the insurer on 2nd August, 2011 for cancellation of the policy through free look provision. He received the policy bond under policy no.C151504141 on 6th August, 2011 and submitted the same for cancellation on 8th August, 2011 when the company registered his grievance as per their letter marked as cas/47861/Nadeem.

On 27th September, 2011, he served a reminder for cancellation of the policy to the company and the latter again registered the complaint with a new registration no.50489. On 4th October, 2011, when he went to Netaji Nagar Branch of the insurer to enquire about the request for cancellation of the policy, he was informed by the company through a letter marked as cas/50489/NS dated 4th October, 2011 that they had already sent another letter on 12th August, 2011 with a request to submit the cancellation request within 2nd September, 2011. Since the company has not received any reply to their letter dated 12th August, 2011 within 2nd September, 2011, they are not able to cancel the policy. The purpose of cancellation of the policy is written by the complainant in the penultimate paragraph of his letter dated 13th March, 2012. As he is a retired person, it is impossible for him to run the policy on yearly premium basis. Hence he needs cancellation of the policy. With a view to getting his grievance ventilated, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable

consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer in their written submission (SCN) dated 25th July, 2012 has intimated that they issued the policy bearing no.C-151504141 under "Tata AIG Maha Guarantee Flexi" plan to the complainant on the basis of a proposal/application form dated 25th July, 2011 for yearly premium of Rs.99,025/- for a term of 5 years and sum assured of Rs.3,71,000/-. They confirmed that their official had made proper explanation in respect of the details about the terms and conditions, benefits and features and consideration of the aforesaid plan and the Life Assured (LA) had submitted the said proposal form only after having been duly convinced about the details of the plan. As per their records, the original policy document was dispatched to the LA through Speed Post dated 3rd August, 2011. As per the complainant letter dated 2nd August, 2011, he had applied for purchasing policy no. U069918308 but the concerned agent forcefully asked him to surrender the policy and the fund was transferred to a new policy no.C-151504141. He further mentioned that he wanted to cancel the policy no.C151504141 and continue the policy no.U069918308, which was earlier cancelled. As per their letter dated 12th August, 2011, they confirmed that the policy no.U069918308 could not be continued as the same has been cancelled on 25th July, 2011. The complainant could opt for an "Invest Assured Gold Supreme" plan by cancelling the policy no.C151504141 and getting the fund obtained from it, transferred to a fresh policy before 2nd September, 2011. The complainant again approached them through his letter dated 27th September, 2011 i.e. after 'free look' period and on 25th October, 2011 for cancellation of policy no.C151504141. As the request was beyond free look period, the same was regretted through their letters dated 4th October, 2011 and 1st November, 2011 respectively.

3. Hearing :

Both the parties were called for a personal hearing on 02.08.2012. The complainant attended and submitted the grounds of his complaint. He stated that he had applied for cancellations of the policy within the free look cancellation period vide his letter dated 08.08.2011, but no action was taken by the insurance company.

The representative of the insurance company informed this forum that they have not received the complainant's letter dated 08.08.2011 and stated that the policy can be cancelled on the of this request,

4. Decision :

After hearing both the parties, we find that the insurer has not taken any decision regarding cancellation of the policy as the request letter of the complainant dated 08.08.2011 was not received by their head office. Copy of this letter was given to the representative of the insurer with the direction to cancel the policy and refund the premium within 15 days.

The complaint is allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No. : 1307/22/015/L/02/2011-12.

Nature of Complaint : Refund of premium

Category under RPG Rules 1998. : 12 (1) (c)

Policy Nos. : 500-7371676 & 500-7371692

Name & Address of complainant : Shri Arun Shaw,
16/1/1/H/38, Biplabi Barin Ghosh Sarani,
(Muraripukur Road),
Kolkata – 700 067.

Name & Address of Insurer. : Bharti AXA Life Insurance Co. Ltd.,
Unit 601 & 602, 6th Floor, Raheja Titanium,
Off Western Express Highway,
Goregaon (East),
Mumbai – 400 063.

Present on behalf of the Insurer : Shri P. Praveen,
: Sr. Executive

Present on behalf of the Complainant : Shri Arun Shaw

Date of Order : 9th August, 2012

AWARD

Facts and Submissions:-

1. Complainant

The complainant is the Life Assured (LA) of the policies bearing nos. 500-7371676 & 500-7371692 which were purchased from Bharti AXA Life Insurance Co. Ltd. through their Corporate Agent, India Infoline Broker for the purpose of getting loan to revive his business. Both the policies were issued under "Aaeavan Anand" plan for sum assured of Rs.3,94,345/- with date of commence 13th April, 2011 and yearly premium of Rs.50,000/- each payable for 10 years. He has mentioned in his complaint letter dated 14th February, 2012 that he purchased the above two policies under the impression that these policies were single premium policies. But after receiving the policy bonds, he came to know that those are of regular premium mode for 10 years premium paying term. He also observed many other discrepancies in the policy bonds. Being dissatisfied, he lodged his complaint for cancellation of the policies and refund of premium, vide his letter dated 24th September, 2011. Since he did not receive any positive response from the insurer, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission (SCN) dated 27th July, 2012 that on the strength of duly filled in and signed proposal forms dated 31st March, 2011, which the complainant submitted to them after thoroughly understanding the features, terms and conditions, they have issued the policies bearing nos. 500-7371676 & 500-7371692 to him. The LA had also signed and executed the benefit illustrations along with the proposal forms.

The particulars of the two policies, as they have mentioned, are as follows:-

Policy No.	D.O.C.	Sum Assured	Mode/Term	Premium Amount
500-7371676	13.04.2011	Rs.3,94,345/-	Yly./10 years	Rs.50,000/-
500-7371692	13.04.2011	Rs.3,94,345/-	Yly /10 years	Rs.50,000/-

They have dispatched the policy bonds under the policies bearing nos. 500-7371676 & 500-7371692 through Blue Dart Courier on 15th April, 2011 vide AWB nos.44285541941 and 44285541951 respectively. The said policy bonds were received by S. Kundu on 20th April, 2011 (no documentary evidence submitted). They have received the cancellation request of the policies on 24th September, 2011 i.e. after a span of 5 months from the date of issue of the policy bonds. On verification of the records, they were unable to consider the request for cancellation as there was no mis-selling involved and the complainant had approached for cancellation of the policies after expiry of the 'free look' period.

3. Hearing :

Both the parties were called for a personal hearing on 07.08.2012. The complainant attended and submitted the grounds of his complaint. He stated that he was mis-sold the policy by the representative of the insurance company on the false promises of loan of Rs.5.00 lakhs. He pleaded that he is a very small business man and with great difficulty he could manage to invest in the two policies. His business is now on the verge of closure and he has no means to pay the further premiums. He is a lay man and not educated to understand the terms and conditions of the policy and the main purpose was for to obtain loan which was not fulfilled.

The representative of the insurance company on the other reiterated their stand as mentioned in the SCN and discussed above.

4. Decision :

We have heard both the parties, considered their written representations and verified the documents submitted to this forum. The complainant approached this forum alleging mis-selling of the two policies on the false promise of loan of Rs.5.00 lakhs. From the facts presented before us, we find that the complainant is a small business man and was interested in obtaining a business loan for which he was convinced by the representative of the company to take the policies. The company has submitted the copies of proposal forms which had been duly signed by the complainant. However, it is also seen that he contacted the broking firm several times for the promise of loan and also submitted a complaint to the broker on 30.08.2011 explaining his difficulties in running these policies. He has also signed the benefit illustration under the policies, but during the hearing we could make out that he has no knowledge of what he has written in the proposal form or in the benefit illustration.

After careful evaluation and consideration of all the facts and circumstances of the case, we are of the opinion that the products sold to the policyholder are not very suitable considering his financial status and the purpose of insurance. His business is also on the verge of closure and to run these policies for 10 years will cause lot of hardship for the entire family. Although he submitted his application quite late and beyond the free look cancellation period, but taking a humanitarian view, we direct the company to cancel one policy no.500-7371676 and refund the premium. The other policy may be converted to a suitable one-time policy after deduction of mortality and administration charges. They are directed to execute the order within 15 days from the date of this order along with consent from the complainant.

The complaint is partly allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No. : 23/22/001/L/04/12-13

Nature of Complaint : Refund of premium

Category under RPG Rules 1998. : 12 (1) (c)

Policy Nos. : 496225861 & 496226516

Name & Address of the Complainant : Shri Sanjoy Roy,
Vill. & P.O. Satberia,
P.S. Goghat, District: Hooghly,
Pin: 712 612.

Name & Address of the Insurer : Life Insurance Corporation of India,
Howrah D.O., Rallis Building,
16, Hare Street,
Kolkata – 700 001.

Present on behalf of the Insurer : Smt. Saswati Dasgupta,
Admn. Officer(Claims)

Present on behalf of the Complainant : Absent

Date of Order : 16th August, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant stated in his complaint letter dated 25th January, 2012 that he had purchased 2 policies bearing nos.496225861 and 496226516 from Life Insurance

Corporation of India, Arambagh Branch of Howrah Divisional Office. The said policies were as follows:-

Policy No.	Sum Assured	D.O.C.	Mode	Premium
496225861	Rs.1,00,000/-	28.12.2010	Yearly	Rs.4,804/-
496226516	Rs.1,00,000/-	07.01.2011	Yearly	Rs.4,804/-

Before receiving the policy documents, the complainant requested the insurer to cancel both the policies by his letter dated 14th January, 2011 i.e. within 18 days and 8 days respectively from the date of commencement. He wanted to cancel the policies due to some financial difficulty in his family. He also stated that till date he has not received the policy documents from the insurer in spite of repeated follow ups.

Since he did not get any response to his cancellation letter dated 14th January, 2011, he approached this Forum seeking appropriate relief and submitted "P" Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has submitted their Self-Contained Note (SCN) dated 17th May, 2012 confirming the fact that the complainant Shri Sanjay Roy had taken 2 policies bearing nos.496225861 and 496226516 on 28th December, 2010 and 7th January, 2011 respectively. Both the policy bonds under policy nos.496225861 and 496226516 were issued on 6th January, 2011 and 2nd February, 2011 respectively and the same were handed over to the Development Officer Shri K. Roy (0333043) on behalf of the policyholder.

Subsequently, when the policyholder complained of non-receipt of policy bonds, they have issued duplicate policy bonds for both the policies on 9th May, 2012 and 8th May, 2012 and sent by registered post vide no.RW186842520 IN and RW186842516 IN both dated 12th May, 2012 respectively. They also added that for cooling off the policyholder has to apply within 15 days from the date of receipt of the policy bond. They have intimated the same to the policyholder over phone.

3. Hearing:

Both the parties were called for a personal hearing on 14.08.2012. The complainant was absent. We, therefore, propose to dispose of the case as ex-parte on the basis of documents submitted by the complainant.

The representative of the insurance company attended and reiterated their stand as mentioned in the SCN and discussed above.

4. Decision

We have heard the representative of the insurance company and considered the written submission of the complainant. He has stated that he applied for free look cancellation prior to the delivery of the policy bonds. But instead of cancelling the policies, the insurer sent him a duplicate policy bonds for which he never made any request. The insurer has not commented on the status of cancellation of the policies submitted on 14.01.2011. They have not given any other reasons for not considering the free look cancellation request of the complainant. However, the dates of receipt of the policies and lodging of the requests for cancellation of the policy are not disputed by the insurer. Since his requests for cancellation of the policies were submitted to the insurer even prior to the receipt of the policy bonds, the insurer is unable to cancel the policies and refund of premium. We accordingly direct the insurer to cancel the policies and refund the premium within 15 days after receiving of this order and consent from the complainant. The complaint is allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No.	:	118/22/019/L/04/2012-13
Nature of Complaint	:	Refund of premium
Category under RPG Rules 1998.	:	12 (1) (c)
Policy No.	:	120113409006
Name & Address of the Complainant	:	Mr. Saiyad Ramjan Ali, Balitora Mouza,(Mirza Para), GP – Nandanpur-1, P.O. Sekendari, P.S. Daspur-I, Dist. Paschim Medinipur, Pin: 721 146.
Name & Address of the Insurer	:	Aegon Religare Life Insurance Co. Ltd., 2 nd Floor, GYS Infinity, Paranjpe 'B' Scheme, Subhas Road, Near Garware House, Vile Parle (East),

Mumbai – 400 057.

Present on behalf of the
Insurer

Shri Pritam Choudhury,
: Senior Manager

Present on behalf of the
Complainant

: Mr. Saiyad Ramjan Sayed

Date of Order

: 23rd August, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant is the Life Assured (LA) of the policy bearing no.120113409006 which was purchased from the insurer Aegon Religare Life Insurance Co. Ltd. on 25th January, 2012. The policy was issued under "Aegon Religare Money Back Plus" plan with date of commencement 30th January, 2012 and annual premium of Rs.29,342/= payable for 10 years. He has mentioned in his complaint letter dated 20th April, 2012 that he had invested Rs.30,000/= as fixed deposit for a period of 2-3 years with the insurer. His income is Rs.100/- per day and with this he accumulated Rs.30,000/= during last 5 years for the marriage of his daughter. After receiving the policy bond, he came to know that the policy is for 16 years term (premium paying term is 10 years). Since it was impossible for him to continue the policy, he approached the insurer vide his letter dated 20th March, 2012 for cancellation of the policy. But the said request was rejected by the insurer. So, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission (SCN) dated 24th May, 2012 that:-

The policy bearing no.120113409006 was issued to the complainant on receipt of a duly filled up and signed proposal form dated 25th January, 2012. The said policy was issued under "Aegon Religare Money Back Plus" plan with date of commencement as 30th January, 2012 and annual premium of Rs.29,342/= payable for 10 years. They have dispatched the policy bond to the mailing address of the complainant on 16th February, 2012 through Speed Post vide EIN No.EMO38533256 IN (POD not submitted). They received the first complaint from the LA on 27th March, 2012 which was 41 days after the date of dispatch of the policy bond. Since the request for cancellation was received by them after the expiry of 'free look' period, they rightly rejected the said request.

3. Hearing :

Both the parties were called for a personal hearing on 22.08.2012. The complainant attended and explained that he is an illiterate and a labour by occupation. His earning is Rs.150/- per day and had saved some fund. He alleged that the agent of insurance company approached him and with a very good investment plan promising a very lucrative returns on the investment. He was convinced by the offer as he wanted to multiply his fund for the marriage of his daughter. He also alleged that he had signed on a blank form and cannot understand English. The contents of the policy form were also not explained to him. He further pleaded for sympathetic consideration of his case and refund of the premium as it is not possible for him to continue the policy.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and discussed above. However, he explained that the policy was issued on the basis of the declaration made by the LA in the proposal form. However, he could not produce the benefit illustration duly signed by the LA.

4. Decision :

We have heard both the parties, considered their written submission and verified the documents submitted to this forum. It is seen that the LA who is a labour by occupation and has a petty income of Rs.150/- per day was lured by the insurance agent to invest his hard earned savings in a fixed deposit which could give him a very lucrative return in 2 to 3 years. We find that the proposal form was filled up in English by the agent, but it was signed in Bengali and considering that the LA is an illiterate person, it is evident that he had opted as per the instruction of the agent. The delay in submitting for free look cancellation is just one month and considering that there are corrections of address in the policy form, the delay is not very unreasonable. The insurance company has also not produced. The benefit illustration signed by the complainant, which shows that he was not explained any features of the policy. Therefore, the possibility of mis-selling cannot be ruled out.

After careful evaluation and consideration of all facts and circumstances of the case, we are of the opinion that the insurance company sold an unsuitable product to the L.A. with an annual premium of Rs.29,342/- for a period of 10 years is simply impossible. After taking the humanitarian and compassionate view and considering the fact that the delay in requesting for free look cancellation is not much, we direct the insurance company to cancel the policy and refund the full premium within 15 days of receiving this order along with consent letter from the complainant.

The complaint is allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No. : 74/22/006/L/04/2012-13

Nature of Complaint : Refund of premium

Category under RPG Rules 1998. : 12 (1) (c)

Policy No. : 005396731

Name & Address of the Complainant : Shri Manas Kumar Chandra,
Flat No.G-5/1, Bipasha Apartment,
C.I.T. Scheme – 143, Sankar Bose Road Extn.,
Chetla, Kolkata – 700 027.

Name & Address of the Insurer : Birla Sun Life Insurance Co. Ltd.,
One Indiabulls Centre, Tower – I,
15th Floor, Jupiter Mill Compound,
841, Senapati Bapat Marg,
Elphinstone Road,
Mumbai – 400 013.

Present on behalf of the Insurer : Smt. A. Bagchi,
: Zonal Compl. Executive

Present on behalf of the Complainant : Shri Manas Kumar Chandra

Date of Order : 23rd August, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant is the husband of Smt. Nita Chandra, the Life Assured (LA) of the whole life policy bearing no.005396731 which was purchased from Birla Sun Life Insurance Co. Ltd. The said policy was issued under “BSLI Vision” plan for sum assured of Rs.3,26,265/= with date of commencement 26th February, 2012 and annual premium of

Rs.40,000/= payable for 12 years. He has mentioned in his complaint letter dated nil (received by us on 11th April, 2012) that he is a retired person of 67 years old, as such, does not require any insurance cover. He was approached by the representative of the insurer for a policy which will give more than 12.5% return, annually on the total premium of Rs.2,00,000/= to be paid @ Rs.40,000/= for the next 5 years. In the printed benefit illustration of the plan supplied to him in a paper with BSLI Logo, he observed the total return is Rs.5,89,809/= payable in 3 instalments (after 5 years, 12 years and at the time of death or attaining the age of 99 years). Being convinced with this offer, he handed over a cheque for Rs.40,000/= towards the first year's premium for the policy. On receipt of the policy bond on 1st March, 2012, he noticed on 25th March, 2012 that the terms and conditions as also the benefits under the policy were quite different from the assurance given to him at the time of purchasing the policy. He then approached the insurer on 31st March, 2012 for cancellation of the policy and refund of premium, but did not receive any reply from them. Being disappointed, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission (SCN) dated 22nd August, 2012 (received by us on 14th August, 2012) that the policy bearing no.005396731 was issued to the LA Smt. Nita Chandra under "BSLI Vision", a whole life plan, for sum assured of Rs.3,26,265/= with date of commencement 26th February, 2012 and annual premium of Rs.40,000/= payable for premium paying term of 12 years. After completely understanding the features, terms and conditions as also sales (benefit) illustration under the plan; the LA signed a proposal for assurance bearing no.A46110733 dated 21st February, 2011. On the basis of the said proposal for assurance the above policy was issued to the LA on 26th February, 2012, and the policy bond was received by the LA on 1st March, 2012. The request for cancellation of the policy was received by them on 31st March, 2012. Since the complainant has failed to lodge his complaint within 'free look' period, his request for cancellation of the policy was denied as per IRDA Guidelines. Accordingly, the insurer sent a letter dated 12th June, 2012 to the complainant informing their decision.

3. Hearing :

Both the parties were called for a personal hearing on 22.08.2012. The complainant attended and stated the ground of complaint. He alleged mis-selling and stated that he was shown the different benefit illustration wherein it was illustrated that after five years, he will get a return of more than 12%. He pleaded that his delay in approaching the insurer for free look cancellation is marginally and his request was declined without any valid reason.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and discussed above.

Decision :

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. We find that the complainant is a retired person of 67 years and had taken the policy after investing Rs.40,000/- on the understanding that it was a single premium policy which would give him a return of more than 12%. He has produced a copy of the benefit illustration on the letter head of the company which is different from the illustration benefit produced by the company. The company has denied that the benefit illustration given to the complainant was issued by the company. However, we find that the delay in lodging the complaint for free look cancellation is just 15 days, which is marginally. Considering the advance age of the LA, we do not find any justification of issuing a long term policy for 12 years. Since the delay is marginally we condone the same and direct the insurer to return the premium as per provision of free look cancellation within 15 days of receiving the order along with consent letter of the complainant.

The complaint is allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No.	:	78/22/005/L/04/2012-13
Nature of Complaint	:	Refund of premium
Category under RPG Rules 1998.	:	12 (1) (c)
Policy Nos.	:	14922854 & 14926510
Name & Address of the Complainant	:	Shri Dwaipayan Sen, P-24, Darga Road, 3rd Floor, Kolkata – 700 017.
Name & Address of the Insurer	:	HDFC Standard Life Insurance Co. Ltd., Eureka Towers, 5th Floor, MindSPACE Complex, Link Road, Malad (W), Mumbai – 400 064.
Present on behalf of the Insurer	:	Shri S. Banerjee, Associate Manager – Legal

Present on behalf of the

Complainant : Shri Dwaipayan Sen

Date of Order : 29th August, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant in his complaint letter dated 12th April, 2012 stated that his father Shri Dipendra Mohan Sen had taken 2 policies bearing nos. 14922854 and 14926510 from HDFC Standard Life Insurance Co. Ltd. – one on his own life and another on the life of his wife Smt. Sumita Sen respectively.

He stated that the First Premium Receipts (F.P.Rs) for both the policies were issued by the insurer in the names of Shri Dipendra Mohan Sen and Smt. Sumita Sen. The said F.P.Rs dated 7th February, 2012 submitted by the complainant highlighted the following:-

Policy No.	Policyholder	Prem. Amount	Premium adjusted w.e.f.	Immediate Annuity Recd.	Frequently of Annuity Recd.
14922854	Dipendra Mohan Sen	Rs.5,00,000/=	07.02.2012	07.02.2013	Monthly
14926510	Sumita Sen	Rs.5,00,000/=	07.02.2012	07.02.2013	Monthly

Subsequently, when he received the policy bonds (date not available), he found that both the policies were issued in the name of Shri Dwaipayan Sen, son of Shri Dipendra Mohan Sen with the following features:-

Policy No.	Life Assured	D.O.C.	Prem. Amount	Term	Mode
14922854	Dwaipayan Sen	07.02.2012	Rs.5,00,000/=	10 Years	Yearly
14926510	Dwaipayan Sen	07.02.2012	Rs.5,00,000/=	10 Years	Yearly

Since there was great variation in the premium receipts issued to him and the policy bonds (along with another F.P.R.), he pointed out the discrepancy and requested the insurer to cancel both the policies and refund the deposited premiums vide his letter dated 20th March, 2012. But he received 2 letters from the insurer dated 29th March, 2012 (one of them is unsigned) intimating him that as they have not received the cancellation request within the 'free look' period of 15 days, they are unable to process the refund of premium paid towards the policies.

So, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has submitted their SCN dated 28th June, 2012 confirming the fact that the 2 policies bearing nos.14922854 and 14926510 were issued to Shri Dwaipayan Sen after receiving the duly filled proposal forms dated 7th February, 2012 along with quotation, illustration and other relevant documents. The 2 policies were issued under 'HDFC Savings Assurance' plan for a yearly premium of Rs.5,00,000/= and for a term of 10 years.

The policy document for policy no.14922854 was delivered to the complainant by their Sales Development Manager directly. The other policy document for policy no.14926510 was delivered to him through Sri Chakra Transtech Courier on 14th February, 2012, vide POD No.ZE1645571. The insurer stated that the complainant was provided with detailed and adequate information about the terms and conditions of the policies and the policyholder did not raise any allegations within 15 days of the 'free look' period. The insurer received the first request letter for cancellation on 20th March, 2012. As it was received after the specific time of 15 days from the date of receipt of the policy documents, the cancellation request was denied by the insurer.

3. Hearing :

Both the parties were called for a personal hearing on 27.08.2012. The complainant attended along with his father who explained the facts and grounds of complaint. He alleged forgery and cheating by the agent who had issued him a premium receipt showing that the policies were issued in his name and in the name of his wife. However, on receiving the policies, he found that the same was issued in the name of his son. He however, confirmed that he had proposed the policies in the name of his son and similarly his wife was also proposer of the 2nd policy. He further submitted that policy no.14926510 was received by him on 14.02.2012 by courier and he applied for cancellation of the same on 15.03.2012. Similarly the 2nd policy no.14922854 was received by hand delivery on 07.04.2012, but before receiving that he had already applied for its cancellation.

The representative of the insurance company reiterated their stand as mentioned in the SCN and discussed above. He submitted that the 2nd policy was delivered by hand but they did not have acknowledgement of the policyholder for its delivery.

4. Decision :

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. The complainant has approached this forum that allegation of mis-selling cheating and forgery by the insurance company. His main allegation is that he and his wife had submitted two proposal forms for taking policies in the name of his son, but they were issued forged money receipts showing that the policy was taken in their names. However, on receiving the policy bond, he found that it was issued in the name of his son. Suspecting that something was wrong, he applied for cancellation of the policy on 28.05.2012 of both the policies and refund of premium. The insurance company on the other hand has stated that the first policy was sent by courier and received by the insurance company on 14.02.2012 which date has not disputed by the complainant. Therefore, his application for cancellation of the policy which was submitted on 25.03.2012 is beyond the free look cancellation period for which the policy could not be cancelled. The 2nd policy as per insurer's own statement was sent through their Sales Development Manager but they did not have any acknowledgement of proof of delivery in respect of the same.

After careful evaluation of all the facts and circumstances of the case, we are of the opinion that the first policy which was delivered by the courier cannot be cancelled as the request for its cancellation was received 21 days after expiry of free look cancellation period. However, considering that the delay was marginal and the complainant is a young boy has no condition to pay Rs.5.00 lakhs for 10 years, we direct the insurance company to convert this policy into a suitable single premium policy subject to the consent of the policyholder. As regards, the 2nd policy no.14922854, we allow a benefit of doubt regarding the date of receipt of the policy, since no acknowledgement of proof of delivery could be produced by the insurer. Taking the version of the complainant that he received the policy on 07.04.2012 and had applied for its cancellation prior to the date of receipt, we direct the company to allow free look cancellation and refund of premium as per IRDA guideline. The complaint is partly allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR,
4, C.R. AVENUE, KOLKATA – 700 072

RECOMMENDATION IN THE MATTER OF

Complaint No. : 13/22/007/L/04/2012-13
Nature of Complaint : Refund of premium

Category under RPG Rules, 1998 : **12 (1) (c)**

Policy No. : **846822450**

Name & Address of the Complainant : **Shri Priyo Gopal Halder,
314, Sahapur Colony, 1st Floor,
Kolkata – 700 053.**

Name & Address of the Insurer : **Max Life Insurance Co. Ltd.,
DLF Square Bldg., 11th & 12th Floor,
Jacaranda Marg, DLF Phase – II,
Gurgaon – 122 002,
Haryana.**

Present on behalf of the Insurer : **Shri A. Bhattacharya,
Dy. manager**

Present on behalf of the Complainant : **Shri Priyo Gopal Halder**

Date of Order : **31st August, 2012**

RECOMMENDATION

Facts and Submissions

1. Complainant

The complainant through his complaint letter dated 21st March, 2012 has informed that one Mr. Suman Banerjee, stated to be a sales person of Max Life Insurance Co. Ltd., explained the following details of a policy to him over phone:-

- (a) Sum Assured will be 10 times of the premium amount.
- (b) Cash Back facility will be available after 3 years @ 10% of the S.A.
- (c) Premium Paying Term will be 6 years.
- (d) Cash Back will be available from 3rd year to 20th year.
- (e) After 20 years , 10% of the S.A. will be payable as bonus.

The said Suman Banerjee visited his residence and collected the requisite documents from him for issuing the policy. He also persuaded him (complainant) to sign a blank proposal form on the plea that mistakes that might creep in during filling up the form by the

complainant can be avoided. He also assured him that the policy bond would be sent to his address within 15 days. On repeated follow-ups with the insurer, he got the policy bond under policy no.846822450 on 24th December, 2011 from Suman Banerjee after about two and a half months of its issue. But he found several anomalies and deviations from the commitment made by the agent, in the policy bond. On 27th December, 2011, he contacted the insurer to communicate the said irregularities and his intention of cancellation of the policy, but got no solution. On sending reminder through e-mail on 31st December, 2011, the insurer informed that needful would be done within 2 weeks and as per their advice, he surrendered the policy bond at their Kolkata Office on 11th January, 2012. He was assured by the insurer that refund of premium would be done within 12 days but since then, nothing came into being. He then wrote a letter to the insurer on 13th February, 2012 in detail and again requested for cancellation of the policy and refund of premium paid by him. On 13th February, 2012, the insurer informed him that they were unable to cancel the policy as free look period was over. As he got the policy bond on 24th December, 2011 and wrote to the insurer for its cancellation on 31st December, 2011 i.e. just within 7 days from the date of receipt of the policy bond, he should get the benefit of 'free look' provision. The 'free look' period should be reckoned from the date of receipt of the policy bond and not from the date of issuance of the policy which the insurance company is now trying to establish to grab his hard earned money. Now, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer through their written submission (SCN) dated 22nd August, 2012 has informed that the complainant, after fully understanding the terms and conditions of the policy under "Life Gain Plus 20 Participating" plan, submitted the duly filled in and signed proposal form bearing no.846822450 dated 22nd August, 2011 on the basis of which the policy bearing no.846822450 was issued on 6th September, 2011 for sum assured of Rs.28,45,965/= under the plan. On 7th September, 2011, the policy bond was dispatched through Overnight Courier vide AWB No.6791183663 and on 9th September, 2011 the policy bond was delivered to the complainant. Actually, it was received by one Mukul Halder, a family member of the complainant, and the question of receiving the policy bond Suman Banerjee as mentioned by the complainant in his letter dated 31st December, 2011 does not arise. On 31st December, 2011 i.e. after almost 4 months of receiving the policy bond, the complainant submitted a letter to the insurer claiming mis-selling of the policy and requesting for clarification as regards what the S.A. value of maturity will be and how much the Cash Back amount after completion of 20 years will be. On 11th January, 2012, a request from the complainant for cancellation of the policy was received by them and on 12th January, 2012, they sent an elaborate reply to the complainant explaining the benefits under the policy and clarifying all queries raised by him and of course, with the message that cancellation of the policy and refund of premium is not possible. On 13th February, 2012, they received another letter from the complainant regarding mis-selling and refund of premium and on the same day, they replied as regards their inability to cancel the policy after the policy review period. On 19th April,

2012, they received another complaint from the same complainant and on the same ground through IRDA and on 2nd May, 2012, they again declined the prayer of the complainant on the ground of expiry of 'free look' period.

3. Hearing :

Both the parties were called for a personal hearing on 30.08.2012. The complainant attended and submitted the grounds of complaint. He stated that the sales person of the company had misrepresented about the terms & conditions of the policy and promised very high return due to which he agreed to take the policy. He denied that he received the policy through courier and stated that he lives alone in a flat and there is no person by name of Mukul Halder who had received the policy papers in his absence. He stated that he received the policy bond through the agent. But he does not have any acknowledgement or documentary evidence to prove the same.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and discussed above.

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. Considering that the complainant received the policy bond through him on 24.12.2011 and on 27.12.2011 he contacted the insurer and expressed his dissatisfaction with the terms & condition of the policy and requested for cancellation. The insurance company have provided the full details of the dispatch of the policy bond through courier and produced the proof of delivery of Overnite courier showing that the policy was delivered at the residential address mentioned in the policy document. The same was received by Sri Mukul Halder on his behalf. The complainant has claimed that there is no such person in his flat where he lives alone. However, his argument is not very valid since the courier has duly delivered it to someone at the residential address given in the proposal form. Moreover, the complainant has no proof to show that the received it through the agent. He also could not substantiate his allegation of mis-selling by the agent. We find that the proposal form was duly signed by him and wherein he has declared that he has fully understood the meaning and scope of the proposal form and the question contained therein. Since he applied for cancellation of the policy after almost four months of receiving the policy bond, he has no ground to seek free look cancellation of the policy and refund of premium. It is seen from his letter dated 31.12.2011 that while claiming mis-selling he had also requested for a clarification as regards the sum assured value on maturity and how much the cash amount after completion of 20 years will be received by him. In this letter he did not request for cancellation of the policy. Thereafter on 11.01.2012 he finally requested for cancellation of the policy much beyond the cooling off period.

After careful evaluation of all the facts and circumstances of the case and considering the rival submission we are of the opinion that the allegation of mis-selling could not substantiated by the complainant. He is an educated person but could not

satisfactorily explain why he signed in a blank form and issued a cheque for such an amount of Rs.3,93,902/- without checking the details of the form. However, considering that it may not be possible for him to continue the policy to pay an amount of Rs.4.00 lakh every year for 20 years, we direct the insurance company to issue a single premium policy so that his investment is protected. This exercise is to be completed within 15 days of receiving this order along with consent letter from the complainant. The complaint is dismissed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
4, C.R. AVENUE, HINDUSTHAN BUILDING ANNEXE
4TH FLOOR, KOLKATA – 700 072**

RECOMMENDATION IN THE MATTER OF

Complaint No. : **228/22/001/L/05/2012-13**

Nature of Complaint : **Refund of premium**

Category under RPG Rules 1998. : **12 (1) (c)**

Policy No. : **438366843**

Name & Address of the Complainant : **Smt. Soma Ghosh,
W/o Dinesh Ghosh,
Barasat, Garerdhar,
P.O. Chandarnagar,
District: Hooghly – 712 136.**

Name & Address of the Insurer : **Life Insurance Corporation of India,
Howrah D.O., Rallis Building,
16, Hare Street,
Kolkata – 700 001.**

Present on behalf of the Insurer : **Shri B. Patra,
Manager (Claims)**

Present on behalf of the Complainant : **Absent**

Date of Order : **5th September, 2012**

RECOMMENDATION

Facts and Submissions

1. Complainant

The complainant is the Life Assured (LA) of the policy bearing no.438366843 which was purchased from Life Insurance Corporation of India, Howrah Divisional Office. The said policy was issued under "Market Plus", a ULIP plan with the following policy details:-

Policy No.	D.O.C.	Pl-Tr-Ptr.	S.A.	Mode	Premium	F.U.P.
438366843	29.03.2007	180-07-07	25,000/=	Yearly	5,000/=	3/2008

The complainant has mentioned in her complaint letter dated 18th May, 2012 that she deposited Rs.5,000/= in cash on 28th March, 2008 towards the 2nd yearly premium due on March, 2008. But, subsequently, it was informed to her that the said policy was cancelled as a result of dishonour of cheque. She followed up the matter with different offices of the insurer including Central Office along with the copy of the premium receipt for setting right of the problem but yield no satisfactory result. In view of the same, she approached this Forum seeking appropriate relief and submitted 'P' Forms giving her unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission (SCN) dated 29th August, 2012 that:-

The policy bearing no.438366843 was issued to the LA with the following policy details:-

Policy No.	D.O.C.	Pl-Tr-Ptr.	S.A.	Mode	Premium	F.U.P.
438366843	29.03.2007	180-07-07	25,000/=	Yearly	5,000/=	3/2008

The 2nd premium of Rs.5,000/= which was deposited in cash by the LA on 28th March, 2008 towards the yearly premium due on March, 2008 was cancelled resulting the policy to foreclosure.

The transaction of the said payment was cancelled on the same date due to wrong entry by the Cashier. They are still in dark about the unnatural incidence which took place at their Branch Office level. As a result, they have requested the Branch Authority to submit

the investigation report, in detail, covering all aspects of the case. In view of the same, they have appealed to this Forum for allowing them some more time to complete their investigation in this matter.

3. Hearing:

Both the parties were called for a personal hearing on 03.09.2012. The complainant did not attend the hearing; we therefore propose to deal with the matter ex-parte on the basis of her written submissions.

The representative of the insurance company attended and sought further time to settle the matter.

4. Decision

We have considered the submissions of both the parties. The insurance company has not yet reached a definite conclusion regarding the status of the payment of renewal premium. They have sought further time to take decision in this matter. They are accordingly directed to complete their investigation in the matter and take a final decision within 15 days of receipt of this order.

The complaint is dismissed.

OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR,
4, C.R. AVENUE, KOLKATA – 700 072

RECOMMENDATION IN THE MATTER OF

Complaint No.	:	09/22/011/L/04/2012-13
Nature of Complaint	:	Refund of premium
Category under RPG Rules, 1998	:	12 (1) (c)
Policy Nos.	:	01632335, 01631643, 01631589 & 01632105
Name & Address of the Complainant	:	Mr. Shaukat Ali Khan, 70/C/1/H, Tiljala Road, Kolkata – 700 046.
Name & Address of	:	ING Vysya Life Insurance Co. Ltd.,

the terms & conditions and features of the respective plans, which were explained in detail to him by them, had opted for the same, which is confirmed by his declaration in the proposal forms. In the policy nos. 01631589 and 01631643, the complainant is the policyholder as well as Life Assured (LA) and in the policy nos.01632335 and 01632105, the complainant is the policyholder and his two daughters are the Life Assured (LA) under each of the policies. The complainant never came back to them with the cancellation request within the 'free look' period i.e. within 15 days of receiving the policy bonds. Hence, they could not consider the cancellation action. The complainant first approached them on 2nd May, 2011 regarding refund of the amount paid by him as he had neither submitted nor signed any proposal form. The signatures in the application/proposal forms did not belong to him and also the Pay Orders issued to them towards the premiums were forged. They sent the policy documents to his address in Bihar and he had not noticed the same as he was travelling and his family did not inform him about receipt of the policy bonds. Only when the first premium notice was served to him, he approached them for refund of the premiums. They sent a letter dated 30th April, 2011 to the complainant after registering the complainant at their end. Thereafter, the complainant had a telephonic discussion with one of their staff members and they requested him as per their letter dated 9th May, 2011 to submit the signature verification form along with a valid proof for further processing. The complainant had not chosen to provide signature verification form duly completed and the valid proof as requested by them for their investigation. The complainant cannot take the stand that had had not signed the proposal forms not submitted the cheque towards payment of premiums as the amount of Rs.1,98,000/- was debited from his account which he would have known through the Bank Account Statement. The policy documents were sent to his residential address which he had provided as his permanent address in the proposal form and the policy documents were delivered to his residence and accepted by one of his family members. After receipt of his complaint when they asked to submit signature verification form, the same has not been provided by him.

3. Hearing :

Both the parties were called for a personal hearing on 06.09.2012. The complainant attended the hearing and explained the grounds of his complaint. He stated that he alleged fraud and cheating of the bank and insurance officials by forging his signature to issue four pay orders amounting to Rs.1.98 lakh. He had first approached the Banking Ombudsman and on his advice, he filed the complaint before this forum. He had also approached the insurance company that his allegation of forgery in signatures but the same has not been investigated in the insurance company. He further stated that on a similar complaint ICICI life insurance has cancelled the policies and refunded Rs.2.00 lakhs. He requested for similar cancellation of the policies by the insurer. He also stated that out of four policy bonds submitted by him to the insurance company, only two have been returned and the other two policies have not yet been returned by the company.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and stated that the complaint for cancellation of the policy was received much beyond the free look cancellation period. She further could not explain

why the complaint of forgery lodged by the complainant was not looked into by the company.

4. Decision :

We have heard both the parties and verified the documents submitted to this forum. The complainant has approached this forum with allegation of cheating and forgery by the insurance company and the bank officials who had forged the signatures for obtaining four pay orders amounting to Rs.1.98 lakhs and issued insurance policies, which was never proposed by him. He has denied that he has signed the proposal form and the pay orders were never issued on his request. He has also approached the Banking Ombudsman but no FIR for cheating or forgery has been lodged by him. We find that ICICI Lombard, where a similar pay order of Rs.2.00 lakhs was deposited for issuing the policy in his name has already cancelled the policy and refunded the premium accepting his allegation of cheating and forgery. However, the present insurer has not made any comment in their written submission on the allegation of forgery. They have also not made any enquiry with the insurance company's agent/advisor or the bank to find out reasons behind the allegation. The representative of the insurance company requested for a copy of the complaint lodged by the complainant with allegation of forgery and copy of the same was given to her.

After careful evaluation and consideration of all the facts and circumstances of the case, we are of the opinion that the insurance company rejected the request of the complainant on a technical ground that the application for cancellation was made beyond free look period. They have not looked into the complaint properly and have not made any investigation whatsoever to find out whether there was mis-selling of cheating or forgery in this case. We find that ICIC has already accepted the allegation and cancelled the policies on the basis of the investigation made by them. We find that the insurer has not properly addressed this issue in their SCN therefore, they are directed to make proper enquiry in the cheating and forgery and take a decision for cancellation of the policies in the light of their investigation results. In case their decision is not found suitable, the complainant may revert to this forum or approach in other forum or filing an FIR against the bank/ insurance company involved in this forgery. The present complaint is disposed of accordingly.

OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No. : 73/22/003/L/04/2012-13

Nature of Complaint : Refund of premium

Category under RPG Rules, 1998 : 12 (1) (c)

Policy No. : C 675464327

Name & Address of the Complainant : Shri Ramit Kumar Boral,
59-B, Bechu Chatterjee Street,
Kolkata – 700 009.

Name & Address of the Insurer : Tata AIA Life Insurance Co. Ltd.,
Legal Department,
5th Floor, Chowringhee Court,
55, Chowringhee Road,
Kolkata – 700 071.

Present on behalf of the Insurer : Smt. Sweta Sharma,
: Zonal Legal Head

Present on behalf of the Complainant : Shri Ranit Kumar Boral
: Shri Rajendra Kumar Boral, Father

Date of Order : 7th September, 2012

AWARD

Facts and Submissions

1. Complainant

The complainant through his complaint letter dated 10th April, 2012 has informed that having been persuaded by one Mr. Biswas, who introduced himself as an Agent of Tata AIA Life Insurance Co. Ltd., the complainant along with his mother agreed to sign the

proposal form under 'Tata AIG Life Mahalife Gold (110 N 029 Vol) plan, though the said form was filled-in by the agent. The said agent assured the complainant that the policy would be issued on his life and the nominee would be his mother, Smt. Malati Boral. He also collected a cheque for Rs.18,100/- dated 28th July, 2011, drawn on United Bank of India, College Street Branch, Kolkata. On receiving the policy kit, the complainant observed the following discrepancies:-

His name has been mentioned as proposer instead of his mother's name. Annual cash dividend not guaranteed, as verbally assured by the said agent. Dividend amount during 10th to 19th instalments will be Rs.12,400/- on policy of Rs.2,00,000/ instead of Rs.22,000/- (approx.), as verbally assured by the agent. Dividend amount after 19th anniversary will be Rs.18,600/- (approx.) till the end of the policy term instead of the assured value of Rs.28,000/- till the end. The recorded name of the agent/broker is SMC Insurance Broker Pvt. Ltd. instead of M/s. Max gain Wealth Management whose representative Mr. Nilandri Biswas collected the cheque from him and did the policy. The first objection letter against issuance of the policy with so many discrepancies was written by Mr. Biswas and collected on 17th August, 2011 i.e. within 7 days of receiving the policy kit. He received three letters dated 26th September, 2011; 7th December, 2011 and 9th March, 2012 from the insurer but in all the letters, they assured that he would be informed about the complaint within 10 business days. However, he has not yet received any information from the insurer about cancellation of the policy/refund of the amount paid by him. The cancellation letter was collected by the same person (Mr. Biswas) who also collected the cheque and the proposal form from him. The insurer, in turn, issued the policy, terms and conditions which do not tally with the commitment of the agent. He did never sign the filled up papers enclosed with the policy kit. He belongs to a poor middle class family depending on interest receivable from various fixed deposits and he expects appropriate interest to be paid by the insurer on the deposited amount of Rs.18,100/.

Keeping in mind the above, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer through their written submission (SCN) dated 28th August, 2012 has informed that the complainant, after having been fully convinced about the terms and conditions, benefits and features of the policy under Tata AIG Life Mahalife Gold" plan explained to him by them, had signed the proposal of the said plan on his life for sum assured of Rs.2,00,000/- with a premium paying term of 15 years on yearly premium of Rs.18,076/-. As per their records, the original policy document was dispatched to the complainant by Speed Post No. ED230485440 IN on 3rd August, 2011. Initial complaint was received by them on 20th September, 2011 from Malati Boral and not from the Life Assured (LA) for correction in proposer's name and query related to dividend payouts. In reply, they sent a letter to the LA on 28th September, 2011 and asked him to submit a duly

signed letter to them to examine the issue further. On 19th December, 2011, they received a complaint from the LA regarding mis-selling, much beyond the 'free look' period and they replied to the said letter on 29th December, 2011. Thereafter, another complaint letter dated 5th March, 2012 from the LA was also replied by them on 15th March, 2012. However, they are unable to accede to the request of the LA for cancellation of the policy for the following reasons:-

The 1st complaint letter was received on 20th September, 2011 from Malati Boral who is neither the LA nor the policyholder. This letter also was received by them beyond the 'free look' period. The 1st complaint letter from the LA was received by them on 19th December, 2011 much beyond the 'free look' period. The LA is an educated person working as an Accountant. So, it is very much expected that he has read and understood the contents of the proposal form. As there is insurable interest between mother and son, Malati Boral, the mother of the LA, can pay the premium under the policy on her son's life.

3. Hearing :

Both the parties were called for a personal hearing on 06.09.2012. The complainant attended the hearing along with his father who explained the facts and grounds of complaint. He alleged mis-selling of the policy and stated that the features do not tally with the facts presented to him at the time of taking the policy. He also mentioned that the premium was deposited by his mother and the first complaint was also lodged by her with the broking house. The insurance company has not considered the same which was filed during the free look cancellation period.

The representative of the insurance company reiterated their stand as mentioned in the SCN and stated that they have not received the letter submitted by his mother dated 20.09.2011 and requested for a copy of the same.

4. Decision :

We have heard both the parties, considered their written submission and verified the documents submitted to this forum. The complainant has approached this forum with allegation of mis-selling which however, could not be substantiated by him. From the copies of the proposal submitted by the insurance company, we find that he had duly signed the proposal form and willingly opted for the premium paying term and the maturity term of the complaint. He could not specifically point out his objection to the terms and condition of the policy. However, we find that the policy was purchased with a 3rd party cheque given by the mother of the LA. The policy document was dispatched to the policyholder by speed post on 03.08.2011. The proof of delivery could not be produced by the insurance company, but they have given the speed post number and the date of dispatch. The complainant has also not disputed the date of receipt of the policy sometimes in the 2nd week of August. However, we find that the exact date is not known to both the parties. Further we find that on receiving the document, the mother of the LA

who had paid the premium lodged the complaint on 20.09.2011 in which she addressed certain queries regarding the definite pay out and also pointed out discrepancies in the proposer name. In reply to this letter, the insurer had written to the LA on 28.09.2011 asking him to submit a duly signed letter to them to examine the issue further. The insurance company however, not taken cognizance of the complaint submitted by Smt. Malati Boral which was also counter signed by the LA. The reasons for not taking cognizance of the complaint have not been explained by the representative of the insurance company. A copy of the said letter was handed over during the course of hearing. Since the letter was showing dissatisfaction with the terms and conditions and the policy was submitted by the mother of the LA who has an insurable interest within a month of receiving the policy documents, the exact date of delivery not known to either parties, we have to allow the free look cancellation to the complainant. The insurance company is directed to cancel the policy and refund the premium as per IRDA guidelines within 15 days of receiving this order along with consent letter of the complainant. The complaint is allowed.

**OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR,
4, C.R. AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No.	:	79/22/011/L/04/2012-13
Nature of Complaint	:	Refund of premium
Category under RPG Rules, 1998	:	12 (1) (c)
Policy Nos.	:	02145214 & 02116593
Name & Address of the Complainant	:	Shri Debashis Paul, 45, Abinash Chandra Banerjee Lane, (Near Divine Nursing Home), Kolkata – 700 010.
Name & Address of the Insurer	:	ING Vysya Life Insurance Co. Ltd., ING Vysya House, 5th Floor, 22, M.G. Road, Bangalore – 560 001.
Present on behalf of the Insurer	:	Shri Vaishali Urs. Sr. Manager

Present on behalf of the Complainant : **Shri Debasish Paul**
Date of Order : **7th September, 2012**

AWARD

Facts and Submissions

1. Complainant

The complainant through his complaint letter dated 12th April, 2012 has informed that

he intended to take two policies from ING Vysya Life Insurance Co. Ltd. on the life of his wife, Smt. Sutapa Paul, on single premium basis but the insurer issued two policies bearing nos. 02145214 and 02116593 with 45 years term. He sent a letter to the insurer for cancellation of the policies on 12th May, 2011 but they refused to refund his money for reasons not known to him.

He admits that after receiving the policy bonds, he could not go through the same as he had to go to Howrah to see one of his close relatives who was ill. On his return from Howrah after 30 days, he could go through the policy papers and found the inconsistencies. He paid the following amounts towards the said policies respectively:-

Cheque dated 1st March, 2011 for Rs.50,000/- drawn on State Bank of India.

Cheque dated 24th March, 2011 for Rs.72,000/- drawn on State Bank of India.

He is the proposer under both the policies whereas his wife, Smt. Sutapa Paul, is the Life Assured. Finding no other alternative, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer in their written submission (SCN) dated 27th August, 2012 has intimated that

the complainant had submitted two proposal forms to M/s. Vignaharta Direct Insurance Broking Private Limited, Insurance Brokers, on 24th February, 2011 and 17th March, 2011, proposing for two "New Fulfilling Life Anticipated Whole Life Plan". As against the said proposal, two policies bearing nos. 02145214 and 02116593 were issued by them with yearly premium of Rs.57,888/- and Rs.49,490/- respectively for a premium paying term of 16 years each. They issued the said policies based on the proposal forms including the declarations duly signed by the complainant. In the policy no.02116593, Shri Debasish Paul is the policyholder and his wife Smt. Sutapa Paul is the Life Assured whereas in policy

no.02145214, Smt. Sutapa Paul is the policyholder and Life Assured. The complainant never came back to them within 15 days of receiving the policy bonds with any complaint about any of the terms and conditions or for any other reasons. The complainant first approached them on 12th May, 2011 after a delay of two months requesting for cancellation of both the policies as being missold as a single premium policy by executives of M/s. Vighnaharta Direct Insurance Broking Pvt. Ltd., Insurance Brokers. A reply to this letter was sent by them on 14th May, 2011. Thereafter, the complainant had a telephonic discussion with one of the members of staff of the insurer and a detailed reply dated 19th May, 2011 was sent by them to the complainant explaining that the policy could not be cancelled.

3. Hearing :

Both the parties were called for a personal hearing on 06.09.2012. The complainant attended and submitted the ground of his complaint. He stated that he was convinced by the agent of the insurance company that the policies were single premium. But later on this was converted to regular premium policy without his knowledge for 45 years. He stated that his monthly income is around Rs.10,000/- and he is not in a position to pay Rs.1,22,000/- p.a. for the two policies for 45 years. There was a marginal delay of about 20 days as he was within Kolkata due to his mother's serious illness.

The representative of the insurance company reiterated on the other hand as mentioned in the SCN and discussed above. They have submitted the proof of delivery of two policies vide their letter dated 07.09.2012.

4. Decision :

We have heard both the parties, considered their written submissions and documents submitted to this forum. The complainant has approached this forum with allegation of mis-selling of the two policies which were taken by him under the impression that this was of single premium basis but turned out to be regular premium policies under which he has to pay Rs.1,22,000/- for every year up to 16 years. His request for cancellation of the policies and refund of premium was turned down by the insurance company as it was received beyond free look cancellation period. From the documents and facts submitted to this forum, we find that the complainant had submitted two forms through the insurance broker, M/s. Vighnaharta Direct Insurance Broking Private Limited on 24.02.2011 & 15.03.2011 under "New Fulfilling Life Anticipated Whole Life Plan". Against these proposal forms, the insurer issued two policies for a premium paying term of 16 years each. The proposal forms were filled up by the broker but duly signed by the LA. They have declared in the proposal forms that they have fully understood the terms and conditions of the policy, the nature of the questions and agreed with all the answers and information given by them in the proposal form. The complainant has declared an annual income of Rs.4.60 lakhs from the business of cyber café and his wife has declared Rs.4.00 lakh from the same business. The policy documents were dispatched through First Flight courier Ltd., and delivered at the address mentioned in the proposal form on 03.03.2011 and 19.04.2011. Both the consignments were received and signed by Mrs.

Devika Paul. The date of delivery of the policy documents have not been disputed by the complainant. The complainant has approached the insurance company on 12.05.2011 alleging mis-selling requesting for cancellation of the policy with refund of premium. Thus the complaint was lodged after more than two months from the receipt of the first policy and within one month from the date of receipt the 2nd policy. The complainant has explained that he was out Kolkata and could not lodge the complaint during free look period in connection with his mother's illness.

We find that the allegation of mis-selling remains unsubstantiated in the absence of any convincing evidence. The complainant is an educated person and he is willingly opted for the plans. He has raised allegation of cheating and fraud by the insurance company without giving any details of their act. His only complaint as per the complaint letter is that he wanted two single premium policies, but understood that they issued him two whole life policies of 45 years term. We also find that the complainant had submitted of correction letter for changing the premium frequency mode and alleging fraud and mis-selling on 05.05.2011 which is just three days after the expiry of the free look period in the case of the 2nd policy. The decision of the insurance company not to allow free look cancellation in this case is not justified. As regards first policy, we find that the delay after expiry of free look period is for 1½ months and therefore policy cannot be cancelled since the allegation of mis-selling has not been proved. The complainant wanted to make a single premium policy and we accordingly direct the company to convert the first policy to a suitable single premium policy and cancel the 2nd policy and refund the premium as per the IRDA guidelines for free look cancellation. The exercise is to be completed within 15 days of receiving this order along with consent letter from the complainant. The complaint is allowed.

OFFICE OF THE INSURANCE OMBUDSMAN,
HINDUSTHAN BLDG. ANNEXE, 4TH FLOOR,
4, C.R. AVENUE, KOLKATA – 700 072

AWARD IN THE MATTER OF

Complaint No.	:	254/22/019/L/05/2012-13
Nature of Complaint	:	Refund of premium
Category under RPG Rules, 1998	:	12 (1) (c)
Policy No.	:	120113408690

Name & Address of the Complainant : **Sk. Sadiruddin,
Vill. Dajua P.O. Sekendary,
P.S. Daspur, Nandanpur,
District: Paschim Medinipore,
Pin: 721 146.**

Name & Address of the Insurer : **Aegon Religare Life Insurance Co. Ltd.,
2nd Floor, Paranjpe 'B' Scheme,
Subhas Road, Near – Garware House,
Vile Parle (East),
Mumbai – 400 057.**

Present on behalf of the Insurer : **Shri Pritam Choudhury,
Sr. Manager**

Present on behalf of the Complainant : **Sk. Sadiruddin**

Date of Order : **18th September, 2012**

AWARD

Facts and Submissions

1. Complainant

The complainant through his complainant letter dated 7th May, 2012 has informed us that

He is a poor man having an income of Rs.100/- per day. He could save a sum of Rs.30,000/- after facing dire hardship. He had an intention to create a fixed deposit with the said amount but he has been sold a policy through misrepresentation with premium paying term and premium being 16 years and Rs.30,000/- per year. He is incapable of continuing the policy and hence intends to get the money paid by him towards first premium, refunded. In absence of any reply from the insurer, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer through their written submission (SCN) dated 21st August, 2012 has informed that based on the proposal form, duly filled in and signed by the complainant on 25th January, 2012, the policy bearing no. 120113408690 was issued by them under 'Aegon Religare Money Back Plus' plan for a policy term of 16 years, premium paying term of 10 years and yearly premium of Rs.29,999/-. The policy bond was dispatched to the mailing address of the

complainant registered with them, on 31st January, 2012 through Blue Dart Courier having AWB No.44943019321 but the same could not be delivered and was returned to origin (RTO) i.e. to them. Later, on 15th February, 2012, the policy bond was sent to the complainant through Speed Post having EIN No. EM099511665IN. The receipt of the policy bond on the aforesaid date was acknowledged by the complainant and the fact was never disputed by him. No cancellation request was received from the complainant within the 'free look' period, rather the first complaint was lodged with them on 13th April, 2012 after a lapse of 58 days from the date of dispatch of the policy bond. As per their letter dated 24th April, 2012, they clarified to the complainant that the policy could not be cancelled as the request for cancellation was made far beyond the 'free look' period.

3. Hearing :

Both the parties were called for a personal hearing on 17.09.2012. The complainant attended the hearing and submitted the grounds of complaint. The representative of the insurance company attended and stated that the delay in applying for free look cancellation is about 6 months.

4. Decision :

We have heard both the parties, considered the written submissions made to this forum and examined the documents submitted. The complainant approached this forum that allegation of mis-selling of the policy stating that he is an illiterate person and have no knowledge of insurance matters. He was mis-sold by the agent of the company who convinced him investment of Rs.30,000/- in a fixed deposit but later he learnt that he has been sold a policy through misrepresentation with premium of Rs.30,000/- for a term of 16 years. From the analysis of the fact, we find that the complainant is working as a daily labour with an income of Rs.100/- per day. He is totally illiterate and has no knowledge about investment or insurance. As per his statement, he saved Rs.30,000/- with great difficulties and the agent lured him with false promise and got his money invested in an insurance policy which he never intended to take. The insurer dispatched the policy document by speed post on 15.02.2012 which means that he received the policy sometimes in March, 2012. Therefore, he immediately applied for cancellation of the policy vide his letter dated 07.04.2012 which was received by the insurer on 13.04.2012. Thus the free look period was expired marginally.

Considering the extreme finance hardship of a daily labour, it was extremely improper from the part of the company to sell a regular policy. Having regard to the economic and educational background and taking compassionate view, we direct the company to cancel the policy and refund the entire premium within a period of 15 days along with consent letter from the complainant. The complaint is allowed.

OFFICE OF OMBUDSMAN, DELHI
Case No.LI/370/Kotak/11
In the matter of Sh. J.N. Rawal
Vs
Kotak Mahindra Life Ins. Company Ltd.

AWARD dated 04.04.2012:- Misselling of policy

1. This is a complaint filed by Sh. J.N. Rawal (herein after referred to as the complainant) against the decision of Kotak Mahindra Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that he had repeatedly made requests for cancellation of his policies and refund of premiums but so far no response was received by him from the company. In absence of any reply from the side of the company, he stopped making premiums in all these policies. He had approached this forum as last hope to provide solution to his grievance. He is no longer interested to continue with these policies because the policies have been sold to him by the agents fraudulently and cheating. He is now 75 years of age and ex-serviceman with walking problems and also with other problems which are age related and had requested this forum to look into the problem and to redress the same.
3. Representative of the company stated that all the policies were issued after receipt of the proposal forms duly signed by him. Company also submitted written reply dated 22.12.2011 wherein it has been stated that complainant had leveled several allegations against the company which are false. However, the company had decided to settle the issue of the complainant but the complainant is not giving desired co-operation.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policies have been missold to the complainant and the same deserves to be cancelled. Accordingly an Award is passed with the direction of the Insurance Company to cancel all the 4 policies and refund the premiums.
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.

OFFICE OF OMBUDSMAN, DELHI
Case No.LI/367/Aviva/11
In the matter of Sh. Rakesh Kumar Tulsian

Vs
Aviva Life Ins. Company Ltd.

AWARD Dated 04.04.2012- Misselling of policy

1. This is a complaint filed by Sh. Rakesh Kumar Tulsian (herein after referred to as the complainant) against the decision of Aviva Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that employees of the company with connivance of ABN Amro staff had cheated him and missold the policy. At the time of selling the policy, company had clearly stated that there will be yearly premium only for 3 years and thereafter he can withdraw the same as per his desire and he would be entitled to the prevailing market N.A.V. He had believed them and put the policy in locker. He came to know that it was regular premium policy when he got the form for payment of the premium. Complainant further stated that he is not in a position to continue the policy and pay further premium. He has come to this forum with a request to provide a solution to his problem. During the course of hearing also complainant argued that whereas he was stated at the time of selling the policy that he would be required to pay the premium for 3 years but he was issued a regular premium paying policy with the term of 30 years. Infact, he desired to have a different plan but he was given different plan altogether. The plan which was issued to him, he never desired to have such plan. He wrote to the company several times. He paid a sum of Rs. 1,50,000 so far.
3. Representative of the company stated that complainant was given the plan which he desired as per proposal form duly signed by him. Complainant had not approached the Insurance Company within the free look period. Company also filled a written reply date 20.03.2012 wherein it has been stated that company had acted in accordance of standard terms and conditions and cannot accept the request of the complainant to refund the premium at such a belated stage and the company had rejected the complaint of the complainant for just and valid reasons.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply which is placed on record. After due consideration of the matter, I hold that policy was

missold to the complainant because he was issued a plan which was not desired by him. He desired to have a policy wherein he would be required to pay only 3 years but infact he had been issued a policy where he was required to pay premium for 30 years. Thus in my view policy was missold to the complainant and the same deserves to be cancel. Accordingly an 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.

OFFICE OF OMBUDSMAN, DELHI
Case No.LI/385/Tata/11
In the matter of Smt. Jannat Begum

Vs
Tata AIG Life Ins. Company Ltd.

AWARD Dated 04.04.2012- Misselling of policy

1. This is a complaint filed by Smt. Jannat Begum (herein after referred to as the complainant) against the decision of Tata AIG Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policies.
2. Complainant stated that two policies were issued to her under false promises and stating wrong facts relating to her income. Whereas she does not have any source of income and she is a house wife but her income was shown incorrectly in the proposal form which was filled by the persons who have sold the policy. Whereas her husband wanted to make the one time investment by paying a sum of Rs. 1,00,000 but regular premium paying policies were issued to her. Since she has no source of income, she could not afford to pay annual premiums. Her husband is a retired employee from the bank without pension. During the course of hearing which was attended by the husband of the complainant, a sum of Rs. 1 lakh was paid and two policies having premium of Rs. 49,000 and 50,000 were issued. It was

further submitted by him that the signatures of the complainant i.e. Smt. Jannat Begum was forged on the proposal forms.

3. Representative of the company stated that he would help the complainant in resolution of her grievance. Company also filed written reply dated 10.11.2011 wherein it has been stated that company was not approached within the free look period for cancellation of the policy.
 4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that both the policies were missold to her as she desired to make one time investment, but she was issued regular premium paying policies. Her income was shown false in the proposal form which was filled by the persons who sold the policies. Since policies were missold to her in my considered view these policies deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund the premiums in respect of both the policies amounting to Rs. 49,000 and 50,000 along with the penal interest at the rate of 8% from the date of receipt of premiums to the date of actual refund.
 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.
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OFFICE OF OMBUDSMAN, DELHI
Case No.LI/379/HDFC/11
In the matter of Sh. P.C. Gupta

Vs
HDFC Standard Life Ins. Company Ltd.

AWARD Dated 04.04.2012 Misselling of policy

1. This is a complaint filed by Sh. P.C. Gupta (herein after referred to as the complainant) against the decision of HDFC Standard Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that he is not willing to continue with the policy issued by HDFC Standard Life Insurance Company Ltd. He further submitted that policy was issued to him in 2010 but till date he had not received the policy documents though he had pursued the company for the same and sent reminders. He also visited Delhi office but he could not get any proper solution of his grievance. In absence of receipt of policy bond he is not able to deposit second installment of the premium. He stated further that he is not satisfied with the services of the company so he had requested to return his amount paid. He further submitted that he had given about 100 reminders to the company for cancellation and returns his amount. During the course of hearing also complainant stated that he had not received the policy bond so far.
3. Representative of the company stated that a duplicate policy bond was issued to him i.e. to the complainant. It has further been informed by the representative of the company that policy bond was delivered on 08.07.2010 and the same was received by someone by the name of Aarti and since company had not received the request for cancellation of the policy within the free look period, Company was unable to process the refund as desired by the complainant.
4. I have considered the submission of the complainant as well as of the representative of the company. I have also perused a letter dated 22.09.2011. After due consideration of the matter, I hold that policy bond was not delivered by the company to the complainant and the same was received by someone named Aarti and thus there is a force in the arguments of the complainant that he had not received the policy bond and since he had made request to cancel the policy bond even before its receipt, in my view company ought to have accepted the request of the complainant for cancellation of the policy and for refund. The complainant had

expressed his desire to cancel the policy as he is not satisfied with the services of the company. In my view it would be fair and reasonable if the request of the

complainant to cancel the policy is accepted. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs. 1 Lakh.

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.

OFFICE OF OMBUDSMAN, DELHI

case No.LI/384/Tata/11
In the matter of Sh. Mehandi Hassan

Vs
Tata AIG Life Ins. Company Ltd.

AWARD Dated 04.04.2012- Misselling of policy

1. This is a complaint filed by Sh. Mehandi Hassan (herein after referred to as the complainant) against the decision of Tata AIG Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that he is a retired bank employee. Being a retired employee he desired to make investment in some pension plan so that he could survive after retirement properly because he was not getting any pension from the bank and he retired without any pension. He further submitted that giving false assurances company's employee issued him a policy and a lump sum amount was received from him but he did not get any pension or interest. He further informed that he retired from the service on 30.11.2009. In March 2010 Shubham Bajpai and Amit Sharma contacted him on phone and thereafter they met him. Two employees of India Info Line Insurance Brokers Ltd. continuously pursued him and policies were issued to him and his wife. He desired to make one time investment in the policy. He further submitted that one policy was issued in his name for which he paid a sum of Rs. 6,00,000 and another two policies were issued in the name of his wife for a sum of Rs. 1,00,000. He had given detailed submissions in his complaint and stated that policies were missold to him and his wife under false premises. He

desired to make one time investment whereas regular premium paying policy was issued. He had no source of income and he could not afford to pay premium in respect of his policies. He made it clear to the persons who sold the policies that he would be making only one time investment but he had been issued a regular premium paying policies. During the course of hearing also it was argued by him that he had desired to make investment in pension plan whereas he has been issued a regular premium paying policy.

3. Representative of the company stated that he would be helping the complainant for the solution of his grievance.
 4. I have considered the submissions of the complainant as made in details in the written complaint and also as made during the course of hearing. after due consideration of the matter, I hold that policy was missold to him because he desired to make investment in pension plan whereas he had been given a regular premium paying policy. He desired to make one time investment of Rs. 6 lakhs whereas he has been issued a policy where he is required to pay premium every year. Therefore, policy was missold to him. Since policy was missold to him, the same deserves to be cancelled. Accordingly an Award is passed with the direction to the Insurance Company to cancel the policy and refund the premium of Rs. 6 Lacs along with the penal interest of 8% from the date of receipt of the premium to the date of refund.
 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.
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OFFICE OF OMBUDSMAN, DELHI

Case No.LI/116/Tata/11
In the matter of Sh. Ramesh Chand

Vs
Tata AIG Life Ins. Company Ltd.

AWARD Dated 24.04.2012 Misselling of policy

1. This is a complaint filed by Sh. Ramesh Chand (herein after referred to as the complainant) against the decision of Tata AIG Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that in the month of April 2010, he had taken a policy from Tata AIG Life Insurance Company Ltd. known as Invest Assure Health plus no. U157416343. He further submitted that the policy document contained incorrect entries. He immediately informed the company and approached the local branch. He also made representation to the GRO of the company for cancellation of the incorrect policy but unfortunately, the company had not acted as per his request and considerable time had elapsed. He has come to this forum with a request to ensure payment of the premium paid by him. The complainant did not attend the hearing.
3. Representative of the company stated that complainant had not approached the insurance company within 15 days of the receipt of the policy bond for cancellation. Policy bond might have been delivered through speed post. The complainant had paid only one premium. Company also filed written reply dated 05.04.2012 wherein it has been stated that original policy bond was dispatched to the insured at his mailing address on 11.05.2010 via speed post and the complainant approached the insurance company for free look cancellation only on 12.08.2010 that is much after the expiry of the free look period. Company had rightly denied the free look cancellation.
4. I have considered the submissions of the complainant as made in the complaint. 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 policy deserves to be accepted because there is no reason not to accept the version of the complainant that policy documents was issued containing in correct facts and he immediately informed the company and request to cancel

the policy. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the sum of Rs. 32,688.

- 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.**

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/622/Aviva/10
In the matter of Sh. Rajeev

Vs
Aviva Life Ins. Company Ltd.

AWARD Datd 24.04.2012 Misselling of policy

1. This is a complaint filed by Sh. Rajeev (herein after referred to as the complainant) against the decision of Aviva Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that he had taken a policy bearing no. TDV2933700 from Aviva Life Insurance Company Ltd. on 31.03.2010. He further submitted that policy documents did not reach him. He also informed this fact to the agent but he did not get any reply from the agent. Infact, he pursued this matter with the agent and informed him two to three times but he did not respond to him (complainant). He wrote letter to the Gurgaon office of the insurance company. Company received this letter on 16.11.2010 company also sent him a letter through speed post which was received by him on 06.12.2010. Company had not accepted his request because he had not approached the company within the free look period. Company is not correct in stating that free look period is already over. He further stated that agents of the company misguided him. He came to this forum with request to resolve his grievance. Complainant did not attend the hearing.
3. Representative of the company agreed to cancel the policy and refund the premium.
4. I have considered the submissions of the complainant as made in the complaint. I have also considered the verbal argument of the representative of the company. I have also considered and perused the written reply of the company dated 28.03.2012 wherein it has conveyed that company has decided to cancel the policy under free look cancellation. After due consideration of the facts on record, I hold that company ought to have accepted the request to cancel the policy. Accordingly an 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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/603/Kotak/10
In the matter of Smt. Neetu Jain

Vs
Kotak Mahindra Life Ins. Company Ltd.

AWARD Dated 24.04.2012 – Misselling of policy

1. This is a complaint filed by Smt. Neetu Jain (herein after referred to as the complainant) against the decision of Kotak Mahindra Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that policy issued to her was quite different from one about which she was briefed by the sales team Viz. Mr. Javed Qureshi, Mr. Rahul Sharma, Mr. Mishra and Mr. Malhotra. What was given to her in form of policy was bunch of lies. She stated that selling policies in such manner, does not enhance the prestige of the organization for which the policies are being issued. She further submitted that original application form which was signed by her was replaced by another form which was not signed by her. Since she has acknowledgement of the original application form it is a clear cut case of forgery and is a criminal offence. She further stated that photocopy of the application form enclosed with the policy bond is false. She has not signed that because she desired Rs. 30,000 annual premium whereas the same was showing Rs. 30,000 half yearly premium. She further stated that the signatures on the bond were not her. During the course of hearing which was attended by the husband of the complainant argued that the company changed form and obviously the information contained therein were not the ones which were submitted by her and made in the original form. She desired to have a policy with annual premium where as she was issued a policy with half yearly premium payment mode.
3. Representative of the company stated that company is ready to cancel the policy. As a matter of fact, company already decided to cancel the policy but the policy holder did not complete the formalities required to be done. Company also filed written reply dated 25.05.2011.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply which is placed on record. After due consideration of the matter, I hold that policy was missold to her and the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs. 30,000.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/120/AJ/11

In the matter of Sh. Satya Narayan

Vs

Life Insurance Corporation of India Ltd.

AWARD Dated 24.04.2013:- Non cancellation of policy

1. This is a complaint filed by Sh. Satya Narayan (herein after referred to as the complainant) against the decision of Life Insurance Corporation of India Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that he had taken a Ulip policy bearing no. 185826953 on 14.08.2007 from Ajmer office of LIC. After completion of three years, the agent got from him the policy bond for the purpose of switch and after making forged signature and without his permission agent got him issued a new policy bearing no. is 186576339. He had not received the receipt and policy bond so far in respect of the new policy. He came to know about this policy when he took up the matter, with the insurance company in respect of the payment of his old policy. The complainant desired to be paid interest at the rate of 12% with effect from 14.08.2010 to the date of disposal. And he also desired action against the agent so that he may not forge any other person's signatures. During the course of hearing, it was argued by him that he paid the premium for 3 years and desired to switch and for that purpose he had given the policy bond to the agent but the agent got

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/103/Reliance/11
In the matter of Sh. Lala Ram Gupta

Vs

Reliance Life Insurance Co. Ltd.

AWARD Dated 24.04.2012:- Misselling of policy

1. This is a complaint filed by Sh. Lala Ram Gutpa (herein after referred to as the complainant) against the decision of Reliance Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that this policy was wrongly issued to him. He was conveyed that policy bond would be in Hindi and English. He is not much literate. When he received the bond it was only in English and he could not read it. He further submitted that only on persuasion of Mr. Sagar Sharma, he had given a sum of Rs. 50,000. He was informed at the time of taking this policy that he would be required to pay first and third premiums in the policy and second premium would be paid by the company as bonus. He was assured that after payment of three year's premiums, company would be giving him a sum of Rs. 2,25,000 and company would also provide mediclaim policy free of cost up to the age of 75 years. On receipt of the policy bond, he enquired from the company and company's employee informed him that whatever information given to him at time of giving policy the same was not correct and he is required to pay premium for a long time and a policy was issued to him under false premises. He has requested for refund of his premium of Rs. 50,000. During the course of hearing the complainant argued that the policy was missold to him. Policy was issued to him under false premise. He paid Rs. 50,000 only once and needs his money back.
3. Representative of the company stated that policy bond was dispatched and was also received. Complainant had not made use of free look period. Company also filed written reply dated 16.08.2011 wherein it has been mentioned that policy was issued as per consent of the insured and if the complainant was not satisfied with the terms and conditions of the policy, he was required to request the company within the free look period for cancellation but it was made much beyond the free look period.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that

policy was missold to the complainant as the same was issued under false promises. Therefore, this policy which was missold to him deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 50,000.

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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/135/ICICI Pru/11
In the matter of Sh. Piyush Kumar Gupta

Vs
ICICI Prudential Life Insurance Co. Ltd.

AWARD dated 26.04.2012:- Misselling of policy

1. This is a complaint filed by Sh. Piyush Kumar Gupta (herein after referred to as the complainant) against the decision of ICICI Prudential Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that he had paid first premium vide cheque no. 099870 dated 06.02.2010 of an amount of Rs. 12,000. He had contacted the agent a number of times and also phoned him on account of non-receipt of policy bond. He was assured every time by the agent that he would be getting policy bond within two days. After a month he was advised by the agent to contact the insurance company at its Mumbai office but he did not get the policy despite informing the Mumbai office on phone. He wrote to the company for cancelling the policy on 26.10.2010 but company sent him a policy on 16.11.2010. He requested the company to correct the spelling of the name and requested to take action against the agent but company had not accepted his request. Thereafter on 19.01.2011, he had returned the original policy bond to the company and with request that he be refunded his premium with interest but company had not taken any action. He could not avail income tax rebate due to non receipt of policy bond. He has come to this forum with request to ensure payment of refund with penal interest. During the course of

hearing, it was submitted by him that he had taken a policy in February 2010 but policy bond was received as late as on 16.11.2010.

3. Representative of the company stated that policy bond was received on 16.11.2010. He had not requested within the free look period for cancelling the policy. Policy bond was returned to the policy holder.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that insurance company ought to have accepted the request of the complainant for

cancellation of the policy because he made such request even before the receipt of the policy bond. There is no reason not to believe the version of the complainant that he requested the Mumbai office of the company before receipt of policy bond to cancel the policy. Therefore, in my view company ought to have accepted his request to cancel the policy. Accordingly an 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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/261/AJ/11
In the matter of Sh. Rochi Ram

Vs
Life Insurance Corporation of India Ltd.

AWARD Dated 26.04.2012:- Non payment of bonus claim

1. This is a complaint filed by Sh. Rochi Ram (herein after referred to as the complainant) against the decision of Life Insurance Corporation of India Ltd. (herein after referred to as respondent Insurance Company) relating to non payment of bonus claim.
2. Complainant stated that insurance company had not paid to him the amount of bonus amounting to Rs. 17,750. Therefore, he is requesting to pay him the bonus

along with the penal interest and also compensation for mental harassment for economic loss sustained by him due to non-payment of bonus in time. During the course of hearing, he argued that he was not paid bonus.

3. Representative of the company promised to settle the grievance at the earliest.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I find that complainant had not been paid the amount of bonus due to him amounting to Rs. 17,750 in respect of policy no. 192222007. The representative of the company also not kept his words for settling the issue at an early date. Normally, insurance company pays the bonus and other dues on maturity of the policy. In this particular case only bonus was payable on the maturity of the policy amounting to Rs. 17,750 quite possible that bonus was not paid due to non submission of discharge form by the insured. Under the facts and circumstances I considered it fair and reasonable to direct the insurance company to make payment of Rs. 17,750 which was due to the insured on 01.08.2010 along with penal interest at the rate of 8% w.e.f. 01.08.2010 to the date of actual payment subject to submission of policy document and discharge voucher duly signed by the insured. The complainant is also hereby directed to submit policy bond to the insurance company along with discharge form. It is not found appropriate to accept the request of the complainant relating to payment for mental harassment. The complaint is disposed off accordingly.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/92/Bharti/11
In the matter of Sh. Hari Babu Mahawar

Vs

Bharti Axa Life Insurance Company Ltd.

AWARD dated 26.04.2012 :- Non Settlement of Claim

- 1. This is a complaint filed by Sh. Hari Babu Mahawar (herein after referred to as the complainant) against the decision of Bharti Axa Life Insurance Co. Ltd. (herein after referred to as respondent Insurance Company) relating to non settlement of claim.**
- 2. Complainant stated that he had sent his representation to the GRO of the company but the registered letter sent by him returned undelivered. Complainant further submitted that policies were issued under false promises. It was informed on phone to him that in case of investment of Rs. 30,000 complainant would be given bonus at the rate of 130% and such payment would be made within 6 months. Accordingly he had taken 2 policies in his name and another in name of his wife and issued two cheques of Rs. 30,000. He was further informed by one Sh. R.K. Shrivastava and Sh. Viney Madan, New Delhi that in case he takes two more policies, he would be entitled to the benefit of 160%. He believed them and had taken two more policies and handed over the cheques of Rs. 25,000. He was further advised on 11.02.2009 by Sh. R.K. Shrivastava that in case he invests Rs. 50,000, he would not be required to pay installments any more therefore; he handed over cheque of Rs. 50,000 pm 11.02.2009. He was further allured by Sh. R.K. Shrivastava on 12.12.2009 that in case he take two policies more of Rs. 25,000 he would in covered in silver package policy then he would not be required to pay any premium and he would start getting the payment in month of March 2010 he issued the cheques accordingly. Thus these policies were issued. On receipt and study of the policies he came to know the facts which were narrated to him the same were not in the policies. He discussed the matter on phone he was assured that he would be issued amended polices and the documents received by him are a welcomekit. Policies were returned by him on the advice of sh. R.K. Srivastav the last policy was received in month of January 2010 again he was assured by Sh. R.K. Srivastav that policies are in the process of being amended but he did not get any amended policies till date. Thereafter, Sh. R.K. Srivastav stopped picking up calls. He has written to branch office making complaint but he could not get any reply. He made investment of Rs.2,10,000 in 6 policies out of which 3 policies are Aspire life polices whereas other remaining policies are Bright start, Merit plus and Merit plus Edge policy. The policies were given as per choice of the**

agents and not as per desired by him. He further stated that he is a senior citizen and he is required to make one time investment. He submitted further that it is not possible to him to make the payment of premium for the period 5 to 10 years. He has come to this forum with request to settle his grievance. During the course of hearing, complainant argued that these policies were issued to him under false premises. These policies were missold to him therefore all these deserve to be cancelled.

3. Representative of the company stated that applications of the misselling are unjustified. Policies were issued on the basis of signed proposal. Company also filed written reply dated 02.09.2011 wherein it has been stated that complainant have not utilized the free look period of 15 days. Complainant had approached the insurance company much after free look period alleging misselling of the policies and hence nothing becomes payable to the complainant under the policies. It was further mentioned in the reply that currently policies are lapsed condition due to non – payment of premium and he was further advised to pay the premium to enjoy the benefit of the said policies.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused written reply of the company which is placed on record. After due consideration of the matter, I hold that all the policies have been missold to the policy holders because the same were issued on the basis of false promises. Complainant is a senior citizen and cannot afford to pay the premium in respect of the policies for the term of the policies. He intended to make one time investment but regular premium paying policies were issued. I have no reason not to believe the contents of the complaint and if I do so I have my considered opinion that all policies were missold to him. Accordingly an Award is passed with the direction to the insurance company to cancel all the policies and refund the premiums in respect of all the policies totaling to Rs. 2,10,000.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/518/Birla/10
In the matter of Smt. Kanchan Rathore

Vs
Birla Sun Life Ins. Company Ltd.

AWARD dated 03.05.2012:- Misselling of policy

7. This is a complaint filed by Smt. Kanchan Rathore (herein after referred to as the complainant) against the decision of Birla Sun Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misguidance and misselling of policy.
8. Complainant stated that she was misguided by the agent appointed regarding the benefits of the insurance policy given to her. Since he was assured 13.5% benefit on the insured amount but he misguided the insured by stating the false benefits of the insurance policy. She has come to this forum with request to help her and settle her grievance. She had paid only 2 premiums. She was under the impression that she would get 13.5% return in the policy as promised by the agent. The insurer had not sent any statement of account and thus he remained in dark about benefits. During the course of hearing, it was stated by the complainant that she was misguided by the agent. She was given false promises of 13.5% return fixed. She had paid 2 premiums but the Company had refused to accept her request on the ground that she did not approach within the free look period.
9. Representative of the company stated that complainant had not approached the insurance company within the free look period for cancellation of policy.
10. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused a written reply dated 23.03.2012 which is placed on record. After due consideration of the matter, I hold that policy was missold to the policy holder as she was given false promises while issuing the policy. Therefore, the policy which was missold to her deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund both the premiums totaling to Rs. 1,04,000.
11. 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.

12. Copies of the Award to both the parties.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/332/Tata/11
In the matter of Sh. Suresh Chand Jain

Vs
Tata AIG Life Ins. Company Ltd.

AWARD Dated 03.05.2012:- Misselling of policy

1. This is a complaint filed by Sh. Suresh Chand Jain (herein after referred to as the complainant) against the decision of Tata AIG Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misguidance and misselling of policy.
2. Complainant stated that policy bearing no. U100627901 was due for renewal. The representative/agent of the company approached him at his residence for the purpose of renewing the policy. Relying on the words of the agent, he issued a cheque for Rs. 2,00,000 but representative /agent of the company played a fraud by depositing the amount for issuing another policy so that he may get higher commission from the company. He had been issued a new policy bearing no. U012934025 which he never requested and had been issued in the name of his grandson Sh. Vaibhav Jain. It was further stated by him that this policy bearing no. U012934025 had been issued at a time when Mr. Vaibhav Jain was not in India and his signatures had been forged since proposal has been signed with forged signatures and all particulars mentioned in the policy are incorrect. He issued the cheque with the purpose of getting renewed his old policy U100627901. He submitted that the new policy issued needs to be cancelled and amount of Rs. 2,00,000 is to be deposited as renewal premium in the policy bearing no. U100627901. He further stated that he had issued a another cheque of Rs. 99,900 for the purpose of a new policy in the name of his grandson but the agent had issued two new policies, bearing no. U012936120 for Rs. 50,000 and another U 012936104 in the name of his son Mr. Arun Jain for Rs. 49,900. These two policies were not as desired by him. The signatures on the proposal form are forged and thus these two policies are required to be canceled. He had taken up the matter with the insurance company but he had not been provided any relief. He had

requested this forum to redress his grievance. Complainant argued the same thing as was narrated by him in his complaint during the course of hearing.

3. Representative of the company relied upon the written reply dated 10.11.2011 which is already filed. The company had expressed its inability to cancel the policy bearing no. U012934025, U012936120 and U012936104 as request was received beyond the free look period. Company further desired the duly signed letter from the insured. The matter was examined by the company and found no discrepancy.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. I have also perused other documents placed on record. After due consideration of the matter, I hold that policies bearing no. U012934025, U012936120, and U012936104 were missold because first two policies were issued in the name of Sh. Vaibhav Jain the grandson of the complainant at time when he was out of India and the 3rd policy was not required to be issued in the name of Sh. Arun Jain. The complainant had issued a cheque for an amount of Rs. 99,900 for purpose of issuing a new policy in the name of his grandson but instead two policies were issued one in the name of his grandson and another in the name of his son. As regard policy no. 1, it was wrongly issued without any request and submission of any proposal as he had issued a check for Rs. 2,00,000 as a renewal premium for the old policy bearing no. U100627901. Therefore, all the 3 policies were missold and deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policies and adjust the refund of Rs. 2,00,000 on cancellation of the policy U012934025 against the premium due in respect of policy bearing no. U1006299701 and refund a sum of Rs. 99,900 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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/100/Kotak/11
In the matter of Smt. Madhubala Rathore

Vs
Kotak Life Ins. Company Ltd.

AWARD Dated 03.05.2012 :- Misselling of policy

- 1. This is a complaint filed by Smt. Madhubala Rathore (herein after referred to as the complainant) against the decision of Kotak Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misguidance and misselling of policy.**
- 2. Complainant stated that she had invested in January 2010 her savings of Rs. 4 lacs. It was lifelong saving and hard earned money. On the advice of advisor Sh. Vikas Soni, Manager Almond Securities Ltd., Jaipur and Smt. Shuchi Singh, branch manager. She had invested in two policies. She had taken two policies one bearing no. SAG 2869866 from Aviva Life Insurance Co. Ltd. and 01837712 from Kotak Life Insurance Co. Ltd. She was informed that only one premium is payable i.e. it was a onetime investment of Rs. 2 lacs in each policy but she was informed by the company after one year to deposit the premium. She had stated that she is not in a position to deposit the premium but the company insisted her to deposit the premium. She states that she is a house wife and she does not have any source of income. She had made one time investment and invested her savings of almost 20 years. Policies were given her stating that she will be required to pay only once whereas regular premium paying policies were issued. She has come to this forum with a request to provide her solution of the problem. She is a senior citizen and she is not physically and mentally fit for continuing these policies. A sum of Rs. 4 lacs is a handsome amount. She desired to get her money back. During the course of hearing also she stated that she desired to make one time investment but regular premium paying policies were issued to her. She was missold the policies. She cannot deposit the premium any more.**
- 3. Representative of the company stated that complainant had not approached the insurance company within a free look period. Aviva Life Ins. Co. furnished reply dated 27.03.2012 wherein it has been stated that on 01.02.2011, the policy status changed to early lapse due to non receipt of renewal premium. It was further mentioned that premium payment term is clearly explained in the standard terms**

and conditions which was provided to the policy holder with the policy documents. The policy has a 20 years term. The allegation

of the policy holder that she was sold a single premium policy is baseless. Kotak Life Ins. Co. also furnished reply dated 20.08.2011 wherein it has been stated that there is no false commitment on the part of the company and company has acted properly and company prays for dismissed of the complaint.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written replies of the companies which are placed on record. After due consideration of the matter, I hold that both the policies bearing no. SAG2869866 and 01837712 were missold to the complainant because as she desired to make only one time investment, regular premium paying policies were issued. Complainant had taken one policy each from Aviva Life Insurance Company and Kotak Life Insurance Company and desired to make investment of 2 lacs in each policy but both the policies were issued wherein she is required to pay premium regularly. Complainant is not in a position to pay an amount of Rs. 4 lacs every year. As it has been mentioned in the complaint, she does not have any source of income and whatever she saved she has invested in these policies. Under the facts and circumstances of the case and after considering the contents of the complaint, I am of my considered opinion that both the policies were missold to her and the same deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance companies to cancel both the policies and refund the premium of Rs. 2 lacs in each policy.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/65/Future/11
In the matter of Smt. Sheela Devi

Vs

Future Generali Life Ins. Company Ltd.

AWARD Dated 03.05.2012:- Repudiation of Death Claim

1. This is a complaint filed by Smt. Sheela Devi (herein after referred to as the complainant) against the decision of Future Generali Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to repudiation of death claim.
2. Complainant stated that her late husband Sh. Vijender Kumar had taken a policy bearing no. 00355682 from Future Generali India Life Insurance Company Ltd. with sum assured of Rs. 2,75,000. She further stated that premium in the policy was deposited. The life assured died on 28.04.2010 in a road accident. The life assured made the complainant nominee. She is also his legal heir being a wife. She has approached the life insurance company for payment of death claim of Rs. 2,75,000 but the insurance company vide its letter dated 23.10.2010 repudiated the claim. She further stated that the main source of income of her husband was from business and he used to do daily business in the village and also he used to work as a driver and he had a driving license. While taking policy her husband has given information to the company's agent. She has also approached the claims review committee of the insurance company but the company had not taken any action. She also got issued a legal notice to the insurance company relating to the death claim but company had not responded to such complaint. She has come to this forum with request to get her paid the death claim. During the course of hearing, complainant stated that claim is payable but insurance company had denied it wrongly.
3. Representative of the company stated that claim is not payable because DLA was driving truck when accident took place and he subsequently died. Company also filed written reply dated 16.06.2011. The claim was rejected due to suppression of material facts as to his occupation and providing false information. Proposal dated 31.12.2009 was submitted for obtaining the insurance policy and the policy was issued on 15.01.2010 death of the policy holder took place on 28.04.2010 and death claim was filed. On 16.06.2010, Matter was enquired into and it was found that as life assured was driver as occupation since 9 years prior to his death, it is

based on the statement of the wife of the life assured. It had further mentioned that life assured was not mentioned correctly the occupation while submitting the proposal and thus claim was rejected on the basis of providing wrong information. Therefore, claim was denied.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company. I have also gone through the proposal form submitted by the life assured while taking the policy, the statement of complainant relied upon by the company for denying the claim, FIR lodged for accident. After due consideration of the matter, I hold that insurance company was not justified in repudiating the death claim because it is a fact the deceased Sh. Vijender Kumar was insured and he died during the currency of the policy. The policy was not issued to the life assured as a driver but it was issued on the basis of the occupation shown in the proposal form as grocery business. There is no evidence on record that DLA was driving truck from 9 years, he may be a holder of valid license from 9 years but there is no record that he was driving the truck for 9 years. In the FIR it has been informed by the brother of the deceased that he was driving the truck which met with an accident only for 2 months. The submissions of the complainant that her late husband was also doing business at village and also used to drive truck in case of necessity to earned more money, cannot be over looked. Moreover, it is common knowledge that in the proposal form various information filled by the agent. The fact remained that policy was issued to the life assured wherein he showed his occupation as businessman. Therefore, in my view death claim is payable and could not be denied on the ground that life assured had given wrong information while submitting the proposal. Accordingly it is held that death claim is payable thus an Award is passed with the direction to the insurance company to make the payment of Rs. 2,75,000 being basic sum assured.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/623/Future/10
In the matter of Smt. Poonam Kanwar

Vs
Future Generali Life Ins. Company Ltd.

AWARD Dated 03.05.2012 :- Misselling of policy

- 1. This is a complaint filed by Smt. Poonam Kanwar (herein after referred to as the complainant) against the decision of Future Generali Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.**
- 2. Complainant stated that her complaint relates to misselling of policy taken by her husband who is in coma since several months. She stated that policy was missold by the sales manager Mr. Suresh Jat of Future Generali Life Insurance Company. She desired payment of maturity. She had been informed that redemption of policy is possible after one year and policy proceeds would be payable without any surrender charges. She had been given duly stamped memorandum printed on company's letterhead which states that maturity amount of Rs. 5 lacs investment would be more than Rs. 12 lacs and policy proceeds could be withdrawn any time after one year. She further states that such documents were delivered at her doorstep by company officials as part of policy bond. However, her husband is in coma she was unable to locate the documents. Company had investigated the matter of misselling by the representative Mr. Suresh Jat, the concerned agent and one other company official visiting her place. Her husband earned a sum of Rs. 1.5 lacs per annum before he went in coma hence cannot be expected to pay a premium of Rs. 5 lacs regularly. The policy was taken as fixed deposit which would earn a handsome return and can be withdrawn anytime after one year. She further stated that policy fund was switched from one fund to another in February 2010 without consent. It is not possible for a person in coma to sign a fund switch request. She has requested to this forum to accept her complaint relating to misselling and direct the insurance company to pay the policy proceeds at present NAV without deducting any surrender charges. During the course of hearing also complainant stated that policy was missold to her husband by the company. The policy holder desired to have one time investment but company had issued him a regular premium paying policy. The policy holder is in a coma for several months. His earning was not much even before he went in coma so that he could not pay annual premium of Rs. 5 lacs.**

- 3. Representative of the company defended the action of the company. Company also filed a written reply dated 06.05.2011 wherein it has been stated that request of the policy holder for cancellation was not accepted due to not receipt of such request within the prescribed period of 15 days under IRDA regulations , 2002.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record including the letter dated 22.02.2012. After due consideration of the matter, I hold that policy was missold to the policy holder because he desired to make one time investment whereas a regular premium paying policy was issued to the policy holder. The policy holder is in comma for several months his income was not much so that he could have made the payment of premium of Rs. 5 lacs every year. Even in the proposal from the income was shown at Rs. 1,30,000. I am of my considered opinion that the policy was missold to the policy holder and the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs. 5 lacs along with penal interest at the rate of 8% from the date of receipt of the premium to the date of refund of the premium. Payment of interest has been awarded keeping in view of the fact that while issuing the policy, the income of the policy holder of Rs. 1,30,000 from salary and as a super visor in restaurant. Therefore, in my view and under the circumstances of the case as policy holder is in coma, I consider it appropriate and fair to direct the insurance company to further pay penal interest at the rate of 8% from the date of credit of the premium of Rs. 5 lacs to the date of actual refund of 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.**

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/454/Birla/11
In the matter of Sh. Akhilendra Bajpai

Vs
Birla Sun Life Ins. Company Ltd.

AWARD Dated 05.06.2012:- Cancellation of policy

1. This is a complaint filed by Sh. Akhilendra Bajpai (herein after referred to as the complainant) against the decision of Birla Sun Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to cancellation of policies.
2. Complainant stated that he had taken two policies bearing no. 003705492 and 003711252 from the Birla Sun Life Insurance Company Ltd., policy bonds relating to these policies were not received by the complainant and therefore, he requested the insurance company to provide him duplicate policy bonds. Accordingly company had issued him duplicate policy bonds in respect of these policies on 29.05.2010 and he received the same on same day i.e. on 29.05.2010. The complainant further stated that he had requested the insurance company on 08.06.2010 to cancel such policies within freelook period. He contacted the insurance company on phone on 25.06.2010 about the action taken by the company on his request to cancel the policies. He was informed the these policies could not be cancelled under freelook period. He has approached the GRO of the company also in this regard. He has come to this forum to ensure cancellation of the policies. During the course of hearing also complainant stated that he got the two policies and received the duplicate policy bond only on 29.05.2010 and requested the company to cancel such policies on 08.06.2010. During the course of hearing he also agreed for deduction of the commission he had received as commission.
3. Representative of the company stated that the request of the complainant for cancellation of the policies would be accepted subject to deduction of the commission already received by the complainant in respect of such policies.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that company was not justified in not accepting the request of the complainant to cancel these policies because complainant had requested on 08.06.2010 to cancel these policies whereas such policies were received by him only on 29.05.2010.

Since, request to cancel the policies were made well within the free look period. Company was under obligation to accept the request of the complainant for cancellation. The complainant had already agreed for deduction of the commission received by him on these policies. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund the premiums after deducting the amount of commission already received by 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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/456/Birla/11
In the matter of Smt. Kalpna Bajpai

Vs
Birla Sun Life Ins. Company Ltd.

AWARD dated 05.06.2013:- Cancellation of policy

1. This is a complaint filed by Smt. Kalpana Bajpai (herein after referred to as the complainant) against the decision of Birla Sun Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to cancellation of policies.
2. Complainant stated that she had taken two policies bearing no. 003724069 and 003731888 from the Birla Sun Life Insurance Company Ltd., policy bonds relating to these policies were not received by the complainant and therefore, she requested the insurance company to provide her duplicate policy bonds. Accordingly company had issued her duplicate policy bonds in respect of these policies on 29.05.2010 and she received the same on same day i.e. on 29.05.2010. The complainant further stated that she had requested the insurance company on 08.06.2010 to cancel such policies within freelook period. She contacted the insurance company on phone on 25.06.2010 about the action taken by the company on her request to cancel the policies. She was informed that these

policies could not be cancelled under freelook period. She has approached the GRO of the company also in this regard. She has come to this forum to ensure cancellation of the policies. During the course of hearing husband of the complainant stated that she got the two policies and received the duplicate policy bond only on 29.05.2010 and requested the company to cancel such policies on 08.06.2010. During the course of hearing husband of the complainant also agreed for deduction of the commission she had received as commission.

3. Representative of the company stated that the request of the complainant for cancellation of the policies would be accepted subject to deduction of the commission already received by the complainant in respect of such policies.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that company was not justified in not accepting the request of the complainant to cancel these policies because complainant had requested on 08.06.2010 to cancel these policies whereas such policies were received by her only on 29.05.2010. Since, request to cancel the policies were made well within the free look period. Company was under obligation to accept the request of the complainant for cancellation. The complainant had already agreed for deduction of the commission received by her on these policies. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund the premiums after deducting the amount of commission already received by 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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/448/Birla/11
In the matter of Ms. Deepika Bajpai

Vs
Birla Sun Life Ins. Company Ltd.

AWARD dated 05.06.2012” - Cancellation of policy

1. This is a complaint filed by Ms. Deepika Bajpai (herein after referred to as the complainant) against the decision of Birla Sun Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to cancellation of policy.
2. Complainant stated that she had taken two policies bearing no. 003750889 from the Birla Sun Life Insurance Company Ltd., policy bonds relating to the policy was not received by the complainant and therefore, she requested the insurance company to provide her duplicate policy bonds. Accordingly company had issued her duplicate policy bonds in respect of this policy on 29.05.2010 and she received the same on same day i.e. on 29.05.2010. The complainant further stated that she had requested the insurance company on 08.06.2010 to cancel such policies within freelook period. She contacted the insurance company on phone on 25.06.2010 about the action taken by the company on her request to cancel the policies. She was informed that these policies could not be cancelled under freelook period. She has approached the GRO of the company also in this regard. She has come to this forum to ensure cancellation of the policy. During the course of hearing, complainant stated that she got the policy and received the duplicate policy bond only on 29.05.2010 and requested the company to cancel such policies on 08.06.2010. During the course of hearing complainant also agreed for deduction of the commission she had received as commission.
3. Representative of the company stated that the request of the complainant for cancellation of the policies would be accepted subject to deduction of the commission already received by the complainant in respect of such policies.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that company was not justified in not accepting the request of the complainant to cancel these policies because complainant had requested on 08.06.2010 to cancel these policies whereas such policies were received by her only on 29.05.2010. Since,

request to cancel the policy was made well within the free look period. Company was under obligation to accept the request of the complainant for cancellation. The complainant had already agreed for deduction of the commission received by her on this policy. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund the premiums after deducting the amount of commission already received by 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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/420/Aegon/11
In the matter of Sh. Ved Kumar Gulati

Vs
Aegon Religare Life Ins. Company Ltd.

AWARD dated 05.06.2012:- Cancellation of policy

1. This is a complaint filed by Sh. Ved Kumar Gulati (herein after referred to as the complainant) against the decision of Aegon Religare Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to cancellation of policy.
2. Complainant stated that the policy bearing no. 110213011862 has been thrust upon him. He is a senior citizen about 77 years of age. The policy was sold to him through fraudulent means by the officials of the company namely Ragini Mehta and Mr. Ansh Mittal. These officials of the company crossed the limits of decency, ethics and morality by cooking the story that Kotak A Aegon Religare has invested in Common Wealth Games and has earned bonus and the same would be distributed among the policy holders of the company subject to further investment. Not only this, these officials also gave him on phone code no and also bonus cheque bearing no. 151436 dated 28.03.2011 for amount of Rs. 1,82,532. He was also assured that bonus cheque would be sent in May, June 2011 and also

assured that policy would also be cancelled. Thus, he has been cheated by the officials of the company and requested this forum to ensure him refund of his hard earned money. During the course of hearing also complainant submitted that policy was issued to him under false premises. He requested the company to cancel the policy. He paid only a sum of Rs. 20,000 as premium.

3. Representative of the company stated that all allegations leveled by the complainant are false. Policy was issued on the basis of the proposal duly signed by the complainant. No request was made within the free look period. Policy was issued and also got delivered on 14.03.2011. Company also filed written reply dated 28.12.2011 wherein the contention of the complainant about allegations of misselling were denied.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to the complainant as the same was issued on the basis of false premises. Since, policy was missold to the complainant, the same deserves to be cancelled. Accordingly an Award is passed with the direction to the Insurance Company to cancel the policy and refund the premium of Rs. 20,000.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/466/DO-I/11

In the matter of Sh. Harmeet Singh

Vs

Life Insurance Corporation of India Ltd.

AWARD dated 05.06.2012 :- Misselling of policy

1. **This is a complaint filed by Sh. Harmeet Singh (herein after referred to as the complainant) against the decision of Life Insurance Corporation of India Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policy.**

2. **Complainant stated that one Sh. Sandeep Chauhan, agent of LIC having branch code 11R approached him for jeevan saral policy. He assured him that if he pays Rs. 6000/- per month then after 11 years he would get a sum of Rs. 15000608. The agent also prepared a fake plan and thus persuaded him to buy the plan. Suddenly, he got a call from his home that his father got a paralysis attack and he is serious. Then immediately, he rushed to his home town for the same and on return, he called LIC, Gurgaon branch for purchasing of two more policies. Mr. Rajeev from LIC, Gurgoan branch office came to meet him and he informed him that Mr. Sandeep had made wrong commitment to him that the same amount he would get after 21 years and also informed that the policy envelope is not of LIC Company. He also advised him to stop monthly installment. After that he called Mr. Sandeep for clarification on this but he denied and replied that he had no time for his queries. He also called on customer care of LIC regarding this for two three times but he got no response from them. Then he informed Sr. Divisional Manager Smt. Rita Chaudhary in this regard. After that he got a call from Mr. Sandeep and Mr. Kaul and they again assured him that the policy is correct and after 11 years he would get somewhere of Rs. 14 lacs to 17 lacs. If their statement was correct then why on the bond it is mentioned that maturity period is 21 years. Now Mr. Sandeep , Mr. Kaul and even Mrs. Rita Chaudhary were not cooperating with him. He has come to this forum with request to help him recovering his money from the company. During the course of hearing which was attended by the wife of the complainant stated that the policy was sold on the basis of wrong promises and Rs. 48,000 were deposited so far in the policy.**

3. **Representative of the company stated that policy was issued to the complainant on the basis of the proposal duly signed by him and if the complainant was not satisfied with the terms and conditions of the policy, he could have used the free look period for cancellation. Company also filed written reply dated 24.12.2011 wherein it has been stated that company had requested the complainant to provide the proof of misselling but the complainant had not provided the same to the company till date. It is further mentioned in the reply that it is not possible to accede to the request of the policy holder to cancel the policy as such request was not made within 15 days of the receipt of the policy bond by policy holder.**

4. I have considered the submissions of the complainant as made in the complaint and also as verbally submitted on his behalf during the course of hearing. I have also considered the verbal submissions of the representative of the company and also written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was sold to the complainant on the basis of false premises and on the basis of wrong chart showing the benefits which are not actually available in the policy. Therefore, in my considered view the policy was missold to the complainant so it deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to make the payment of Rs. 48,000 (total amount of premium received in the policy).
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/418/SBI/11
In the matter of Sh. Devendra Sharma

Vs
SBI Life Insurance Company Ltd.

AWARD dated 06.06.2012:- Misselling of policy

1. This is a complaint filed by Sh. Devender Sharma (herein after referred to as the complainant) against the decision of SBI Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of Policy.
2. Complainant stated that he is a holder of SBI Life Shubh policy bearing no. 35005803504. This policy was received by him through employee of the company namely Anil kumar. He was assured by Anil Kumar that if he purchases the policy and pays of Rs. 30,000 per annum for five years, he would get guaranteed sum assured of Rs. 2,40,000 +15,000 bonus and Rs. 2,00,000 of death insurance and accidental insurance Rs. 4,00,000 up to 100 years. When he received the policy, he asked about the policy features as they were not the same as he was conveyed by the agent. Then he requested for cancellation of the policy. Sh. Anil Kumar stated to him that he would get his bond certificate after three months of the policy but

he did not get it even after six months. There after he came to know that policy itself was the bond and through SBI life insurance company he came to know that his sum assured for the policy is only Rs. 2,13,000 for 10 years whereas he was conveyed that it would be Rs. 2,40,000 + 15,000 bonus. He also came to know subsequently that Anil Kumar was not employee but was an agent. Thus he was totally misguided by Anil Kumar and desires to cancel the policy. He had already sent his representation to the company for redressal of his grievance but company had not treated it properly and rejected it. He has come to this forum with request to redress his grievance. During the course of hearing, it was argued by the complainant that policy was missold to him. The policy was given to him under false premises. He paid only a sum of Rs. 30,000. He fairly admitted that he did not read the contents of the policy and approached the agent for cancellation of the policy and meanwhile the freelook period was elapsed.

3. Representative of the company stated that policy was issued on the basis of valid proposal duly signed by the complainant. Complainant did not approach within the free look period. Company had filed written reply also wherein it had denied all the allegations made in the complaint of the complainant against the company. Company stated that the action of the company was strictly as per terms and conditions of the policy.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused written reply of the company which is placed on record. After due consideration of the matter, I hold that the policy was missold to the complainant as the same was issued under the false premises. Since, the policy was missold to the complainant, the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 30,000 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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/412/HDFC/11
In the matter of Sh. Rajiv Kumar

Vs

HDFC Life Insurance Company Ltd.

AWARD dated 06.06.2013:- Misselling of policy

1. This is a complaint filed by Sh. Rajiv Kumar (herein after referred to as the complainant) against the decision of HDFC Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that HDFC B.D.M Manager Sh. Ritesh Garg had issued to him two policies. He had given Rs. 48,000 in cash for taking two policies but he had been issued two policies and he had been given two receipts of Rs. 12,000 each. The policies have been issued by making his forged signatures. He had submitted complaint on 25.10.2010, 12.11.2010, 06.01.2011 and 10.03.2011 but no action was taken on such complaints. He requested for initiation of suitable action against the officers of the company for conspiring in issuing such policies. The policy nos. are 13127058 and 13127059. He further stated that Sh. Pankaj kumar, Shravan Kumar and Ritesh Garg conspired to issue two policies by making his forged signatures. During the course of hearing also complainant stated that company did not respond to his various letters. He had given Rs. 48,000 for issuing two policies but he was issued two policies and he had been issued the receipt of Rs. 12,000 in respect of each policy.
3. Representative of the company did not attend the hearing. The company was not represented during the course of hearing however, company had filed written reply which is place on record wherein company had defended its action in issuing two policies to him. It was further mentioned that complainant had not given any evidence that he had given a sum of Rs. 48,000 to the employee of the company and mentioned further that complaint is devoid of any merit and substance and the same deserves to be dismissed.
4. I have considered the submissions of the complainant. I have also perused the written reply of the company which is place on record. After due consideration of the matter, I hold that policies were missold to the complainant because I have no option but to accept the version of the complainant that the policies were issued on the basis of his forged signatures. Since the policies were missold to the complainant the same deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policies and refund the premiums of Rs. 24,000 received in respect of both the policies.
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.**

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/450/Met/11
In the matter of Sh. Sant Ram Pal

Vs
Met Life Insurance Company Ltd.

AWARD dated 07.06.2012:- Misselling of policy

1. This is a complaint filed by Sh. Sant Ram Pal (herein after referred to as the complainant) against the decision of Met Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that Mr. Abhay with the reference of Pooja Chaudhary of UNICON Company with whom he had discussion about the bank loan for the first time visited his office and stated that he is from Citi bank and if he deposit a sum of Rs. 30,000 in citi bank as security, he would get him issued the loan of amount up to 8 lacs from the same bank. He agreed with his terms and conditions and he got his signatures at one place. He believed him and paid a sum of Rs. 30,000 in cash as a security. After 15 days he sent him the document of insurance policy. He was surprised as to why he has sent the documents pertaining to insurance policy while he had never discussed to him about any kind of insurance policy. He had kept him in the dark. Moreover, the documents were sent to him belonged to Metlife Insurance Company instead of Citi Bank as Mr. Abhay had promised, as he had taken money in the name of Citi Bank. Later on Mr. Abhay told him that Metlife is an insurance company which takes the guarantee, without its guarantee bank would not issue the loan. He also desired him to be in contact with Pooja Chaddha. He visited company at C.P. Branch office and there he met Sh. Ankit and Saurav who informed him that Mrs. Pooja Chaddha is not her real name and her real name is Anupam Sethi and she is employed with a UNICON Company, Karol Bagh. When he visited Karol Bagh office he met her senior officers Mr. Om Prakash who made him believe that she is Anupam Sethi and now she has resigned the office and he also declined to give her address. Ultimately, he is not able to get bank loan which was promised to him. He desired a stern action against such kind of people and company which are notoriously engaged in such sorts of illegal and

fraud profession and plundering the people in the name of insurance, getting issued the bank loans etc. and help him to get his entire money returned. Infact, he wanted loan and as a security, he had paid Rs. 30,000 but he was cheated.

3. Representative of the company stated that complainant had not used the freelook period and the complaint was filed of misselling much after the freelook period.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that policy was missold to the complainant because he never desired to get an insurance policy and the same was thrust upon him. As a matter of fact, he desired to have loan and paid Rs. 30,000 as security but instead insurance policy was issued to him. In my considered openion policy was missold to him and the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the sum of Rs. 30,000.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/459/Bharti/11
In the matter of Sh. Sant Ram Pal

Vs
Bharti Axa Life Insurance Company Ltd.

AWARD dated 07.06.2012:- Misselling of policy

1. This is a complaint filed by Sh. Sant Ram Pal (herein after referred to as the complainant) against the decision of Bharti Axa Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that he had been misguided and cheated by the company. He was in search of loan. In the mean time Mr. Raj contacted him on telephone and stated that he was speaking from Kotak Mahindra Bank, though he was employee

of Kotak Mahindra Insurance Company Ltd., Ghaziabad. He promised him that he could get him issued loan of Rs. 5 lacs from his bank as such provision exists in his bank. He agreed with him and asked him to come to his office. Mr. Raj convinced him to deposit a sum of Rs. 20,000 as security with Kotak Mahindra Bank. He agreed and gave him a sum of Rs. 20,000 in cash. Mr. Raj got his signatures on a form. After 15 days he received some documents sent by him which all belonged to an insurance company named Bharti Axa Life Ins. Co. Ltd., Ghaziabad. He was surprised to receive such documents because insurance policy was not discussed at all. He enquired from the branch office of Nehru Place, Delhi Based office and came to know that Mr. Raj was not the employee of Kotak Mahindra Bank instead he was employed with Bharti Axa Life Insurance Company Ltd., Ghaziabad. He contacted Ghaziabad office of the company and came to know that Mr. Raj had resigned. He has come to this forum with request to resolve his grievance and ensure refund of his policy.

3. Representative of the company stated that policy was issued on the basis of proposal. Complainant did not approach the company within the free look period. He had filed the complaint after 5 months of the receipt of the policy bond.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that policy was missold to the complainant because he never desired to get an insurance policy and the same was thrust upon him. As a matter of fact, he desired to have loan and paid Rs. 30,000 as security but instead insurance policy was issued to him. In my considered opinion policy was missold to him and the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the sum of Rs. 20,000.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/455/SBI/11
In the matter of Sh. Rohit Aggarwal

Vs
SBI Life Insurance Company Ltd.

AWARD dated 08.06.2012:- Misselling of policy

1. This is a complaint filed by Sh. Rohit Aggarwal (herein after referred to as the complainant) against the decision of SBI Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that one Sh. Raj Kumar Raina, Head Client Relationship, SBI Life Insurance Company Ltd. fraudulently issued him a policy. He further stated that SBI Life agents , Mr. Sidharth Saini and his partner Ms. Tina of Netaji Subhash Place Branch, Pitampura, Delhi had misled him into buying a policy saying that the amount invested in this policy would be double in five years plus he would also get 30% cashback within 2 months. Now, he realizes that these were the false promises made by the agent, neither his money would double after five years nor he would get commission. Therefore, he requested for cancellation of policy and refund of Rs. 50,000 which he paid as first annual premium. He also wrote to the insurance company with the hope to get the matter resolved amicably but unfortunately, company had expressed its inability to consider his request. He has come to this forum with the request to get the issue resolve in just and fair manner. During the course of hearing also complainant argued that policy was issued on the basis of false promises. Agents assured him bonus and double of the amount invested after 5 years.
3. Representative of the company stated that cancellation of the policy is not possible. Complainant had not approached the insurance company within the free look period. Company also submitted a written reply dated 05.03.2011 wherein company had defended its action in issuing the policy.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to the policy holder as the same was issued on the basis of false promises. Complainant was conveyed

the benefits in the policy which are not actually available in the policy. He was assured that amount of the investment would become double and bonus would also payable but such features are not available. Thus, one can draw an irresistible conclusion that policy was missold. Since the policy was missold, the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company cancel the policy and refund a sum of Rs. 50,000.

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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/453/SBI/11
In the matter of Sh. Randeep Singh

Vs
SBI Life Insurance Company Ltd.

AWARD dated 08.06.2012:- Misselling of policy

1. This is a complaint filed by Sh. Randeep Singh (herein after referred to as the complainant) against the decision of SBI Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that company was not justified in not accepting his request to cancel the policy on the ground that such request was not made within the 15 days. He further stated that he was assured false commitments by the broker Vighnaharta Direct Insurance Broking Pvt. Ltd., Delhi on behalf of SBI Life Insurance Company. He was informed that in this scheme customer would get 150% bonus of first annual premium after lock in period. Lock in period in this case was 5 years. It was further mentioned that customer would get minimum fund value 1.5 times of total investment and 150% bonus of the annual premium. He further mentioned that the sole reasons behind taking this policy were false commitments made to him as mentioned earlier. He purchased two policies one in

the name of self and another in the name of his wife. He further submitted that he was cheated. He has come to this forum with request to intervene in the matter and resolve his grievance. During the course of hearing which was attended by the father of the complainant argued that policies were missold to the policy holders because benefits were narrated at the time of selling the policies which are not actually available. Only one premium has been paid in both the policies. It was further mentioned that policy holder is ill and he needs money urgently for his treatment.

3. Representative of the company stated that cancellation of the policy is not possible as such request was not made within the free look period. Company also filed written reply dated 07.12.2011 wherein company's action of issuing the policy was defended and it was mentioned that allegations made in the complaint against the company were false.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that the policies were missold to the complainant, as the same were sold under false promises. Benefits were conveyed to the policy holder at the time of taking the policies which were not actually available in the policies. Therefore, in my considered view policies were missold and thus such policies deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund the premiums of Rs. 50.000 in each policy.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/430/HDFC/11
In the matter of Smt. Maya Krishan Kumar Gupta

Vs

HDFC Standard Life Insurance Company Ltd.

AWARD dated 12.06.2012:- Misselling of policy

1. **This is a complaint filed by Smt. Maya Krishan Kumar Gupta (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.**
2. **Complainant stated that she completely stated to the bank executive at the time of taking policy that she needed a plan where she can withdraw her money at any time during the scheme period. She was assured by the bank executive that she need not worry and her money would be invested in a scheme though it is a 5 years deposit plan of HDFC but he can withdraw money at any point of time during the stipulated period. She further stated that she was never conveyed that it is a regular premium policy and she was required to pay premium for next 10 years. She came to know about this fact only after the receipt of the original policy documents. She was shocked to note that it was a pension plan for 10 years where she was supposed to pay Rs. 2 lacs every year up to the age of 75 years. Presently she is 65 years of age. She further stated that she was not able to understand the benefits of this policy at this stage of her life. After going through the features she contacted the executive of the bank she was conveyed that in case she was not interested she can surrender it within a month from the date of receipt of the policy. but when she visited HDFC bank on 17.09.2010 for the surrender of her policy she was informed that freelook period is only for 15 days from the date of receipt and the same is already over. She felt cheated. She has come to this forum with necessary assistance. She is a retired and of 65 years of age. Her husband is suffering from kidney problem and has to go dialyses twice a week she needed fund for his treatment. During the course of hearing she pleaded that she desired to make one time investment but she was issued a regular premium paying policy. She is a senior citizen and she could not afford to pay the premium of Rs. 2 lacs every year for 10 years. She had paid a sum of Rs. 4 lacs to the company.**
3. **Representative of the company did not attend on the first hearing. However, on the second hearing representative of the company stated that complainant did not approach the insurance company within the free look period for cancellation of policy.**
4. **I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that**

policy was missold to the complainant as she desired to make one time investment whereas she was given a regular premium paying policy. She conveyed to the man who persuaded her to take the policy. She desired to make the investment in a plan wherein she can get her money any time. In my considered view policy was missold to her and the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the amount of premiums paid so far.

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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/458/Met/11
In the matter of Sh. Sandeep Arora

Vs
Met Life Insurance Company Ltd.

AWARD dated 12.06.2013 Cancellation of Policy

1. This is a complaint filed by Sh. Sandeep Arora (herein after referred to as the complainant) against the decision of Met Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to cancellation of the policy.
2. Complainant stated that he had applied for Metlife India Insurance plan known as Met Smart platinum. He further stated that policy document was sent to him after so many reminders and when he received that, he noticed that the policy sent to him was not the one which he desired and he submitted the same in one of the branches of the company. He further stated that his account was debited every month with the amount of 5,000 until company sent him the policy document and when he submitted the policy for Cancellation, Company was sending only mail and not acting upon his request. He further stated that company is not providing solution to his problem. He has come to this forum with request to provide the solution. During the course of hearing, complainant argued that he requested to cancel the policy within the free look period. Policy documents was received by

him but the same was returned to the company. As a matter of fact company did not act upon his request.

3. Representative of the company stated that policy has to be cancelled and payment would be refunded.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that company was not justified in not acting upon the request of the complainant to cancel the policy. There is no reason not to accept the version of the complainant that he submitted request for cancellation of policy within the free look period. During the course of hearing also representative of the company agreed to cancel the policy but the same was not done so far. I considered it appropriate in the circumstances of the case to direct the company to cancel the policy and refund the amount of the premiums received so far.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/406/DO-I/11
In the matter of Sh. Bhuwan Chander

Vs
Life Insurance Corporation of India

AWARD dated 12.06.2012:- Misselling of policy

1. This is a complaint filed by Sh. Bhuwan Chander (herein after referred to as the complainant) against the decision of Life Insurance Corporation of India Ltd. (herein after referred to as respondent Insurance Company) relating to misselling and cancellation of the policy.

2. Complainant stated that he had purchased a policy from LIC on 14.02.2009 and paid a premium of Rs. 12,000. He further stated that Sh. Ashish agent C/o Unicon Investment Solutions, had collected second premium cheque no. 519011 of Delhi Nagrik Sehkari Bank, branch Yamuna Vihar, Delhi – 53. He was supposed to pay the premium in respect of the policy no. 1159834798 but Sh. Ashish i.e. agent did not deliver him the second premium receipt. He found that the amount has been debited in his bank account on 08.04.2010 in favour of LIC. He further noted that this amount was not deposited against the second installment of premium due in respect of the policy referred to above. He further found that policy was lapsed. During the course of hearing, complainant argued that the agent did not deposit premium in the policy but instead got a fresh policy bearing no. 255735021 issued in his name from LIC office Ghaziabad. He further stated that he never desired to have another policy from Ghaziabad branch but he handed over the amount to the agent to deposit the second premium. Both the policies were lapsed due to the non-payment of renewal premium. He wishes to get his new policy cancelled and refund the amount to him. He further argued that the old policy became lapsed due to not fault of his that is to say that he is not responsible for the lapsation of the old policy because he genuinely intended to pay the second installment and with that intention, he handed over the cheque to the agent.
3. Representative of the company informed that LIC, Ghaziabad had cancelled the policy and refunded the amount to the LIC office Delhi to be adjusted against the premium due in the old policy.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that there appears to be proper justification for cancellation of the new policy issued from LIC, Ghaziabad because complainant never desired to have such policy. He never requested for issuance of such a policy that was got issued fraudulently by the agent. He handed over the cheque to the agent with request to deposit it against the premium due in the old policy. I considered it fair and reasonable if the new policy is cancelled and premium paid is refunded to the complainant in respect of new policy. LIC, Ghaziabad had already cancelled the policy and refunded the premium to the LIC office, Delhi. Accordingly an Award is passed with a direction to the insurance company to refund a sum of Rs. 12,000 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.**

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/501/Reliance/11
In the matter of Sh. Manoj Gupta

Vs

Reliance Life Insurance Company Ltd.

AWARD dated 27.06.2012

1. **This is a complaint filed by Sh. Manoj Kumar (herein after referred to as the complainant) against the decision of Reliance Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.**
2. **Complainant stated that he had already written to GRO of the company and also got reply but he was not satisfied with the reply. He submitted that in his case it was a case of misselling of the policy by the company. The agents of the company had assured him that he would be given air tickets, holiday voucher in case, he takes the policy. He would also to be getting mediclaim policy for self and his family, 50% premium in second year and amount would be double in 5 years. When he received the policy documents, he was informed that these are only papers and bond paper would come to him on a later stage and his free look period will start only after then. As a matter of fact this caused delay in filling complaint. The policy was sold on the basis of telephonic conversations. He further submitted that he is not interested in continuing the policy which is based on fraud. He also desires initiation of strict action against fraud and only after then the agents would stop making more frauds. He also desires initiation of action against the persons which are selling such policies. During the course of hearing also he pleaded that policy was missold to him because he was conveyed the benefits in the policy though such benefits are not actually available in the policy. He paid only one premium of Rs. 20,000.**
3. **Representative of the company denied the allegations of misselling.**

4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that policy was missold to the complainant because he was narrated the benefits while selling the policy which are not actually available in such policy. Therefore, the policy which was issued under false premises deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs. 20,000.
 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.
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OFFICE OF OMBUDSMAN, DELHI

Case No.LI/502/Bharti/11
In the matter of Sh. Bhupender Singh

Vs

Bharti Axa Life Insurance Company Ltd.

AWARD dated 22.06.2013:- Misselling of policy

1. This is a complaint filed by Sh. Bhupender Singh (herein after referred to as the complainant) against the decision of Bharti Axa Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that in March 2008 representative of Bharti Axa Sh. Rohit Chaudhary along with his branch manager from I.T.O. branch of Bharti Axa company contacted him and visited his house and advised him and his family members to take the policies of the insurance company stating that Bharti Axa is one of the premier insurance company and it gives good returns on its policies in comparison to other insurance companies or PPF/post office returns. It was clarified to them by him that it would not be necessary to pay the regular premium as he was going to invest his savings received from the post office/LIC refund. It

was assured by Mr. Rohit Chaudhary and the branch manager that policy would be issued to him wherein there will be no necessity to pay regular premium and it will be optional to him whether to pay or not to pay subsequent premiums. It was further assured by these persons to him that in case of any urgency, he will be able to withdraw his increased amount after lock in period of three years. He could not understand the policy terms and conditions mentioned in the policy bond. Company was informed within the free look period at its helpline for clarifications of the policies but he was advised to contact Mr. Rohit Chaudhary to get any type of clarification. He contacted Mr. Rohit Chaudhary who stated that policies are the same which were discussed with him. It was further clarified that though there is mention of premium as annual and it was up to him to pay the next premiums if the funds are available or not to pay the subsequent premiums if the funds are not available. After a period of three years money was required for marriage of daughter of Sh. Prem Kumar so he decided to take refund of all the policies and contacted the company at its Gujranwala branch for refund of money and it was informed by the company that nothing is payable as premium paid stood forfeited. He tried to contact Mr. Rohit Chaudhary on his phone but this number does not exist. This has caused mental harassment to him and his family members. During the course of hearing, it was argued by him that he had paid only one premium and that too from his past savings. He could not afford to pay the premium regularly.

3. Representative of the company stated that it is not possible to refund the money to the complainant as policy was lapsed due to non- payment of premiums. Only one premium was paid. Company also filed written reply dated 16.02.2012 wherein it has been stated that company had received a complaint from the complainant on 07.06.2011 alleging that policy was missold to him. It was further stated that there was no misselling involved. The company had defended its action in issuing the policy to the complainant.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to him as he was not given complete details of the policy at the time of selling the policy. Company had not informed that he is required to pay regular premiums. In my considered opinion this policy deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs, 75,000.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/504/Bharti/11
In the matter of Smt. Reema Preeti

Vs

Bharti Axa Life Insurance Company Ltd.

AWARD Dated 22.06.2012 :- Misselling of policy

1. This is a complaint filed by Smt. Reema Preeti (herein after referred to as the complainant) against the decision of Bharti Axa Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that in March 2008 representative of Bharti Axa Sh. Rohit Chaudhary along with his branch manager from I.T.O. branch of Bharti Axa company contacted her and visited her house and advised her and her family members to take the policies of the insurance company stating that Bharti Axa is one of the premier insurance company and it gives good returns on its policies in comparison to other insurance companies or PPF/post office returns. It was clarified to them that it would not be necessary to pay the regular premium as she was going to invest her savings received from the post office/LIC refund. It was assured by Mr. Rohit Chaudhary and the branch manager that policy would be issued to her wherein there will be no necessity to pay regular premium and it will be optional to him whether to pay or not to pay subsequent premiums. It was further assured by these persons to her that in case of any urgency, she will be able to withdraw her increased amount after lock in period of three years. She could not understand the policy terms and conditions mentioned in the policy bond. Company was informed within the free look period at its helpline for clarifications of the policy but she was advised to contact Mr. Rohit Chaudhary to get any type of clarification. She contacted Mr. Rohit Chaudhary who stated that policy is the same which were discussed with her. It was further clarified that though there is mention of premium as annual and it was up to him to pay the next premiums if the funds are available or not to pay the subsequent premiums if the funds are not available. After a period of three years money was required for marriage of

daughter of Sh. Prem Kumar so he decided to take refund of the policy and contacted the company at its Gujranwala branch for refund of money and it was informed by the company that nothing is payable as premium paid stood forfeited. She tried to contact Mr. Rohit Chaudhary on his phone but this number does not exist. This has caused mental harassment to her and his family members. During the course of hearing, it was argued that she had paid only one premium and that too from past savings. She could not afford to pay the premium regularly.

3. Representative of the company stated that it is not possible to refund the money to the complainant as policy is lapsed due to non- payment of premiums. Only one premium was paid. Company also filed written reply dated 16.02.2012 wherein it has been stated that company had received a complaint from the complainant on 07.06.2011 alleging that policy was missold. It was further stated that there was no misselling involved. The company had defended its action in issuing the policy to the complainant.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to her as she was not conveyed complete features of the policy at the time of selling the policy. In my considered opinion this policy deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs, 50,000.
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.

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/503/Bharti/11
In the matter of Smt. Sudesh Kumari

Vs

Bharti Axa Life Insurance Company Ltd.

AWARD dated 22.06.2013 :- Misselling of policy

1. This is a complaint filed by Smt. Sudesh Kumari (herein after referred to as the complainant) against the decision of Bharti Axa Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that in March 2008 representative of Bharti Axa Sh. Rohit Chaudhary along with his branch manager from I.T.O. branch of Bharti Axa company contacted her and visited her house and advised her and her family members to take the policies of the insurance company stating that Bharti Axa is one of the premier insurance company and it gives good returns on its policies in comparison to other insurance companies or PPF/post office returns. It was clarified to them that it would not be necessary to pay the regular premium as she was going to invest her savings received from the post office/LIC refund. It was assured by Mr. Rohit Chaudhary and the branch manager that policy would be issued to her wherein there will be no necessity to pay regular premium and it will be optional to him whether to pay or not to pay subsequent premiums. It was further assured by these persons to her that in case of any urgency, she will be able to withdraw her increased amount after lock in period of three years. She could not understand the policy terms and conditions mentioned in the policy bond. Company was informed within the free look period at its helpline for clarifications of the policy but she was advised to contact Mr. Rohit Chaudhary to get any type of clarification. She contacted Mr. Rohit Chaudhary who stated that policy is the same which were discussed with her. It was further clarified that though there is mention of premium as annual and it was up to him to pay the next premiums if the funds are available or not to pay the subsequent premiums if the funds are not available. After a period of three years money was required for marriage of daughter of Sh. Prem Kumar so he decided to take refund of the policy and contacted the company at its Gujranwala branch for refund of money and it was

informed by the company that nothing is payable as premium paid stood forfeited. She tried to contact Mr. Rohit Chaudhary on his phone but this number does not exist. This has caused mental harassment to her and his family members. During the course of hearing, it was argued that she had paid only one premium and that too from past savings. She could not afford to pay the premium regularly.

- 3. Representative of the company stated that it is not possible to refund the money to the complainant as policy is lapsed due to non- payment of premiums. Only one premium was paid. Company also filed written reply dated 16.02.2012 wherein it has been stated that company had received a complaint from the complainant on 07.06.2011 alleging that policy was missold. It was further stated that there was no misselling involved. The company had defended its action in issuing the policy to the complainant.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to her as she was not conveyed complete features of the policy at the time of selling the policy. In my considered opinion this policy deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs, 37,000.**
- 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.**

OFFICE OF OMBUDSMAN, DELHI

Case No.LI/505/Bharti/11

In the matter of Sh. Prem Kumar Panwar

Vs

Bharti Axa Life Insurance Company Ltd.

AWARD dated 27.06.2012 :- Misselling of policy

1. This is a complaint filed by Sh. Prem Kumar Panwar (herein after referred to as the complainant) against the decision of Bharti Axa Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that in March 2008 representative of Bharti Axa Sh. Rohit Chaudhary along with his branch manager from I.T.O. branch of Bharti Axa company contacted him and visited his house and advised him and his family members to take the policies of the insurance company stating that Bharti Axa is one of the premier insurance company and it gives good returns on its policies in comparison to other insurance companies or PPF/post office returns. It was clarified to them by him that it would not be necessary to pay the regular premium as he was going to invest his savings received from the post office/LIC refund. It was assured by Mr. Rohit Chaudhary and the branch manager that policy would be issued to him wherein there will be no necessity to pay regular premium and it will be optional to him whether to pay or not to pay subsequent premiums. It was further assured by these persons to him that in case of any urgency, he will be able to withdraw his increased amount after lock in period of three years. He could not understand the policy terms and conditions mentioned in the policy bond. Company was informed within the free look period at its helpline for clarifications of the policies but he was advised to contact Mr. Rohit Chaudhary to get any type of clarification. He contacted Mr. Rohit Chaudhary who stated that policies are the same which were discussed with him. It was further clarified that though there is mention of premium as annual and it was up to him to pay the next premiums if the funds are available or not to pay the subsequent premiums if the funds are not available. After a period of three years money was required for marriage of daughter of Sh. Prem Kumar so he decided to take refund of all the policies and contacted the company at its Gujranwala branch for refund of money and it was informed by the company that nothing is payable as premium paid stood forfeited. He tried to contact Mr. Rohit Chaudhary on his phone

but this number does not exist. This has caused mental harassment to him and his family members. During the course of hearing, it was argued by him that he had paid only one premium and that too from his past savings. He could not afford to pay the premium regularly.

3. Representative of the company stated that it is not possible to refund the money to the complainant as policy was lapsed due to non- payment of premiums. Only one premium was paid. Company also filed written reply dated 16.02.2012 wherein it has been stated that company had received a complaint from the complainant on 07.06.2011 alleging that policy was missold to him. It was further stated that there was no misselling involved. The company had defended its action in issuing the policy to the complainant.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to him as he was not given complete details of the policy at the time of selling the policy. Company had not informed that he is required to pay regular premiums. In my considered opinion this policy deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs, 45,000.
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.

**PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, HYDERABAD
(Under Rule 16 of The Redressal of Public Grievances Rules, 1998)**

COMPLAINT No. I.O.(HYD) L-24-001-291-2012-13

Present:

**Sri K Chandrahas
Insurance Ombudsman**

1	Name & address of the complainant	Sri P. Nageswara Rao D.No. 11-450, 1/1 Panduranga Nagar Nagarulu, Industrial Estate (Post) GUNTUR – 522 034
2	Policy No.	671292509
3	Name of the insured	Sri P. Nageswara Rao
4	Name of the insurer	L.I.C. of India
5	a) Date of receipt of the Complaint	3.7.2012
	b) Date of issue of proforma PII & PIII	13.7.2012
	c) Date of rt. of proforma PII&III	27.7.2012
	d) Date of rt. of self contained note	30.7.2012
6	Nature of complaint	Non-settlement of maturity claim
7	Amount of relief sought	Rs. 169,200/-
8	Date of hearing/Place	16.8.2012 at Hyderabad
9	Representation at the hearing	
	a) For the complainant	Self
	b) For the insurer	Mr. K.T.Sundar Rao, AO (Claims)
10	Complaint how disposed	Partly allowed
11	Date of Order/Award	28.8.2012

AWARD NO. I.O. (HYD) L-44/2012-13

Sri P. Nageswara Rao took own life insurance policy no. 67129509 from LIC of India which matured for payment on 15.3.2012. He made a request with the insurance company for settlement of maturity claim under the said policy without submitting the original policy bond since it was with the ACB officials. The insurance company did not settle his claim insisting submission of the original policy bond. Aggrieved, he filed this complaint seeking settlement of his claim.

The complaint fell within the scope of the Redressal of Public Grievance Rules, 1998 and so it was registered.

ORDER

I have heard the contentions of both the parties and also perused the documents submitted by them. It is noted that the insurer did not settle the maturity claim for want of original policy bond. The complainant expressed his inability to submit the same for valid reasons. The ACB had seized the bond in the case of disproportionate assets against him. Under the circumstances, in my view, the amount accrued/paid by the complainant under the policy up to the date of its seizure only would be pertinent to the said case. There cannot be any problem for settlement of the claim in so far as accruals under the policy after its seizure. The insurance company has informed that the accruals under the policy after 28.3.2005 (end of the next policy year after 18.12.2004) amount to Rs.77,100/-.

Therefore, I direct the insurance company to settle an amount of Rs.77,100/- to the complainant forthwith. The balance amount may be settled as per the procedure laid down.

In the result, the complaint is partly allowed.

PROCEEDINGS OF THE INSURANCE OMBUDSMAN, HYDERABAD (Under Rule 16 of The Redressal of Public Grievances Rules, 1998)		
COMPLAINT No. I.O.(HYD) L-21-001-988-2011-12		
Present:		
Sri K Chandrahas Insurance Ombudsman		
1	Name & address of the complainant	Shri Raosaheb Kallappa Panadare H.No.58, Bapuji Nagar 3rd Cross, Near Rajnagar Gurdevnagar HUBLI – 580 032

2	Policy No.	633082469
3	Name of the insured	Shri RK Panadare
4	Name of the insurer	LIC Of India, DO, Dharwad
5	a) Date of receipt of the Complaint	13.3.2012
	b) Date of issue of proforma PII & PIII	26.3.2012
	c) Date of rt. of proforma PII&III	18.4.2012
	d) Date of rt. of self contained note	26.4.2012
6	Nature of complaint	Short settlement of Annuity
7	Amount of relief sought	Annuity Rs.15,282/- Yly. and the diff.
8	Date of hearing/Place	11.5.2012 at Bengaluru
9	Representation at the hearing	
	a) For the complainant	Shri Raosaheb Kallapa Panadare
	b) For the insurer	Shri D.V.Subba Rao, Manager
10	Complaint how disposed	Dismissed
11	Date of Order/Award	15.5.2012

AWARD NO. I.O. (HYD) L-6/2012-13

Shri R.K. Panadare obtained a policy bearing no.633082469 "Jeevan Suraksha" Pension plan which vested on 28.3.2009. The insurer sent an Option form dt.2.2.2009 to exercise option of Annuity which vary from A to F and the mode of pension payment. The life assured exercised the option "F" i.e. Annuity for Life with Return of purchase price on death under Yearly mode of payment of annuity and sent on 12.2.2009 to the insurer. In the letter dt.2.2.2009 sent by LIC of India, Hubli-1 branch, the Yearly mode of annuity payable was shown as Rs.15,282/- without commutation option. But the insurer has paid Rs.14,727/- only as annuity and when enquired insurer clarified by letters dt.29.6.2011 and 7.7.2011 that the amount of Rs.14,727/- is the correct amount that is payable. Aggrieved, the life assured filed this complaint with us.

The complaint fell within the scope of the Redressal of public grievance rules 1998 and it was registered.

ORDER

I have heard the contentions of both the parties and perused the documents submitted.

I note that the policy holder opted for option 'F' on 12.2.09 with yearly mode of payment of annuity. The option form contained the table of annuity rates which showed the annuity payable as Rs.15282/- without commutation option. If option 'F' is preferred, the insurer contends that due to programme error the annuity amounts were printed wrongly in the table of annuity rates sent to the policy holder and after locating the mistake, corrected the annuity amount payable as Rs.14727/- and communicated the same to the annuitant before release of the 1st instalment of annuity.

It is evident from the aforesaid that due to programming bug the annuity rates printed in the table of annuity amounts payable were found to be wrong. The mistake was immediately corrected and communication was sent by the insurer to the annuitant. The argument of the complainant that the option exercised was irrevocable and therefore the annuity amount payable should be as per the letter sent by Hubli branch of LIC on 2.2.09 cannot be accepted. The said option letter was sent without prejudice and does not constitute a separate contract. It is accepted lawthat one should not take advantage of a genuine mistake. The insurer should not be compelled to allow the mistake to continue.

During the course of hearing the complainant stated that if the annuity rate is fixed at Rs.14727/- option 'F' is not acceptable to him and pleaded for permission to exercise a fresh option beneficial to him. The insurer's representative agreed to the request of the policy holder and handed over a fresh option letter to be submitted within 10 days.

In view of the above, I direct the insurer to honour the fresh option if any, exercised by the complainant within the stipulated time otherwise the annuity amount payable shall continue to be at the existing rates only.

Date : 15.5.2012

**INSURANCE OMBUDSMAN
HYDERABAD**

**PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, HYDERABAD
(Under Rule 16 of The Redressal of Public Grievances Rules, 1998)**

COMPLAINT No. I.O.(HYD) L-21-019-1033-2011-12

Present:

**Sri K Chandrahas
Insurance Ombudsman**

1	Name & address of the complainant	Shri Ravinder Thota H.No.4-1-70, 1st Floor Subhas Road Behind Shri Shiv Sai Lodge SECUNDERABAD 500 003
2	Policy No.	090310429742 & 90910793591
3	Name of the insured	Shri Ravinder Thota
4	Name of the insurer	Aegon Religare Life Insc.Co.Ltd.
5	a) Date of receipt of the Complaint	22.3.2012
	b) Date of issue of proforma PII & PIII	27.3.2012
	c) Date of rt. of proforma PII&III	16.4.2012
	d) Date of rt. of self contained note	14.5.2012
6	Nature of complaint	Non receipt of Policy document, freelook
7	Amount of relief sought	Rs.2,50,000 each
8	Date of hearing/Place	8.6.2012, Hyderabad
9	Representation at the hearing	
	a) For the complainant	Shri Ravinder Thota
	b) For the insurer	Shri Mahesh Kumar, Asst.Manager - Legal
10	Complaint how disposed	Allowed partly
11	Date of Order/Award	11.6.2012

AWARD NO. I.O. (HYD) L-15/2012-13

Shri Thota Ravinder had obtained two policies in March 2009 from Aegon Religare bearing nos. 090310429742 & 90910793591 each for Rs.2,50,000 yearly premium and thereafter left the country to Canada, without receiving the policy documents. In Dec.2011 he obtained a duplicate bond on policy 090310429742 and since it was not in

line as told to him, he exercised the freelook cancellation of the policy. The company settled only Rs.12,500 on policy no.090310429742. On the other policy no.90910793591 they settled Rs.2,27,873=69. The company wrote him that the document 090310429742 was sent to him which was delivered on 18.3.2009. He requested for refund of full amount under both the policies. Aggrieved by the decision of the insurer, he filed this complaint with us.

The complaint fell within the scope of the Redressal of Public Grievances Rules, 1998 and so it was registered.

ORDER

I have heard the contentions of both the parties and perused the documents submitted.

It is seen from the letter dated 30.3.2012 of the insurance company addressed to the complainant that the address is mentioned as H 1 70 instead of 4-1-70, which must have been the reason for non receipt of the policy document allegedly sent by the company. There is nothing right about the address recorded by the insurer on the policy document. It bears no resemblance to the address mentioned in the proposal. Since the complainant was not given the policy document, he had no opportunity to avail the option of Freelook. I, therefore, hold that rejection of request of the complainant for cancellation of policy by the company was not justified. The Insurer is directed to refund the premium under the said policy, after deducting the risk premium for the period it had covered the risk. In the result, the complaint is allowed in part.

**PROCEEDINGS OF
THE INSURANCE OMBUDSMAN, HYDERABAD
(Under Rule 16 of The Redressal of Public Grievances Rules, 1998)**

COMPLAINT No. I.O.(HYD) L-24-001-291-2012-13

Present:

**Sri K Chandrahas
Insurance Ombudsman**

1	Name & address of the complainant	Sri P. Nageswara Rao D.No. 11-450, 1/1 Panduranga Nagar Nagarulu, Industrial Estate (Post) GUNTUR – 522 034
2	Policy No.	671292509
3	Name of the insured	Sri P. Nageswara Rao
4	Name of the insurer	L.I.C. of India
5	a) Date of receipt of the Complaint	3.7.2012
	b) Date of issue of proforma PII & PIII	13.7.2012
	c) Date of rt. of proforma PII&III	27.7.2012
	d) Date of rt. of self contained note	30.7.2012
6	Nature of complaint	Non-settlement of maturity claim
7	Amount of relief sought	Rs. 169,200/-
8	Date of hearing/Place	16.8.2012 at Hyderabad
9	Representation at the hearing	
	a) For the complainant	Self
	b) For the insurer	Mr. K.T.Sundar Rao, AO (Claims)
10	Complaint how disposed	Partly allowed
11	Date of Order/Award	28.8.2012

AWARD NO. I.O. (HYD) L-44/2012-13

Sri P. Nageswara Rao took own life insurance policy no. 67129509 from LIC of India which matured for payment on 15.3.2012. He made a request with the insurance company for settlement of maturity claim under the said policy without submitting the original policy bond since it was with the ACB officials. The insurance company did not settle his claim insisting submission of the original policy bond. Aggrieved, he filed this complaint seeking settlement of his claim.

The complaint fell within the scope of the Redressal of Public Grievance Rules, 1998 and so it was registered.

ORDER

I have heard the contentions of both the parties and also perused the documents submitted by them. It is noted that the insurer did not settle the maturity claim for want of original policy bond. The complainant expressed his inability to submit the same for valid reasons. The ACB had seized the bond in the case of disproportionate assets against him. Under the circumstances, in my view, the amount accrued/paid by the complainant under the policy up to the date of its seizure only would be pertinent to the said case.

There cannot be any problem for settlement of the claim in so far as accruals under the policy after its seizure. The insurance company has informed that the accruals under the policy after 28.3.2005 (end of the next policy year after 18.12.2004) amount to Rs.77,100/-.

Therefore, I direct the insurance company to settle an amount of Rs.77,100/- to the complainant forthwith. The balance amount may be settled as per the procedure laid down.

In the result, the complaint is partly allowed.

Lucknow Ombudsman Centre

Complaint No.: L-1353/21/001/2011-12

Award No.-IOB/Lko/107/001/12-13

Banarasi Prasad Vs. LIC of India,

Award dated: 17.07.2012

DAB

Facts : Suman Devi had taken a policy for Sum assured of Rs 3,00,000 on 27.12.2005. Unfortunately the L.A died on 29.12.2006 due to electric shock while heating water with an electric immersion rod. Claim was preferred by the complainant nominee, husband of the deceased life assured. The claim was repudiated by the respondent insurance company on the ground that death had occurred "other than public place" wherein clause 4(B) was applicable. Respondent insurance company argued that death had occurred "other than public place" within 3 years from the inception of the policy and as per clause 4(B) of the policy condition DAB is not payable.

Findings:- In order to substantiate the claim it was observed that the late life assured died of electrocution while heating water with an electric immersion rod. As per the complainant, incident had occurred at 7.30 pm and she was rushed to AIIMS where she was declared brought dead. Now question arises the time and place of the death. It is

evident from the record of AIIMS that life assured was "*brought dead*" at 8.43pm and "*time since death was about 15 hours*". On perusal of the documents like police inquest report and statement of neighbour, it is proved that death must have occurred in her house and no other conclusive evidence were available to prove that death had occurred in public place.

Decision: It was observed by the forum , that the life assured had died "other than public place". In these circumstances the liability of insurer in such cases is excluded, as per terms and conditions of the policy. Provision of clause 4(B) is applicable and DAB is not payable.

Lucknow Ombudsman Centre

Complaint No.: L-149/26/015/2011-12

Award No.-IOB/Lko/148/001/12-13

Bhupendra Nath Singh Vs. Bharti axa Life Insurance Co. Ltd,

Award dated: 16.08.2012

Mis-Selling

Facts : Sri Bhupendra Nath Singh had taken a policy for an annual premium of Rs 59,999/=on 28.08.2008. Complainant paid the renewal premium due for 08/2009 and got the receipt. He again deposited third premium due on 08/2010 but this time he could not get receipt. On enquiring from the insurance company he came to know that a new policy was issued by the insurance company in the name of his wife. The complainant immediately approached the insurance company for the cancellation of the said policy and requested to adjust the premium in his running policy. The respondent insurance company rejected his request on the ground that policy was issued on the basis of proposal signed by the life assured.

Findings:- In order to substantiate the grievance of the complainant it is observed that family history mentioned in the proposal form was totally different from what has been told by the complainant before this forum. Allegation of forged signature on the proposal form could not be contested by the respondent insurance company. The complainant also produced the PAN card as evidence for matching the signatures.

Decision: On perusal of the document It was observed by the forum , that the complainant had never applied for the new policy. He was trying to deposit third due premium of his policy. It is also noticed by the forum that the policy issued in the name of his wife has the same premium, which means that sales representative of the insurance company intentionally deceived the complainant. In view of above this forum finds that misdeed is done so insurance company is directed to cancel the policy and adjust the premium into the running policy of the complainant.
