

## **ACCIDENTAL CLAIM**

### **1. CASE OF MR. MANIK CHAND V/S LIC OF INDIA.**

**(AWARD DATED: 07.12.2017)**

This is a complaint filed by Shri Manik Chand against the decision of Life Insurance Corporation of India relating to Non-payment of Accidental claim by LIC of India. The complainant stated that his brother had taken an Insurance Policy for Rs. 25000/-. The corporation had paid the claim of basic sum assured plus bonus against the policy but rejected accidental claim on the ground that he did not submit the copy of F.I.R./General Diary closure report. The claimant had given the copy of Panchnama and Post Mortem Report to the Insurance Company, but they had not lodged the F.I.R., hence F.R./copy or General Diary could not be given to the Insurance Company. The accidental claim in this policy was under review and had not been decided by them so far. The claim was pending with them for want of requirement of FR/ closure of General Dairy. The Insurance Company were insisting for this report to rule out the possibility of suicide, because the accidental claim could not be paid in case of suicide. The Insurance Company contested that the complainant did not submit, the copy of F.I.R./F.R. as listed above for settlement of accidental claim. The copy of general diary dated 12.6.2016 has also been submitted by the complainant with annexure VI, wherein it is mentioned that the Mr. Shyam Lal (deceased) s/o Sh. Shobha Ram had died on 12.6.2016 due to road accident. It is further noticed that the policy bond does not list out the documents as insisted upon by the LIC as pre-condition for payment of accident benefit. From the documents, it is found that F.I.R. was not lodged by the complainant but, he had submitted the copy of Panchnama and Postmortem report and the copy of general diary submitted by the complainant also speaks that the deceased was admitted for treatment of accidental injury and subsequently died. Further, nowhere it is mentioned that it was a case of suicide. Under the circumstances, the payment of claim should not be withheld by the Insurance Company.

## **REJECTION OF MEDICLAIM**

### **2. CASE OF MR. AJAY KUMAR V/S LIC OF INDIA**

**(AWARD DATED: 01-11-2017)**

This is a complaint filed by Shri Ajay Kumar Singh against the decision of Life Insurance Corporation of India relating to rejection of Medi-claim by LIC of India on the ground of terms and conditions of the policy. The complainant stated that he had taken a Jeevan Arogya (Family Floater) Policy from Life Insurance Corporation of India on 26.8.2013. His wife was admitted in Malhotra Nursing and Maternity Hospital on 23.5.2016 for uterus surgery and discharged after treatment on 28.5.2016. The complainant submitted his claim with all the papers and reports, but the claim was rejected by TPA (third party administrator) of Insurance Company on the ground of condition no HOI (pre-existing disease) of the policy document. Hearing in the said case was held on 24-10-2017. The Insurance Company stated that they had rejected the claim on the ground of pre-existing disease, which was not disclosed at the time of proposal. The complainant countered the allegation and stated that his claim was wrongly rejected by the Insurance Company on the ground of pre-existing disease as the ovary operation was performed in the year 1994, which is about 22 years back, but since then the insured had given birth to two healthy kids, which is a proof that the uterus was in healthy condition. From the oral submission and documents, it is evident that the allegation of pre-existing disease is not valid because even in pre-existing cases the waiting period is 4-5 years, whereas in the existing case the surgery was undertaken about 22 years back. The Insurer's argument that it was a case of non-disclosure of material fact of insured illness is thus not justified because even the proposal form does not specify any period. It only speaks of gynecological disorder, which does not seem to be existing since the insured had given birth to two healthy kids thereafter in the year 1998 and 2000. In view of the above facts the allegation of Insurance Company is not valid.

## **INADEQUATE MATURITY AMOUNT PAYMENT**

### **3. CASE OF MR. HARBIR SINGH V/S BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED.** **(AWARD DATED 01-11-2017)**

Mr. Harbir Singh, the complainant has filed a complaint against the decision of Bajaj Life Insurance Co. Ltd, rejecting his request for refund of total amount of premium along with interest on maturity of the policy. The complainant stated that he had taken a policy on 08/05/2007 from Bajaj life insurance co. and had paid 4 annual premiums amounting to Rs.91750/- due from May 2007 to May 2010. The annual renewal premium due on May 2009 was dishonored due to the fault of the company even though premium of Rs 25000/ along with CDA charges of Rs 100/- was paid in cash vide receipt no 03316887764 and 0331688228 dated 16/08/2010 but the policy was terminated by the company on the ground of non-deposit of annual premium. Later a cheque amounting to Rs. 21250 dated 10/01/2013 was delivered to the complainant by post, which was protested by the complainant vide letter dated 28/06/2013 and finally got the policy restored. The complainant approached the company to pay maturity value due on 08/05/2017, which was replied by the company stating that subject policy was already redeemed and nothing remains to be paid. He was also given Statement of Account dated 27/07/2017 showing fund value of Rs. 60549/ only in which the amount of Rs. 21250/ deposited through DD on 10/01/2013 and amount of Rs. 25000/ deposited in cash on 16/08/2010 was not reflected. The complainant thus felt cheated and approached company for such less amount of maturity value because of not including the amount of Rs 25000/- and Rs.21250/- which was deposited by the claimant by cash and demand draft respectively. Hearing of the said case was held on 21-09-2017. The insurer stated that they were ready to pay the maturity amount along with interest for delay in payment, but insured did not agree. The insured claimed that he had paid three mandatory premiums including the lost one of the year 2009 in cash along with cheque dishonor charges, Accordingly he wanted payment as per number of units he was entitled till the date of payment, since cheque paid for the year 2009 was misplaced by the company. The policy was thus discontinued due to fault of the company. The Insurance Company submitted that as the policy was terminated due to non-payment of premium and even though the cheque was dishonoured due to company's mistake, the customer had paid cheque dishonour charges. The company however could not prove with documents that the cheque was dishonoured. The Insurance Company were asked to produce within 10 days some evidences to prove that the cheque was dishonoured, which they could not produce till date. In view of above facts, the reason for paying less maturity amount on the basis of 'Non- payment of premium for the year,2009' does not appear valid. Hence the full amount of claim deserves to be honoured by the company as the policy termination can not be considered as fault of the complainant.

### **1. CASE OF MR. GYANESH KUMAR VARUN V/S FUTURE GENERALI INDIA LIFE INSURANCE COMPANY LTD.**

**(AWARD DATED: 01.12.2017)**

This is a complaint filed by Sh. Gyanesh Kumar Varun against the decision of Future Generali life Insurance Company relating to mis-selling of insurance policy through tele-marketing of the company. The complainant stated that he was lured to purchase a policy from Future Generali life Insurance company by paying a premium amount of Rs. 30000/- through Tele Marketing. The policy document was delivered to him through courier on 10/07/2017 but due to some busy schedule he could not read it in 15 days i.e within Free Look Period. When he read it after 21 days he found that the benefits which were briefed by their representative were not matching with benefits mentioned in the policy bond papers. Immediately, he approached the insurer for cancellation of the policy and refund of premium but failed to get any relief. The company stated that the present complaint filed by the complainant was not maintainable as no violation of policy terms and conditions was committed by the Insurance Company. The policy was issued on 04/07/2017 and the same was delivered to the complainant on 10/07/2017. The complainant had sent

request for cancellation to the company on 01/08/2017 i.e after 21 days from the receipt of policy bond. His allegation that the policy was sold to him fraudulently was thus not true, as he had not provided any document or evidence to prove the allegation. Considering the fact that the complaint was lodged just a few days after the mandated 15 days and it was a case of tele-marketing the possibility of mis-selling cannot be ruled out. Hence Insurance Company was directed to refund the premium of Rs. 30,000/- to the Complainant.

**2. CASE OF MR. ANAND KUMAR VS HDFC LIFE INSURANCE COMPANY LIMITED.**

**(AWARD DATED: 08.12.2017)**

The complainant has alleged that he was lured to purchase a policy from HDFC Life Insurance Company under promise of loan, which he never received. The insurance company submitted that the policy was issued as per the proposal form and since cancellation was not applied within free look period, they had denied to cancel the policy and refund the premium. As per the complainant, he was sold subject insurance policy by HDFC STANDARD LIFE INSURANCE COMPANY through broker promising a loan which he had not received till date and when no response was received, he visited insurance office Mayur Vihar and approached the company in writing on 21/08/2017 to cancel the policy and refund the premium which was turned down by the insurance company on the ground of his request being lodged beyond free look period. The insurer denied the allegation of mis-selling stating that the policy was issued on the basis of proposal form duly signed by the policy holder on 05/07/2017 and the policy bond was delivered at his correspondence address. He had approached the company for the first time on 21/08/2017 for redressal of grievances i.e after about more than one month of receipt of policy bond. In view of above, the company had rejected the request for cancellation of policies. The insurance company stated that there was no mistake or false promise on their part as they had got application forms properly filled and signed by the complainant. However, considering that the subject policy was sold through broker, it was mutually agreed that the subject policy will be converted into one single premium policy with five years lock-in period and without any Free Look Option.

**3. CASE OF MR. ANKUR GUPTA VS HDFC STANDARD LIFE INSURANCE COMPANY LIMITED.**

**(AWARD DATED: 08.12.2017)**

This is a complaint filed by Sh. Ankur Gupta against the decision of HDFC life Insurance Company relating to mis-selling of insurance policy. The Insurance Company submitted that the policy was issued as per the proposal form and as cancellation was not applied within free look period, they had denied to cancel the policy and refund the premium. The complainant stated that he was lured to purchase one HDFC Life Classic Assurance Plus Plan by depositing Rs.110000/- on his life. He stated that mis-selling was done by a group of persons allegedly promising 20% cash back of Rs.1 lakh each year, RS.3100/ per month cash back for whole 120 months of policy tenure and 9 lakh International Health Insurance for 5 family members, if he took above insurance policy. He received welcome policy on 30<sup>th</sup> January but had not received the policy bond till date. When he visited nearest branch, he came to know that he would not be sent any bond paper, as policy had been sold by making false commitments. He then approached the company in writing to cancel the policy and refund the premium on ground of mis-sale which was turned down by the insurance company on ground of his request being beyond free look period. The insurance company stated that they had denied cancellation of policy as the complainant had approached the insurance company after a gap of 4 months from date of receipt of policy. I am inclined to believe that the policy was mis-sold to the insured. However, late filing of the complaint by the complainant can also not be ignored. Hence, as a conciliatory measure, which does not hit either side financially, it is suggested that subject policy may be converted into single premium policy without any benefit of Free Look Period.

**4. CASE OF MR. ANUJ VERMA VS BHARTI AXA LIFE INSURANCE COMPANY LIMITED.**

**(AWARD DATED: 08.12.2017)**

This is a complaint filed by Sh. Anuj Verma against Bharti Axa Life Insurance Company relating to mis-selling , Cancellation of 3 policies and refund of premium amount paid. The complainant stated that he had purchased three life insurance policies on 28-12-2016, 28-01-2017 and on 21-03-2017 respectively under assurance that he would receive loan of Rs. 2,40,000/-. However, when he did not receive the promised loan amount , he requested the insurance company for cancellation of policy and refund of premium which was not accepted by the insurance company. The insurer stated that they had not found any discrepancy in the issuance of policies. They had sent copy of proposal form and policy document at registered address of the complainant which was received by the him on 27-3-2017. Since the request for cancellation was received on 07-07-2017 i.e. after 3 months of receipt of policies by the insured, they were unable to accede to the request of cancellation of policies. During the personal hearing it was learnt that the policies were sold by Sridhar Broking Company who are known for mis-selling. From the sequence of events it is evident that mis-selling had taken place through Broker and the insurer had also not conducted any enquiry against the broker and their agents whose name and telephone no's were given by the complainant. It is also a fact that the complainant had not filed his complaint within freelook period. In view of lapses on the part of both the insurer and insured , it would meet the end of justice if all the three policies are converted into single premium policy so that it does not cause any financial hardship to either of the parties.

**5. CASE OF MR. KAUSHIK SAMANTA VS HDFC STANDARD LIFE INSURANCE CO. LTD.**

**(AWARD DATED: 08.12.2017)**

This is a complaint filed by Sh. Kaushik Samanta against the decision of HDFC life Insurance Company relating to mis-selling of insurance policy no-19559992. The complainant stated that he was lured to purchase one HDFC Young Star Uddan Plan on line from HDFC Life Insurance Company by depositing Rs.26125/-on his life. He stated that he had received the electronic receipt on 22/08/2017 stating that policy can be cancelled within one month period but till 20<sup>th</sup> September he had not received the policy bond . Thereafter he approached the company in writing on 21<sup>st</sup> September,2017 to cancel the policy and refund the premium which was turned down by the insurance company on ground of his request being beyond free look period. The insurer denied the allegation of mis-selling in respect of said policy stating that the policy was issued on the basis of proposal form duly signed by policy holder on 22/08/2017 and policy bond was delivered at his correspondence address on 01/09/2017. He had not approached the company within free look period, hence the same was denied by the company vide e mail dated 03/10/2017.

**6. CASE OF SH. VINOD KUMAR RAWAT VS EXIDE LIFE INSURANCE COMPANY LIMITED.**

**(AWARD DATED: 08.12.2017)**

This complaint is filed by Sh. Vinod Kumar Rawat against Exide Life Insurance Company relating to mis-selling. The complainant stated that he was sold one policy by the agent of company on 29-5-2017 on fake promises that this policy will provide life insurance health insurance ,Rs. 10,000/- cash back and Rs. 16666/- yearly scholarship to his son for 7 years. He was also told that if he paid Rs. 50,000/- yearly for 7 years he will receive 48000/- plus interest from 8<sup>th</sup> year and total sum assured will be Rs.400,000/- . Later on receipt of policy bond he realized that he was cheated and policy was mis-sold on fake promises. The insurer stated that a policy was issued on the life of Sh. Vinod Kumar Rawat on 29-5-2017 for policy term 16 years on annual mode of premium of Rs. 38550/-. The insurer had dispatched policy bond along with photocopy of duly executed proposal form at mailing address by registered post which was delivered on 6-6-2017. The insurer stated that the claim was beyond free-look period hence the complainants request for cancellation can not be acceded to. In the course of hearing it transpired that the insurer had

cancelled one other policy taken around the same time even though the request for cancellation was received beyond free-look period. As regards this claim the cancellation request was received only 5-6 days after the mandated free-look period. In view of above, insurers stand with regard to cancellation of this policy is found inconsistent and unjustified.

**7. CASE OF SH SUJEET SINGH VS HDFC STANDARD LIFE INS. CO. LTD.**

**(AWARD DATED: 08.12.2017)**

This is a complaint filed by Sh. Sujeet Singh against decision of HDFC Standard life Insurance Company relating to mis-selling of insurance policy by the agent of the company. The complainant has stated that the agent of HDFC Company had mis-sold an insurance policy on 21/04/2014 on his life with initial premium of Rs. 20000/- .He was assured that his investment in the policy was for one year and on completion of five years he would get back Rs. 50000/ plus . He was further promised that he would be assisted in closing his old policy lying with Max Life Insurance. However, after receipt of policy bond , when he found that it was a regular premium policy for 10 years and the subject policy was issued in fraudulent manner in as much as even proposal form was not signed by him, he requested the company to cancel the policy and refund his money but no action was taken by the company. The insurer denied the allegation of mis-selling stating that the policy was issued on the basis of proposal form duly signed by the policy holder on 17/06/2017 and policy bond was delivered at his correspondence address on 23/06/2017. He had approached the company for the first time only on 19/08/2017 i.e after about more than 2 months from the receipt of the policy bond . Considering the fact that the policy was sold through Broker who indulge in mis-representation of the facts, I am inclined to believe that the policy was mis-sold to the insured. Further, there is delay of only 2 months during which the agent normally keep the customer engaged with assurance. Hence, equity and fair play demands that the company cancel the policy and refund the premium as requested by the complainant.

**8. CASE OF MR HAMBIR SINGH V/S HDFC LIFE INSURANCE COMPANY LIMITED.**

**(AWARD DATED: 13.12.2017)**

This is a complaint filed by Sh. Hambir singh against the decision of HDFC life Insurance Company relating to mis-selling of insurance policy He stated that mis-selling was done by a person allegedly stating that an amount of Rs 278654/- in his paid-up policy no 12998138 with HDFC will be awarded to him if he took above subject insurance policy with refundable premium.. He had received the policy bond, but till date the said amount of Rs. 278654/- was not refunded to him .He had tried to contact the agent on phone but could not . The complainant finally approached the insurance ombudsman for redressal of his grievances. The insurer denied the allegation stating .he had approached the company for the first time after about more than 2 months of receipt of policy bonds. In view of above, the company had rejected the request for cancellation of policy. Personal hearing was held . The Insured stated that the complaint was lodged after two months. Considering the fact that the complaint was not lodged very late and there was some truth in the alleged mis-selling by the broker, the insurance company agreed to settle the complaint by cancelling the policy and refunding the premium to the insured

**9. CASE OF MR SHYAM KUMAR SHARMA V/S HDFC LIFE INSURANCE COMPANY LIMITED.**

**(AWARD DATED: 08.12.2017)**

This is a complaint filed by. Shri Shyam Kumar Sharma against mis-selling of insurance policy by HDFC Standard Life Insurance Company falsely promising refund of premium amount lying in previous lapsed policies of his wife with Kotak Mahindra Life Insurance Company and Bajaj Life Insurance The agent of Insurance Company, Sh. Vishal Bhardwaj contacted him on phone and assured him that full amount lying in his lapsed policies of Kotak Mahindra

and Bajaj Allianz will be refunded to him provided he send two cheques of Rs. 75000/ in favour of HDFC. Mr Vishal Bharadwaj further stated that these cheques will not be deposited but used to trace the account to facilitate the claim settlement in lapsed policies. He trusted the agent and sent two cheques of Rs. 75000/- favouring HDFC to Mr. Bharadwaj which were deposited by him in HDFC Life Insurance Company. HDFC Life Ins Co issued policy no 17300276 against one cheque of Rs 75000/. The policy issued had wrong mobile number and forged signature on the proposal form, hence it was returned to the company for cancellation within Free Look Period and another cheque of Rs 75000/-was credited in his account The insurer denied the allegation of mis-selling stating that policy was issued on the basis of proposal form duly signed by policy holder on 18/12/2014 and policy bond were delivered at his correspondence address on 04/02/2015 .He had approached the company for the first time on 20/03/2015 for redressal of grievances i.e after about more than one month of receipt of policy bond. During hearing, the Insured stated that he was mis-sold the subject policy on promise of refund of amount lying in lapsed policies of Kotak Mahindra and Bajaj Life Insurance company, which he never received. Considering the fact that the policy was sold through forging of signatures and mis-representation of facts by the broker, the insurance company agreed to settle the complaint by cancelling the instant policy and refunding the premium of Rs.75000/ along with Rs. 70500/ which was taken by the broker on the excuse of releasing broker code, to the insured.

**10. CASE OF MR. SANJAY JAYSWAL V/S HDFC STANDARD LIFE INSURANCE CO. LTD.**  
**(AWARD DATED: 08.12.2017)**

Mr. Sanjay Jayswal the complainant purchased one policy for HDFC Classic Assurance Plus Plans on 17/03/2017. He alleged that at the time of proposal,an agent of the insurer promised to get loan of Rs.550000/ without interest After some time, when no amount of loan was released in spite of continuous follow-up, he realized that he had been misguided by the agent as nothing is mentioned in the policy documents as promised by the agent. Aggrieved, he applied for cancellation of the policy and refund of premium but the same was declined by the insurer stating that cancellation of the policy is not permissible after expiry of free look period. Moreover, they had not given any false assurance in respect of benefits/profits under the said policy. As far as promises made by the agent were concerned, they were not aware about what had transpired between the agent and the complainant. Ongoing through the documents placed for perusal and oral submissions, it was observed that the complainant had applied for cancellation of the policy after almost after 40 days from receipt of policy , it is apparent that the complainant was duped by promise of loan and was trapped into buying the insurance policy An award was passed directing the insurance company to convert the subject policy into single premium policy with 5 years lock- in period without benefit of free look period towards full and final settlement of the complaint.

**11. CASE OF MR ARVIND KUMAR SHARMA V/S HDFC STD. LIFE. INS. CO. LTD.**  
**(AWARD DATED: 21.12.2017)**

Shri Arvind Kumar Sharma has filed complaint against forfeiture of the amount of insurance policy nos 14835903 and 14835914 by HDFC Standard Life Insurance Company. The complainant has stated that he was mis-sold insurance policies on his life with initial premium of Rs.99999/-under each policy by giving him wrong information about the policy . He had continuously deposited premium for two years i.e ,2012 and 2013 under each policy but thereafter he suffered Brain Haemorrhage . He stated that due to aforesaid unfortunate incident, he could not continue/ revive the above policies due to financial crunch/hardships. He, therefore, requested the insurance company to refund deposited amount, The insurer denied the allegation stating that both policies were issued on the basis of proposal form duly signed by the policy holder and were duly delivered at his correspondence address .He had approached after about more than four years of issue of policy bonds. So ,the company had rejected the request for cancellation of policies. Hearing was held and the matter was examined on the basis of submission, facts and Standard Policy Provision given in policy Bond. Considering the above facts, the policy no 14835903,which was issued in excess of age limit as mentioned in the policy is found to have been wrongly issued ab initio and deserves to be cancelled and premium refunded. The other policy no 14835914 in which there is no restriction of age can not

be restored nor premiums can be refunded as he had approached the company for the first time on 28/10/2016 for i.e after more than 4 years from issue of the policy

**12. CASE OF SHRI FATEH JUNG SINDHU V/S PNB MET LIFE INSURANCE COMPANY.**

**(AWARD DATED: 07.12.2017)**

Shri Fateh Jung Sindhu filed complaint against the decision of PNB Met life Insurance Company relating to mis-selling of insurance policy by the agent of PNB Met Life Insurance Co on wrong grounds Of 9.75% rate of interest on deposit amount and facility of withdrawn of his money any time after one year. On receipt of policy bond, he immediately sent a request to the Insurance Company for cancellation of the policy and refund of premium but his request for cancellation of policy and refund of premium was rejected by the Insurance Company on the ground of his request being beyond free look period. The complainant further stated that he was a retired person and unable to pay such high premium to continue the policy in future During the hearing , the fact of mis-selling appeared to be correct. The complainant produced a courier receipt in support of his argument that he had filed the complaint within free look period. Further, the complainant was a pensioner and his income was also not supportive of the required premium. , The Insurance Company was directed to cancel the policy and refund full amount to the complainant against full and final settlement of the claim.

**13. CASE OF MS. GLADYS WATSON V/S KOTAK MAHINDRA OLD MUTUAL LIFE INSURANCE LTD.**

**(AWARD DATED: 07.12.2017)**

This is a complaint filed by Ms. Gladys Watson against the decision of Kotak life Insurance Company relating to mis-selling of insurance policy by their agent. He had purchased the said policy through the agent of Kotak Mahindra Bank on 2<sup>nd</sup> June 2017. The agent promised that she would get a sum of Rs. 16 lacs at the time of maturity after ten years and if she continued with the policy for 5 years more, without paying any premium, she would receive a sum of Rs. 21 lacs. The agent also misguided her about the terms of the policy as 10 years instead of 15 years . The Insurance Company had rejected her request for cancellation of the policy being beyond free look period. The complainant stated that she was out of station at the time of delivery of the policy document and received the policy only after free look period . That even, as per the record of Kotak Life, the policy document was received by some other person. Further, in support of her statement that she was out of station during the delivery of policy document, the complainant had also attached air tickets from Delhi to Bangalore.. The company stated that her allegation that the policy was sold to her fraudulently was not true, as she had not provided any document or evidence to prove the allegation. Since, the complainant had approached the insurance company 3 months after the free look period, her request for cancellation was not maintainable. Hearing was held . The Insurance Company also played the recording of PIVC call, wherein the complainant had agreed that she was aware of the terms and conditions of policy and had lodged the complaint 3 months after the free look period, However, as a reconciliatory measure, the Insurance Company offered to convert the present policy into a single premium ULIP policy with 5 years lock-in-period without option of free look

**14. CASE OF MRS. KALPANA TYAGI V/S FUTURE COMPANY.GENERALIS INDIALIFE INSURANCE COMPANY**

**(AWARD DATED: 01.12.2017)**

The complainant ,Smt Kalpana Tyagi had filed a complaint of mis-selling of policy by Future Generali Life Insurance Company Ltd. She had paid Rs. 59000/- in Future Generalis , Rs.24500/- in Bharti Axa, Rs 51000/- in Reliance Life Insurance and Rs 6721/- in Star health on an assurance that , this investment would help her in getting bonus under her previous policies of another insurance company, which turned out to be false. The complainant stated that she had a policy no. 862140274 with Max Life and had paid two premiums but due to financial crisis, she could not pay further premiums and the policy had lapsed. The agent of Future Life Insurance Company contacted her and assured

her refund of premiums paid against her lapsed policy with Max Life, provided she paid Rs. 59000/- for Future Generali Pearls Guarantee Traditional Non Participating money back Plan. Accordingly she had paid the money and all the documents required by the Insurance Company, but after she failed to get refund of premium of her lapsed policies, she contacted the Company for cancellation of her policies and refund of premium paid by her, but her request for cancellation of policy and refund of premium was rejected by the Insurance Company on the ground of her request being beyond free look period. The policy was issued after conducting pre verification call as the policy holder had understood the key features of the policy and had not filed any grievance after issuance of the policy till 28/02/2016. She had alleged fraud and mis-selling after 20 days from the date of receipt of the policy. Her allegation that the policy was sold to her fraudulently was not true, as she had not provided any document or evidence to prove the allegation. The hearing of said case was held on 24-10-2017. Looking at the manner in which the benefits were informed to the insured by the agent, which were not stated in the policy bond, I am inclined to believe that the policy was mis-sold to the insured. It is also a fact that she had applied for refund within 20 days, which was not very late. Hence equity and fair play demands that the company cancel the policy and refund the premium as requested by the complainant.

**15. CASE OF MR. RAJ KUMAR SINGH V/S HDFC STANDARD LIFE INS. CO. LTD.**

**(AWARD DATED: 01.11.2017)**

The complainant submitted that he was lured to purchase policy No 19139906 and 19162428 from HDFC Life Insurance Company on promise of pension of Rs 80000/ month for 10 years provided he invested Rs. 60000/ and 50000/ under subject policies. As per the complainant, he was having lapsed insurance policy issued by Exide Life Ins co. ltd. He was contacted by Mr. Yogesh Rawat, who promised to refund the total amount representing premium, commission, bonus and interest under the lapsed policy provided the complainant deposited an amount of Rs 30000/ for creating customer I.D. Trusting him, he signed the form and gave cheque of Rs 30000/ to Exide Life Ins. Co. He was again fooled by Mr. Rawat to deposit Rs 60000/ and Rs. 50000/ in HDFC Life Ins Co. for generating pension of Rs 8000/ per month for 10 years and not reveal it, if verification call was made by Insurance Company to ascertain address, phone no and other details. The complainant acted accordingly but soon realized that he was cheated by that person. Hearing of the said case was held on 16-10-2017. The complainant stated that he was misguided and cheated by the agent of broker to purchase insurance policies of HDFC Life Insurance Company, by making false promise of refund of full amount lying in his lapsed policy of Exide Life Insurance Company and pension of Rs.8000/ per month for 10 years. He further stated that he had approached the insurance company for cancellation within a month from the receipt of the policies but his request was not conceded by the company. Looking at the manner in which the policy were sold, I am inclined to believe that the policies were mis-sold to the insured. It is also a fact that he had applied for cancellation and refund within one month, hence equity and fair play demands that the company cancel both policies and refund the premium as requested by the complainant.

**16. CASE OF SH SHYAM KUMAR SHARMA V/S BAJAJ ALLIANZ LIFE INS. CO. LTD**

**(AWARD DATED: 01.11.2017)**

This is a complaint filed by. Shri Shyam Kumar Sharma against mis-selling of insurance policy by Bajaj Life Insurance Company falsely promising refund of premium amount lying in previous lapsed policies of his daughter with Kotak Mahindra Life Insurance company and Bajaj Life Insurance Company.

The complainant submitted that Smt. Neha Sharma, the agent of Insurance Company contacted him on phone and assured him that full amount lying in his daughter's lapsed policies of Kotak Mahindra and Bajaj Allianz will be refunded to him provided he sends cheque of Rs.20000/ in favour of Bajaj Life Ins. Co. to facilitate the claim settlement in lapsed policies. He trusted the agent and sent one cheque of Rs. 20000/- fvg Bajaj Life Ins. Co. but no claim amount in respect of lapsed policies was sent to the complainant. Instead Bajaj Life Ins CO issued a policy no 0324191033 against cheque of Rs 20000/ bearing wrong mobile no and forged signature on the proposal form which was returned to the company for cancellation within Free Look Period but no action was taken by the company. He



was again asked by Mrs. Neha Sharma to deposit Rs 60000/ against which again a new policy no 322845054 was sent to him on 28/05/2015 by Bajaj Allianz without his consent. After some time he was again asked to send cheque of Rs. 90000/ followed by cheque of Rs. 23040/ and cheque of Rs.97045/ for receiving all above payments and for releasing temporary Broker Code on 16/11/2015 and 02/01/2016. When nothing happened as promised, he felt cheated and lodged his complaint through letter dated 08/07/2017 to Bajaj Allianz Life insurance Co. Grievance Redressal Officer and finally letter dated 13/09/2017 to the Insurance Ombudsman Office Noida for cancellation of his policy and refund of entire amount paid by him. The case was fixed for personal hearing on 16/10/2017. The insured appeared for hearing but Insurance Company did not appear for hearing apparently because due to active mediation and continuous follow up by this office, the insurance company had already sent a mail to the customer and ombudsman office on, stating that they were ready to cancel the subject policies and refund the deposited amount. They were also ready to refund the surrender value of policy no. 128687092, subject to receipt of Original Policy Bond, consent letter towards acceptance of settlement from complainant, photo id proof, signature proof and cancelled cheque or bank pass book copy for facilitating payment through NEFT. The Insurance Company also agreed to refund the DD amount of Rs.113040 (Rs.90000+Rs.23040) which was fraudulently taken by the agent by recovering the same from the broker in due course.

#### **17. CASE OF SUNIL KUMAR GUPTA V/S ICICI PRUDENTIAL LIFE INSURANCE**

**(AWARD DATED: 10.11.2017)**

This complaint is filed by Sh. Sushil Kumar Gupta against ICICI Prudential Life Insurance Company relating to mis-selling of policy no. 00545417. The complainant stated that he had taken a policy from ICICI Prudential Life Insurance Company in the month of November 2003 bearing no. 00545417. The policy was sold as single premium policy for premium amount of Rs. 1,00,000/- and policy term of 12 years. He was told that at the end of policy term of 12 years he will get about 4 times of initial premium amount paid i.e. Rs.4 lakh. He had paid the premium by cheque but after paying the premium he did not receive the policy document. He had written several letters to the insurer for non receipt of policy bond but he did not receive the policy document. He had also approached the agent but the agent kept assuring him that he will get policy document very soon. The complainant had visited the branch office of the company at Ghaziabad for issuance of policy bond where he was informed that his money had been deposited and he would certainly get policy document. However, in spite of his visits to the branch office from time to time and letters to the insurer no reply was received from the company's side. In the year 2015 after the policy matured he again visited the branch office and requested for payment of maturity amount when he was told to submit policy document along with application. The complainant replied that he had not received policy document from inception of policy. The insurer then sent him a letter mentioning that the policy was issued on annual mode of payment and he was supposed to pay premium of Rs.1,00,000/-per year for 12 years. Since the renewal premiums were not paid the policy got foreclosed in November 2009. Further since the premiums were not paid for at least three policy years, the policy was lying in lapse condition and had not acquired surrender value, hence nothing was payable on maturity. The complainant then realized that he was mis-sold the policy by the agent on wrong terms and conditions. However strangely even the company never asked him to deposit premium in the long span of 12 years nor had given him a call for depositing the premium. The insurer stated that a policy bearing no. 00545417 was issued to the complainant on 1-11-2003 on the basis of duly executed proposal form received by the company along with the first premium on annual mode. The company had sent policy document on 5-11-2003 at registered communication address which was delivered on 7-11-2003. The complainant had not requested for the cancellation of policy within free look period of 15 days. Further neither the renewal premiums were paid nor the policy was revived within the reinstatement period of 5 years from the due date of the first unpaid premium. The policy thus got foreclosed in November 2, 2009 for non payment of premiums and since even three premiums were not paid, the policy had not acquired any surrender value, and thus nothing was payable on maturity. Hearing of the said case was held on 24-10-2017. The insured did not appear for hearing. The insurer informed that they had settled the claim and payment of Rs. 1,00,000/- had been made

on 17-10-2017 through NEFT in his account of Kotak Mahindra Bank Ltd. In view of above no arguments were tendered and the complaint was treated as closed.

**18. CASE OF MR. RINKESH VERMA V/S HDFC STD. LIFE INSURANCE COMPANY LIMITED.**

**(AWARD DATED: 01.11.2017)**

This is a complaint filed by Shri Rinkesh Verma against decision of HDFC Standard life Insurance Company relating to mis-selling of insurance policy through agent of the company. The complainant stated that the said insurance policy was sold to him by HDFC STANDARD LIFE INSURANCE COMPANY through their agent promising a loan of Rs 5 lacs after 5 days of issue of first premium receipt of policy, which he never received. He approached the company in writing on 23/05/2017 to cancel the policy and refund the premium on ground of mis-sale which was rejected by the insurance company on the ground of beyond free look period. The insurer denied the allegation of mis-selling stating that the policy was issued on the basis of proposal form duly signed by the policy holder on 11/04/2017 and the policy bond was delivered at his correspondence address on 24/04/2017. Considering the fact that the complaint was lodged within FREE LOOK PERIOD of one month and there is some truth in the allegation of mis-selling by the broker, the insurance company agreed to settle the complaint by cancelling the instant policy and refunding the premium, to the insured.

**19. CASE OF MR. SANJAY TYAGI V/S HDFC STANDARD LIFE INS. CO. LTD.**

**(AWARD DATED: 01.11.2017)**

This is a complaint filed by Shri Sanjay Tyagi against decision of HDFC Standard life Insurance Company relating to mis-selling of insurance policies through agent of the company. The complainant stated that the insurance policies were sold to him by HDFC STANDARD LIFE INSURANCE COMPANY through broker promising a loan of Rs.20 lacs, which he never received. He approached the company in writing on 05/06/2017 to cancel the policies and refund the premium which was rejected by the insurance company on the ground of his request being lodged beyond free look period. The insurer denied the allegation of mis-selling stating that the policies were issued on the basis of proposal forms duly signed by the policy holder on 01/10/2016, 30/11/2016 and 16/01/2017 and the policy bonds were delivered at his correspondence address on 01/11/2016, 22/12/2016, 13/02/2017. He had approached the company for the first time on 05/06/2017 for redressal of grievances i.e after about more than 7 months, 5 months and 3 months from the receipt of policy bonds. He should have opted for FREE LOOK CANCELLATION of the policies within the stipulated period of 30 days after receipt of the policy documents. The subject policies were sold through broker, it was mutually agreed that one policy no-18932289 will be cancelled and premium of Rs. 99999/ will be refunded. The other two policy nos 18720963 and 18831495 will be converted into one single premium policy with five years lock-in period and without any Free Look Option .

**20. CASE OF MR. RAM SINGH KHANNA V/S HDFC STANDARD LIFE INS. CO. LTD.**

**(AWARD DATED: 16.10.2017)**

This is a complaint filed by Shri Ram Singh Khanna against decision of HDFC Standard life Insurance Company relating to mis-selling of insurance policy through agent of the company. The complainant stated that the policy of HDFC Life was sold to him by the officials of HDFC Bank against finance of a car without his consent and signature. The premiums of Car Insurance and Life Insurance were paid through Credit Card which he came to know only after receipt of message on his mobile. He thus applied for cancellation of both policies, but the insurer refunded of

premium of HDFC Ergo policy but rejected his cancellation request of HDFC Life on the ground of his request having been lodged beyond free look period. The insurer denied the allegation of mis-selling and stated that the policy was issued on the basis of proposal form duly signed by the policy holder on 15/03/2017 and the policy bond was delivered at his correspondence address on 29/03/2017. The complainant had approached the company for the first time on 19/07/2017, i.e. after about 4 months of receipt of policy bond, which was beyond free look period, hence, the company had rejected the request for cancellation of policy. On the basis of oral discussion and documents presented during the personal hearing. It is observed that the complaint was lodged after the insured received his credit card bill. The policy was sold without his consent and signature. The fact of mis-selling stands proved, hence, the Insurance company is directed to cancel the policy and refund the premium to the insured.

**21. CASE OF MRS. MONIKA KAUSHIK V/S HDFC STANDARD LIFE INS. CO. LTD.**

**(AWARD DATED: 02.11.2017)**

This is a complaint filed by Smt. Monika Kaushik against decision of HDFC Standard life Insurance Company relating to mis-selling of insurance policy through agent of the company. The complainant stated that the agent of the Insurance Company had mis-sold an insurance policy number- 15868934, with premium of Rs. 5 lacs and pay term of 7 years with policy term of 10 years by giving her wrong information about the policy. The insurer denied the allegation of mis-selling and stated that the policy was issued on the basis of the proposal form duly signed by the policy holder on 28/02/2013 and was dispatched to her correspondence address on 06/03/2013. The complainant had approached the company for cancellation only on 26/09/2016 i.e. after more than three years, hence, the company had rejected the request for cancellation. The matter has been examined. It is observed that there is no sustainable allegation of mis-selling by the complainant against the company. The ground of financial difficulties tendered by the complainant cannot be considered a valid reason for cancellation of policy after three long years. The complainant is well educated and familiar with terms and conditions of the Insurance policies as she is already having some policies of the company. Hence, now at this late stage she cannot complaint of having not understanding the provisions of the policy. However, considering the fact that the amount involved is quite substantial and neither insured or insurer is hit financially, it would meet the end of justice if the policy is cancelled and the amount is adjusted against a new single premium policy

**22. CASE OF MR. SAMEER CHANDRA V/S HDFC STANDARD LIFE INS. CO. LTD.**

**(AWARD DATED: 05.10.2017)**

This is a complaint filed by Sh. Sameer Chandra against the decision of HDFC Standard life Insurance Company relating to mis-selling of four insurance policies by the agent of the company. The complainant stated that SB Broker mis-sold him four insurance policies for 16 years & 15 years by making false promise of onetime payment and refund of total premium along with interest after one year. The insurer denied the allegation of mis-selling stating that the policies were issued on the basis of proposal forms duly signed by the policy holder. The benefits payable under the policies were clearly stated in the policy documents. The insured had filed request for cancellation of all policies after about more than 2 year and 3 years of issue of policy bonds, hence the request was declined. But, looking at the manner in which the policies were sold through M/s S.B. Brokers who are well known for mis-selling, forging of signatures and, mis-representation of the facts, I am inclined to believe that the policies were mis-sold to the insured. However, late filing of the complaint by the complainant can also not be ignored. Hence, as a conciliatory measure, which does not hit either side financially, it is suggested that all policies may be converted into single premium policies with 5 years lock-in period without benefit of free look period.

**23. CASE OF MR. SANJAY KUMAR V/S HDFC STANDARD LIFE INS. CO. LTD.**

**(AWARD DATED: 26.10.2017)**

This is a complaint filed by Sh. Sanjay Kumar against the decision of HDFC life Insurance Company relating to mis-selling of insurance policy nos-18418078 and 18454178. The complainant stated that he was lured to purchase two HDFC Life Classic Assurance Plan from HDFC Life Insurance Company by depositing Rs.35000 / and Rs.99000/ on his life involving a total sum of Rs.135000/. He stated that mis-selling was done by a person allegedly promising award of fund value of Rs 8 lakhs in policy no 15983684 with HDFC if he took above insurance policies with refundable premium. He found the proposal very attractive and purchased two policies. The complainant had received the policy bonds. The insurer denied the allegation of mis-selling stating that policies were issued on the basis of proposal form duly signed by policy holder on 23/04/2016 and 13/05/2016 and policy bonds were delivered at his correspondence address on 01/05/2016 and 23/05/2016 .He had approached the company for the first time on 14/09/2016 for Redressal of grievances i.e after about more than 4 months of receipt of policy bonds. The insurer stated that these were on- line policies, hence not signed by the complainant. The insurer agreed that in the event of the insured having not signed any document they would refund entire premium.

**24. CASE OF MR. SHYAM KUMAR SHARMA V/S FUTURE GENERALI INDIA LIFE INSURANCE COMPANY LIMITED.**

**(AWARD DATED: 01.11.2017)**

This is a complaint filed by. Shri Shyam Kumar Sharma against the decision of Future Generali India life Insurance Company relating to mis-selling of insurance policies by the agents of Insurance Company. The agent of the Insurance Company contacted him and assured that the claim under lapsed policies with Kotak Mahindra and Bajaj Life Ins. Company could be settled provided he paid a cheque of Rs.35000/ along with I.D proof and two photos, but nothing was credited in his account instead he was again asked to send cheque of Rs.48900/ favouring Future Generali to open D-Mat account against which again a new policy no 01237098/ was sent to him on 06/01/2015 by Future Generali Life Ins. Company without his consent. After some time he was again asked to send cheque of Rs. 62000/ followed by a cheque of Rs. 300000/ for receiving all above payments and to pay additional tax against which a third policy no 01264161 was sent to the claimant on 16/07/2015. Thereafter, they all disappeared. The company denied the allegation and stated that the present complaint filed by the complainant was not maintainable as all the policies were issued after conducting pre verification call so that the policy holder could understand the key features of the policy without ambiguity and he had expressed no concern about the policies till 30.7.2016, which was beyond free look period. The Insurance Company had sent a mail dated 11/10/2017 stating that they had decided to cancel all the three policies of the captioned complaint and refund premium to respective policy holders. They also requested the ombudsman to close the complaint. Since the complaint filed by the complainant has already been settled, no action is required by this forum.

**25. CASE OF MR. ANUJ KUMAR V/S PNB METLIFE INS. CO. LTD.**

**(AWARD DATED: 09.10.2017)**

This is a complaint filed by Shri Anuj Kumar against the decision of PNB Met life Insurance Company relating to mis-selling of insurance policy by the agent of PNB Met Life Insurance Company. The complainant stated that he had purchased a policy number 21809624 from the agent of PNB Met Life Insurance Company and received it on 22.3.2016. When he read the policy conditions, he found that the features of the policy were entirely different from those explained by the agent of Insurance Company. The company stated that the complainant had applied for the

insurance policy on 10.2.2016 and it was delivered to the complainant on 22.3.2016. The policy was issued after conducting pre verification call and though the policy holder had understood the key features of the policy and had not flagged any grievance after issuance of the policy till 25.5.2017. As his request was within free look period and he also produced original postal receipt of the letter in support of his contention. Hence, the fact of mis-selling appears correct and the premium paid by the complainant is refundable. The Insurance Company is directed to refund the entire premium paid by the complainant without any deduction against full and final settlement of claim.

**CASE NO. CHD-L-032-1617-0590**

**Case of Gurdeep Singh Saluja V/s. Max Life Insurance Company Ltd.**

**Order Dated: - 06.12.2017**

**(Mis-selling)**

**Facts:-** On 14.06.2016, Mr. Gurdeep Singh Saluja had filed a complaint in this office against Max Life Insurance Company about a purchase of policy bearing number 312603251 in February, 2007 with annual premium of Rs.4999.77. He had deposited a sum of Rs.20, 0511- in four years on an assurance that he can withdraw money after three years with accrued Bonus. He was not informed of the terms and conditions of the policy and the agent had mis-sold policy by conveying him wrong benefits. Realizing that he had been cheated, he wrote to the Company for cancellation of the policy and refund of premium paid, but, did not receive any positive response.

**Findings: -** The policy was procured on the basis of details furnished in the signed proposal form containing total term, premium paying term, mode of payment and annual premiums. Although terms and conditions, benefit illustrations and the documents containing free look option were delivered to Shri Gurdeep Singh Saluja and a period of 15 days was granted for cancellation of policy and refund of premium but Shri Gurdeep Singh Saluja did not exercise the given option of free look period hence refund was not considered by the Company. On 10.05.2010 the policy was also reinstated with health declaration along with due premiums. Hence, there was no deficiency of service on the part of company and the policy had lapsed due to non-payment of renewal premiums.

**Decision: -** After going through the submissions made by both the parties, it was observed that there is no deficiency in service on the part of the Insurer is noticed. The policy holder had paid renewal premium for year 2008 and thereafter policy was in lapsed condition but in 10.05.2010 he had again reinstated this policy by depositing due premiums and accepting all term & conditions of the policy hence the allegation of mis-selling after 6 years is unwarranted.

In view of the documentary evidence submitted by the Insurance Company and inability of complainants to provide any evidence to disprove the same, the stand of the Insurance Company is vindicated and the complaint is dismissed.

**Case of Shri Pradeep Kumar V/S Aegon Life Insurance Co. Ltd.**

**COMPLAINT REF: NO: CHD-L-001-1617-0496**

**Order Dated:-06.12.2017**

**(Refund of premium)**

**Facts:-** On 16.06.2016, Shri Pradeep Kumar had filed a complaint in this office against Aegon Life Insurance Company about mis-selling of a policy bearing number 140514110102 for a premium of Rs. 70,000/= as a part of mis-sale of 31 policies worth Rs. 13 lakhs approximately over a span of 2 years. When he realized that he had been mis-represented, he requested the Companies to cancel his policies and refund the premium. However, he could obtain a refund from Reliance Life only. He did not get any reply from Aegon Life, hence, feeling aggrieved, he has approached this forum to seek justice.

**Findings:** The Insurer informed that the policy bearing number 140514110102 was purchased on 27.05.2014 through RDB Insurance Broker for a premium of Rs. 69,090/= to be paid for 10 years. The policy document was delivered on 12.06.2014 and the first complaint was received on 29.04.2016 i.e. almost two years after the purchase of the policy.

During the first hearing on 26.09.2017 the company's representative informed that Surrender value of Rs 26672/ had already been paid but the complainant denied receipt of any such payment.

When the insurer was asked to submit the payment details they informed that they had received the surrender request on 19.04.2016 and had prepared the cheque no 168010 on 27.04.2016 and same was dispatched through blue dart no 44352473060 but was received back undelivered. When the Insurer was asked to send the scanned copy of above cheque they informed that they cannot provide the same as it is against the company policy. The insurer had submitted the SCN on 18.07.2016 in which it is nowhere mentioned that surrender request from the complainant was ever received and that surrender value of Rs 26672/ had already been paid to the complainant. As a matter of fact, the insurer also informed that they had released the surrender payment without receipt of original policy bond lying with the complainant which is unusual and unbelievable and they were asked to submit the records for surrender payment in next hearing.

**Decision:** The insurer appeared on 06.12.2017 but failed to produce any documentary evidence with regard to the payment of surrender value or surrender request received from the complainant. They said that they were still looking into the matter and would revert shortly. The insurer had also not taken into account the paying capacity of the policyholder while issuing the policy. However, as the matter cannot be allowed to hang on for years at the whims of the Insurer who are not coming out with full and clear facts, an award is passed with the direction to the insurance company to cancel the policy bearing number 140514110102 since inception and refund the premium received therein without interest and without deduction of any charges.