

LIFE INSURANCE ---MATURITY CLAIM-- 1-10-2014 TO 31.3.2015

**Bhopal Ombudsman Centre
Claim**

Maturity

**Case No. LIC/38-23/05-12/IND
Shri Mohanlal Prajapati v/s**

Life Insurance Corporation of India

Award Dated : 24/11/2014

Facts: The complainant Shri Mohanlal Prajapati had taken a policy bearing No. 342019513 with date of commencement 28/08/1996 for sum assured Rs.25000/- with date of maturity as 28/08/2011. This policy was also revived on 16.02.2009 but maturity benefit was not given after deducting loan and interest accrued thereon and policy was wrongly foreclosed.

The respondent have stated in their SCN that the maturity claim could not be processed as the policy was wrongly foreclosed after deducting the loan and loan interest the maturity claim was paid to the complainant vide cheque No. 064103 dated 04/09/2014 of Axis Bank and that the cheque was dispatched to the complainant on 09/09/2014 by registered post. The respondent have further stated that the penal interest on delayed settlement of maturity claim shall be paid as per rules.

FINDINGS &

Since the maturity benefit of Rs. 12,500/- has been paid to complainant after deducting loan and interest through cheque no.064103 dated 04.09.2014 and the complainant has not shown any discrepancy in the amount paid except entitlement of penal interest. As per SCN and oral admission, the complainant should be paid penal interest as per rules.

Under the aforesaid facts & circumstances, I am, therefore of the view that the action of respondent for foreclosing the policy and not paying the maturity benefit after deduction of loan and interest to the complainant on the date of maturity i.e.28.08.2011 is not justified and is not sustainable and complainant is entitled for the relief of maturity benefit with interest as per rules as admitted in the SCN. Since the cheque for maturity benefit has already been issued in favour of complainant, so, only penal interest is due to be paid as per rules under the policy document

Hence, the respondent company is directed to pay the penal interest as per rules as admitted in the SCN as the maturity benefit had already been paid through cheque dated 04.09.2014 within 15 days from date of receipt of acceptance letter of the complainant failing which it will attract 9% simple interest from date of this order to the date of actual payment. In the result the complaint is allowed to the extent of above amount of penal interest only.

Award/Order : Award as above passed.

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BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-24-001-1805 Maturity Claim

Sri Dharmananda Nayak Vs L.I.C. Of India (Bhubaneswar D.O.)

Award dated 8th October, 2014

FACT:- Brief case of the complainant is that, in the year 1992 he took a life insurance policy bearing no. 580573782 from the OP for a S.A of Rs 25000/- by paying Rs 323/- towards 1st quarterly premium. After one or two deposits, as per the instruction of Agent and Branch Officials, he paid a lump sum of Rs 25000/- towards future premiums and obtained money receipt to that effect. On receipt of a letter from the OP, he submitted the policy bond and NEFT form , for getting the maturity claim due on 28.11.2012 of Rs 54250/-. But the OP asked him to produce the money receipt regarding deposit of Rs 25000/-. The Complainant could not produce the same as it was destroyed in previous Cyclone. In the result the OP did not pay the maturity amount to the complainant who made several correspondences , but in vain. Finding no alternative, he approached this forum.

- 1. The OP filed SCN stating that, on 28.11.1992 the complainant took the above Endowment policy on deposit of Rs 324/- towards first quarterly premium and did not pay any further premium. The single mode of payment of premium as alleged, is not available under this plan 14. So the claim of depositing a lump sum of Rs 25000/- towards single premium is false, frivolous and baseless. The OP makes it clear that, during various purification process some data of the policy master, has been wrongly entered inadvertently and this gives rise to mistakes in data relating to premium paying term, mode of payment, last due etc. However the OP emphasizes that the policy in question has lapsed and nothing is payable as maturity amount.**
- 2. At the time of hearing before this forum, the Complainant states that on advice of one of his co-villager he deposited Rs 25000/- in the LIC office Nimapara in the year 1993 and obtained a money receipt. Unfortunately the said receipt was lost in Cyclone. The policy matured in the year 2012 . After receipt of a letter from the LIC office, he made a claim for Rs 54200/-. But the OP did not**

process his claim as he failed to produce the money receipt regarding deposit of Rs 25000/-.

3. But the OP's representative reiterates the fact stated in SCN and adds that in the present case there is no history of payment of premium except the premium paid in November, 1992. He further states that, in the year 1992 when the present policy was issued, the official work was going on manually. Only in the year 1997-98 computer was employed in the official work. After introduction of computer, previous data were fed manually. Perhaps, at that time some mistakes crept in to. He says with force that the status report as produced by the complainant clearly shows the last accounted date is 30.11.1992 and there is no payment history of the policy.

AWARD:- After a careful scrutiny of the photo-copy of the relevant policy, the honorable ombudsman opines that admittedly, the complainant took the policy on payment of first premium. Now he comes to the forefront and says that in the year 1993 he made a lump sum payment of Rs 25000/- to the insurer on the instruction of his co-villager. Clearly the alleged payment is against the provisions made in the policy bond. If it is true, then the burden heavily lies upon him to show that he actually made such payment and then he has to produce the said receipt so as to substantiate his claim. In absence of the said money receipt the allegation of the complainant regarding payment of a sum of Rs 25000/-, which is beyond the provisions of the relevant policy bond, is not sustainable at all. Receipt of a letter from the insurance office regarding maturity of the policy does not in any way entitle the complainant to get the maturity amount.

4. I have carefully travelled through the relevant policy plan feature and the status report. As rightly pointed by the OP's representative the Endowment assurance Plan 14 does not include single mode of premium payment. The status report clearly reflects that the policy in question has no payment history and it further indicates that the last A/C date is 30.11.1992 i.e the date of payment of first quarterly premium. Of course it is true that there are some mistakes in the status report as regards premium paying term and mode which have been shown as 01 and SIN respectively. But this partially faulty status report cannot override the plan features and the policy bond. The complainant who has utterly failed to prove his case, cannot be allowed to take advantage of some minor mistakes which have crept in to the status report. Since he

has failed to substantiate his case regarding payment of a lump sum amount of Rs 25000/- to the insurer in the year 1993, his claim for getting the maturity amount under the policy, gets a grand rebuff. Hence the complaint, being devoid of any merit, is hereby dismissed.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-24-001-1870 Maturity Claim

Sri Lakshmi Narayan Das VS L.I.C. Of India Berhampur D.O.

Award dated 31st December, 2014

Fact:-Brief case of the complainant is that he took a money back policy from the OP under salary saving scheme for a sum assured of 30000/- which got matured on 22.02.2013. Though he was very sincere in payment of monthly premium regularly, the OP did not pay the Survival Benefits and Maturity claim under the policy in time.

The OP files SCN and additional SCN stating that as per the terms and condition of the said policy, OP paid 1st & 2nd survival benefit on 05.08.1997 & 25.01.2001 respectively. OP paid the 4th survival benefit due on completion of 15 years for Rs 5218/- after recovery of gap premiums of Rs 2282/-. Due to existence of huge gaps in premiums and non-compliance by the complainant, the 3rd survival benefit cheque was prepared in time but cancelled. However after regular follow up with different offices the policy was regularized and OP paid the 3rd survival benefit of Rs 7500/- along with interest @10.5% of Rs 6945/- on 10.01.2014. For payment of maturity claim of Rs 34710/- OP did not receive the required documents in time.

At the time of hearing, the complainant remains absent. The representative appears on behalf of the OP. states that, prior to maturity, the auto generated papers requesting submission of policy bond, discharge voucher and NEFT mandate were sent to the complainant. But the complainant did not comply the same. Again he was reminded on 06.08.2013 and forms were given by hand. In January, 2014 he complied the same and the maturity claim was paid to him on 07.01.2014.

Award:- On a minute scrutiny of the photocopy of policy bond it is found that the complainant was entitled to get first survival benefit of Rs 7500/- on 22.02.1997, 2nd survival benefit of Rs 7500/- on 22.02.2001, 3rd survival benefit of Rs 7500/- on

22.02.2005, 4th survival benefit of Rs 7500/- on 22.02.2008 and the total vested bonuses at the maturity i.e. on 22.02.2013. Apparently, the OP has paid 1st survival benefit on 05.08.1997, 2nd survival benefit on 25.01.2001 and 4th survival benefit on 22.02.2008 for Rs 5218/- after deducting unpaid premium of Rs 2282/-. For the 3rd survival benefit, though cheque was prepared but was cancelled due to huge gaps in premium. As the policy was under salary saving scheme, premium was not up to date for a number reasons beyond the control of OP. However, OP updated the policy and paid the 3rd survival benefit amount on 10.01.2014 for Rs 7500/- along with interest of Rs 6945/- for the period from 22.02.2005 to 17.12.2013 deducting IT of Rs 695/- . The complainant was asked to furnish DV, policy bond and NEFT mandate form for payment of maturity claim. After due follow up the complainant submitted the same on 30.12.2013. OP has already paid the appropriate interest for delayed payment of 3rd survival benefit amount and as per Protection of Policy Holder's Interest Regulation, 2002 , OP has rightly settled the maturity claim of Rs 34710/- on 07.01.2014 within 30 days of receipt of all documents. So there is no question of delay in settlement of maturity claim. Hence the complaint being devoid of any merit is dismissed.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-24-001-1894 Maturity Claim

Sri Pratap Kishore Khamari VS L.I.C.Of India,Sambalpur D.O.

Award dated 8th January, 2015

Fact:-In brevity, the case of the complainant is that in the year 1987 and 1997 he took two policies bearing nos. 590151531 and 591186130 respectively from the OP under salary saving scheme. Earlier policy got matured on 20.03.2012. LIC of India informed him on 20.03.2012 about the existence of some gaps in premium under the policy. The complainant submitted gap details received from different DDOs along with the claim form to OP. But maturity claim was not paid. Similarly, in respect of later policy the complainant had to receive Survival benefits of Rs. 20000/- each in 2007 and 2012. But the same was not paid by OP. Finally, he approached this forum seeking payment of maturity amount and survival benefits along with interest.

The OP files SCN stating that the complainant was transferred to various places during his service carrier. But he never intimated it for transferring his policies to the servicing branch of LIC where the premiums were remitted. As a result, the policies were not up to date and gap occurred. However, OP after making follow up with various offices updated the policies and paid a sum of Rs 68535/- through NEFT on 08.08.2013 towards maturity claim . Similarly on 31.07.2013 it paid Rs 20000/- towards 2007 survival benefit due and Rs 14879/- towards 2012 survival benefit due after deduction of gap premium for Rs 5121/- . Further Rs 5121/- deducted towards gap premium, was refunded to him on 21.10.2013. OP reiterates that there are lapses on the part of the complainant so he is not entitled to penal interest as claimed.

At the time of hearing before this forum, the complainant remains absent. The representative appears on behalf of the OP.states that the delay in payment was chiefly for the lapses of the complainant and as such OP is not liable to pay interest in the present case.

Award:- I have elaborately gone through the photo-copies of the Letter of authorisation (OGSS) form A and the Addendum . In this Authorisation letter and in the Addendum the complainant undertakes responsibility for due remittance of premium and to keep the policy in force. Also he undertakes to inform the OP from time to time any change in his address for communication. In the light of this undertaking, let us now switch over to the particular facts and circumstances of the present case so as to reach a definite conclusion.. Here policy no. 590151531 got matured on 20.03.2012, but maturity claim was paid on 08.08.2013. In fact Clause 8 of the (Protection of Policy holder's Interest) Regulations, 2002 permits 30 days time to process the claim. The OP did not do so within the permissible time and took time till 08.08.2013 . To justify its action OP takes the plea of gap in premium. But to my utter surprise no definite material has been placed in substantiating its plea. Rather it avers in the SCN that the policy could be updated after making follow up with offices. If it is so, then I do not understand why it was not done within the permissible time of 30 days. No explanation to that effect is available. Since the OP has utterly failed to put forth any material in black and white showing the gap, it cannot be said that there is any lapses on the part of the complainant who has shouldered the responsibility of due remittance of premia and timely communication of his changed address. Thus the complainant's undertakings as available in the Authorisation letter and the Addendum do not come to the rescue of the OP. Obviously the OP

is liable to pay interest on the maturity amount for the period beginning from 20.04.2012 till 07.08.2013. Similarly, in respect of other policy the 2nd survival benefit was payable on 10.11.2007 and the 3rd one on 10.11.2012. But both the survival benefits were actually paid on 31.07.2013 under the pretext of gap in premium. In absence of any definite material the plea of the OP cannot be countenanced. The OP is held liable to pay appropriate interest on the amount of 2nd survival benefit from 10.12.2007 to 30.07.2013 and on 3rd survival benefit from 10.12.2012 to 30.07.2013. If actually, the claimed maturity amount and the due survival benefits have been paid to the complainant, then the OP is to pay appropriate interest for the period as discussed above .Hence the complaint is allowed. The OP is hereby directed to settle the claim of the complainant in the manner as indicated above without further delay.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-24-001-1902 Maturity Claim

Sri Gobardhan Prasad Dalai VS L.I.C.Of India,Cuttack D.O.

Award dated 7th January, 2015

Fact:-The complaint in brief is that in the year 1992 the complainant took a policy bearing no. 581027016 from the OP for a sum assured of 50000/- under salary saving scheme. The policy got matured on 16.03.2012. Even after maturity of the policy, monthly premium @ Rs 255/- was deducted from salary for March,2012 to January,2013 and collected by LIC office. He wrote to the OP but did not get any result. Finally he approached this forum.

The OP files SCN stating that the policy got matured on 16.03.2012. On 16.12.2011, well before the maturity, it had sent maturity intimation and discharge voucher to the complainant followed by reminders for submission to process the claim. But the complainant did not submit the same. On 24.03.2012 OP kept prepared a cheque no. 027218 dated 28.03.2012 for Rs 110640/- favouring the complainant towards maturity claim . OP reiterates that the maturity claim would be paid to the complainant on receipt of the required documents.

Award:- I have elaborately gone through the photocopy of the relevant policy bond which is readily available in the file. From the face of the policy document it is quite

apparent that the OP promises to pay the sum assured to the holder of the policy or to his nominee on proof to its satisfaction of the title of the said policy holder or his nominee claiming payment. This being the agreed term entered into by the Insured and the Insurer, they are bound by it.

The policy in question got matured on 16.03.2012. Although the OP fails to show any evidence regarding service of notice on the complainant requiring original policy bond, DV etc., the later openly admits that he received letter dated 04.03.2013 of the OP in that light. In spite of that the complainant did not comply. He remained callous only because he had lodged the present complaint. The reason shown does not appear to be sound. I do not understand how lodging of a complaint prevented the complainant from complying the request of the insurer. In the mean while almost two long years have elapsed. Had the complainant responded to the request letter dated 04.03.2013, he would have got the maturity value about two years back. However, the complainant has to submit the desired papers without any further delay. On submission of the same the OP has to process the claim and pay the maturity value to him.

Next Point relates to complainant's claim of interest. In an insurance contract the parties have to perform their respective part and the defaulting party is to face penal action as provided in the connected contract. Since the complainant is the policy holder, presumably he is aware of the date of maturity. Record lacks any definite material to the effect that on or after the date of maturity the complainant approached OP with adequate proof regarding his title. Had he done so, then he would have been entitled to get appropriate interest on the maturity amount, in case the OP had failed to process the said claim within 30 days as permissible under the provisions of Protection of Policy Holder's Interest Regulations, 2002. Peculiarly enough, in the present case the complainant has failed to produce appropriate proof regarding his title to the satisfaction of OP as yet, even in spite of receipt of request letter dated 04.03.2013 on that score. In the circumstances, he is not entitled to get any interest on maturity amount for his lapses.

As regards the claim for excess premium it is the admitted position that premia @ 255/- per month has been deducted from complainant's salary for March,2012 to January,2013.

When this inadvertence came to the knowledge of OP, it refunded the excess amount through a cheque. But the

complainant did not accept it and refunded back. It is not intelligible as to why he refunded back the amount. Since the complainant is entitled to get back the excess premium deducted from his salary, the OP has to pay the same. Hence the OP is hereby directed to settle the claim of the complainant in the manner as indicated above.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1314-2087 Maturity Claim

Sri Sudhir Kumar Ray VS LIC of India, Cuttack DO

Award dated 20th March, 2015

Fact:- Brief case of the complainant is that he took a policy bearing no. 531100508 from the OP and it got matured on 31.12.2007. The Insurer did not pay the maturity claim of the policy under the pretext that the very policy was not of him. The complainant reiterated that the entire premium had been deducted from his salary and deposited in Angul Branch of OP under the same policy number. It is also informed that the policy was assigned to LIC HFL against a loan and it was sent to Angul Branch by LIC HFL for registration but became untraceable. Initially the complainant gave a wrong policy number in his complaint, but subsequently he rectified it. However he approached this forum when he did not get his maturity claim. The OP files SCN stating that the policy master of the policy number 581100508 shows that it is in the name of Sri M.N.Moorthy, Executive Engineer, Gridco having different status. OP was not in a position to ascertain who is the correct policy holder under the policy 581100508 . However after thorough search it was located that the policy no. 581100508 belongs to S.K.Ray , the present complainant , of course the premium was received @ Rs 135/- per month which was less by Rs 2/-. OP reiterates that it has to effect necessary changes in the policy master ,then premiums will be adjusted and maturity claim will be paid to LIC HFL as the policy has been assigned in its favour.

Award:- At the time of hearing before this forum, the complainant physically appears and states that the policy got matured on 28.12.2007. In fact on 23.04.2004 the policy was assigned in favour of LIC HFL, Bhubaneswar for aviling housing loan. In the mean while the housing loan and interest has been

repaid. When he wrote to OP for payment of maturity it became callous. He reiterates that he is entitled to get the maturity claim. Sri Debajyoti Das, Admn. Officer appears on behalf of OP. According to him, on verification of record it was found that due to inadvertence or otherwise the policy of the complainant merged with policy of M.N.Moorty . However, the OP is ready and willing to pay the maturity amount shortly.The entire controversy arose due to mingling of the complainant `s policy with the policy of Sri M.N.Moorty in the policy master. This fact has also been openly admitted by the representative of OP who reveals in clear term that the OP is ready and willing to effect necessary changes and pay the maturity amount. But we cannot overlook the assignment of the policy in favour of LIC HFL. The complainant reiterates that he has in the mean while repaid the housing loan. If it is true then he can obtain necessary document from LIC HFL and produce it before the OP enabling it to disburse the maturity amount to him . On failure to do so, the maturity amount would be paid to LIC HFL in whose favour the complainant assigned the policy in the past. Hence the OP is hereby directed to settle the claim of the complainant without least delay.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-041-1314-2067 Maturity Claim

Dr Baijayantimala Mohanty VS SBI Life Ins. Co. Ltd.

Award dated 30th March, 2015

Fact:- The case of the complainant in a nut-shell is that she took two numbers of policies from the OP which got matured on 10.05.2012. As she did not receive any communication from OP regarding payment of maturity amount against both the policies even after the date of maturity, she wrote to OP to extend one more year from the date of maturity of the policies or pay her the maturity value under both the policies along with interest of 5 months and 7 days which was regretted by OP on the ground that refund of maturity amount was not permissible after the vesting date. So she approached this forum for redressal. The OP files SCN stating that as per terms and conditions of said policies, at Maturity "where the life assured attains the vesting age, he/she will have the option to commute up to one third of the maturity benefit and purchase an annuity with the remaining

two third of the maturity benefit and the maturity value is equal to the fund value, based on the NAV prevailing on the vesting date. OP sent letters dated 24.04.2012 to the complainant through speed post AWB No. EM2056120531IN and EM2056120671IN on 27.04.2012 requesting to choose the type of annuity she preferred to opt. Reminders were also issued to her but the company did not receive the Annuity option sheet or other mandatory documents. The OP received the first complaint under both the policies on 27.10.2012 alleging that she had not received any information before the maturity date i.e. 10.05.2012 of the policies from the OP and requesting to pay the full maturity value with interest or to allow the matured amount to be invested in any other beneficial policies. OP intimated that the terms and conditions of the policies taken by the complainant, did not allow full withdrawal of the amount.

Award :-On a minute scrutiny of Photo-copies of both the policy schedule it is found that at maturity where the life assured attains the vesting age he/she will have the option to commute up to one- third of the maturity benefit and purchase an annuity with the remaining two- third of the maturity benefit in accordance with prevalent tax laws. The annuity may be purchased either from the company (depending on the annuity products then available with the company) or from any other annuity provider. However as per Clause 10 of policy condition, the policy will acquire a surrender value provided that at least one entire policy years' premiums have been paid. The surrender value at any time when premiums have been paid regularly for at least three consecutive years following the date of commencement and when premiums have not been paid regularly for 3 consecutive years following the date of commencement of policy the surrender value will be payable at the end of the third year following the date of commencement of policy. The complainant did not apply for surrender of the policy before the vesting. So it is quite apparent that the complainant is not entitled to get surrender value or maturity proceeds as she failed to apply before vesting. Furthermore her desire to invest the maturity value in other beneficial plan is not supported by the terms and conditions of the value.

It may here be noted that the policy conditions do not impose any responsibility on OP to serve notice on the other side before maturity/vesting, as contended by the complainant. Since the complainant is a party to the insurance contract, she is presumed to be well aware about its terms and conditions. So she has to act according to the same. Her plea that for want of prior intimation

from the insurer regarding the maturity/vesting date she could not give option cannot be bolstered. Hence the complaint being devoid of any merit is hereby dismissed.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1314-2122 Maturity Claim

Sri Jaya Krushna Pradhan VS L.I.C Of India Berhampur D.O

Award dated 30th March, 2015

Fact:- In brevity, the case of the complainant is that his policy under salary saving scheme got matured on 28.09.2009. OP settled the maturity claim on the policy on 07.12.2013 . Before settlement of maturity claim though the OP had informed him to pay interest as per their letter dated 17.08.2013 , it did not pay the same for late settlement. So he approached this forum for redressal of his grievance.

The OP files SCN stating that as per Insurance ombudsman Order OIO/BBSR/24-001-1709 dated 20.09.2013 the complainant furnished the deduction particulars for the wanting period on 08.10.2013 and maturity claim was settled on 04.12.2013 along with payment of interest of Rs 1912/- for the period from 09.10.2013 to 04.12.2013. OP reiterates that for a policy under SSS the policy holder is having responsibility to update his premium in the policy . But the Complainant failed to perform his obligation in keeping the policy upto date. So he is not entitled to interest from 28.09.2009 to 08.10.2013.

Award :- As per OP, for want of deduction particulars for the period from 07/2006 to 12/2007 the maturity claim could not be settled. Only on 17.08.2013 it wrote a letter to the complainant requiring deduction particulars which were furnished on 08.10.2013. Then the OP processed the claim and paid it on 04.12.2013 along with interest from 09.10.2013 to 04.12.2013. I do not understand what for the insurer was sitting idle from the date of maturity till 17.08.2013, if actually there were gaps in premium and it did not like to intimate it to the policy holder requesting compliance. Had it called for the required particulars from the complainant soon after the date of maturity, then the position would have been different. The negligence could have been attributed to him in case of non-compliance. No plausible

explanation to that effect is forthcoming. For this callousness of the OP the maturity amount of the complainant remained unnecessarily with it from 28.09.2009 till 16.08.2013, during which period the amount must have fetched adequate interest. After submission of deduction particulars by the complainant on 08.10.2013 the OP had 30 days time till 07.11.2013 to process the claim. But the claim was settled belatedly on 04.12.2013. Obviously OP is liable to pay interest from 08.11.2013 till 04.12.2013. In view of the peculiar facts and circumstances of the case the complainant is entitled to get appropriate interest from the OP on the maturity amount from 28.09.2009 to 16.08.2013 and from 09.11.2013 to 04.12.2013. Hence the complaint is allowed to the extent as indicated above. The OP is hereby directed to settle the claim accordingly.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-24-001-1805 Maturity Claim

Sri Dharmananda Nayak Vs L.I.C. Of India (Bhubaneswar D.O.)

Award dated 8th October, 2014

FACT:- Brief case of the complainant is that, in the year 1992 he took a life insurance policy bearing no. 580573782 from the OP for a S.A of Rs 25000/- by paying Rs 323/- towards 1st quarterly premium. After one or two deposits, as per the instruction of Agent and Branch Officials, he paid a lump sum of Rs 25000/- towards future premiums and obtained money receipt to that effect. On receipt of a letter from the OP, he submitted the policy bond and NEFT form, for getting the maturity claim due on 28.11.2012 of Rs 54250/-. But the OP asked him to produce the money receipt regarding deposit of Rs 25000/-. The Complainant could not produce the same as it was destroyed in previous Cyclone. In the result the OP did not pay the maturity amount to the complainant who made several correspondences, but in vain. Finding no alternative, he approached this forum.

- 1. The OP filed SCN stating that, on 28.11.1992 the complainant took the above Endowment policy on deposit of Rs 324/- towards first quarterly premium and did not pay any further premium. The single mode of payment of premium as alleged,**

is not available under this plan 14. So the claim of depositing a lump sum of Rs 25000/- towards single premium is false, frivolous and baseless. The OP makes it clear that, during various purification process some data of the policy master, has been wrongly entered inadvertently and this gives rise to mistakes in data relating to premium paying term, mode of payment, last due etc. However the OP emphasizes that the policy in question has lapsed and nothing is payable as maturity amount.

2. At the time of hearing before this forum, the Complainant states that on advice of one of his co-villager he deposited Rs 25000/- in the LIC office Nimapara in the year 1993 and obtained a money receipt. Unfortunately the said receipt was lost in Cyclone. The policy matured in the year 2012 . After receipt of a letter from the LIC office, he made a claim for Rs 54200/-. But the OP did not process his claim as he failed to produce the money receipt regarding deposit of Rs 25000/-.

3. But the OP's representative reiterates the fact stated in SCN and adds that in the present case there is no history of payment of premium except the premium paid in November,1992. He further states that , in the year 1992 when the present policy was issued, the official work was going on manually. Only in the year 1997-98 computer was employed in the official work. After introduction of computer, previous data were fed manually. Perhaps, at that time some mistakes crept in to. He says with force that the status report as produced by the complainant clearly shows the last accounted date is 30.11.1992 and there is no payment history of the policy.

AWARD:- After a careful scrutiny of the photo-copy of the relevant policy ,the honorable ombudsman opines that admittedly, the complainant took the policy on payment of first premium. Now he comes to the forefront and says that in the year 1993 he made a lump sum payment of Rs 25000/- to the insurer on the instruction of his co-villager. Clearly the alleged payment is against the provisions made in the policy bond. If it is true, then the burden heavily lies upon him to show that he actually made such payment and then he has to produce the said receipt so as to substantiate his claim. In absence of the said money receipt the allegation of the complainant regarding payment of a sum of Rs 25000/- , which is beyond the provisions of the relevant policy bond , is not sustainable at all. Receipt of a letter from the insurance office regarding maturity

of the policy does not in any way entitle the complainant to get the maturity amount.

4. I have carefully travelled through the relevant policy plan feature and the status report. As rightly pointed by the OP's representative the Endowment assurance Plan 14 does not include single mode of premium payment. The status report clearly reflects that the policy in question has no payment history and it further indicates that the last A/C date is 30.11.1992 i.e the date of payment of first quarterly premium. Of course it is true that there are some mistakes in the status report as regards premium paying term and mode which have been shown as 01 and SIN respectively. But this partially faulty status report cannot override the plan features and the policy bond. The complainant who has utterly failed to prove his case, cannot be allowed to take advantage of some minor mistakes which have crept in to the status report. Since he has failed to substantiate his case regarding payment of a lump sum amount of Rs 25000/- to the insurer in the year 1993, his claim for getting the maturity amount under the policy, gets a grand rebuff. Hence the complaint, being devoid of any merit, is hereby dismissed.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-24-001-1870 Maturity Claim

Sri Lakshmi Narayan Das VS L.I.C. Of India Berhampur D.O.

Award dated 31st December, 2014

Fact:-Brief case of the complainant is that he took a money back policy from the OP under salary saving scheme for a sum assured of 30000/- which got matured on 22.02.2013. Though he was very sincere in payment of monthly premium regularly, the OP did not pay the Survival Benefits and Maturity claim under the policy in time.

The OP files SCN and additional SCN stating that as per the terms and condition of the said policy, OP paid 1st & 2nd survival benefit on 05.08.1997 & 25.01.2001 respectively. OP paid the 4th survival benefit due on completion of 15 years for Rs 5218/- after recovery of gap premiums of Rs 2282/-. Due to existence of huge gaps in premiums and non-compliance by the complainant, the 3rd survival benefit cheque was prepared

in time but cancelled. However after regular follow up with different offices the policy was regularized and OP paid the 3rd survival benefit of Rs 7500/- along with interest @10.5% of Rs 6945/- on 10.01.2014. For payment of maturity claim of Rs 34710/- OP did not receive the required documents in time.

At the time of hearing, the complainant remains absent. The representative appears on behalf of the OP. states that, prior to maturity, the auto generated papers requesting submission of policy bond, discharge voucher and NEFT mandate were sent to the complainant. But the complainant did not comply the same. Again he was reminded on 06.08.2013 and forms were given by hand. In January, 2014 he complied the same and the maturity claim was paid to him on 07.01.2014.

Award:- On a minute scrutiny of the photocopy of policy bond it is found that the complainant was entitled to get first survival benefit of Rs 7500/- on 22.02.1997, 2nd survival benefit of Rs 7500/- on 22.02.2001, 3rd survival benefit of Rs 7500/- on 22.02.2005, 4th survival benefit of Rs 7500/- on 22.02.2008 and the total vested bonuses at the maturity i.e. on 22.02.2013. Apparently, the OP has paid 1st survival benefit on 05.08.1997, 2nd survival benefit on 25.01.2001 and 4th survival benefit on 22.02.2008 for Rs 5218/- after deducting unpaid premium of Rs 2282/-. For the 3rd survival benefit, though cheque was prepared but was cancelled due to huge gaps in premium. As the policy was under salary saving scheme, premium was not up to date for a number reasons beyond the control of OP. However, OP updated the policy and paid the 3rd survival benefit amount on 10.01.2014 for Rs 7500/- along with interest of Rs 6945/- for the period from 22.02.2005 to 17.12.2013 deducting IT of Rs 695/- . The complainant was asked to furnish DV, policy bond and NEFT mandate form for payment of maturity claim. After due follow up the complainant submitted the same on 30.12.2013. OP has already paid the appropriate interest for delayed payment of 3rd survival benefit amount and as per Protection of Policy Holder's Interest Regulation,2002 , OP has rightly settled the maturity claim of Rs 34710/-on 07.01.2014 within 30 days of receipt of all documents. So there is no question of delay in settlement of maturity claim. Hence the complaint being devoid of any merit is dismissed.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-24-001-1894 Maturity Claim

Sri Pratap Kishore Khamari VS L.I.C.Of India,Sambalpur D.O.

Award dated 8th January, 2015

Fact:-In brevity, the case of the complainant is that in the year 1987 and 1997 he took two policies bearing nos. 590151531 and 591186130 respectively from the OP under salary saving scheme. Earlier policy got matured on 20.03.2012. LIC of India informed him on 20.03.2012 about the existence of some gaps in premium under the policy. The complainant submitted gap details received from different DDOs along with the claim form to OP. But maturity claim was not paid. Similarly, in respect of later policy the complainant had to receive Survival benefits of Rs. 20000/- each in 2007 and 2012. But the same was not paid by OP. Finally, he approached this forum seeking payment of maturity amount and survival benefits along with interest.

The OP files SCN stating that the complainant was transferred to various places during his service carrier. But he never intimated it for transferring his policies to the servicing branch of LIC where the premiums were remitted. As a result, the policies were not up to date and gap occurred. However, OP after making follow up with various offices updated the policies and paid a sum of Rs 68535/- through NEFT on 08.08.2013 towards maturity claim . Similarly on 31.07.2013 it paid Rs 20000/- towards 2007 survival benefit due and Rs 14879/- towards 2012 survival benefit due after deduction of gap premium for Rs 5121/- . Further Rs 5121/- deducted towards gap premium, was refunded to him on 21.10.2013. OP reiterates that there are lapses on the part of the complainant so he is not entitled to penal interest as claimed.

At the time of hearing before this forum, the complainant remains absent. The representative appears on behalf of the OP.states that the delay in payment was chiefly for the lapses of the complainant and as such OP is not liable to pay interest in the present case.

Award:- I have elaborately gone through the photo-copies of the Letter of uthorisation (OGSS) form A and the Addendum . In this Authorisation letter and in the Addendum the complainant undertakes responsibility for due remittance of premium and to keep the policy in force. Also he undertakes to inform the OP from time to time any change in his address for communication. In the

light of this undertaking, let us now switch over to the particular facts and circumstances of the present case so as to reach a definite conclusion.. Here policy no. 590151531 got matured on 20.03.2012, but maturity claim was paid on 08.08.2013. In fact Clause 8 of the (Protection of Policy holder's Interest) Regulations, 2002 permits 30 days time to process the claim. The OP did not do so within the permissible time and took time till 08.08.2013 . To justify its action OP takes the plea of gap in premium. But to my utter surprise no definite material has been placed in substantiating its plea. Rather it avers in the SCN that the policy could be updated after making follow up with offices. If it is so, then I do not understand why it was not done within the permissible time of 30 days. No explanation to that effect is available. Since the OP has utterly failed to put forth any material in black and white showing the gap, it cannot be said that there is any lapses on the part of the complainant who has shouldered the responsibility of due remittance of premia and timely communication of his changed address. Thus the complainant's undertakings as available in the Authorisation letter and the Addendum do not come to the rescue of the OP. Obviously the OP is liable to pay interest on the maturity amount for the period beginning from 20.04.2012 till 07.08.2013. Similarly, in respect of other policy the 2nd survival benefit was payable on 10.11.2007 and the 3rd one on 10.11.2012. But both the survival benefits were actually paid on 31.07.2013 under the pretext of gap in premium. In absence of any definite material the plea of the OP cannot be countenanced. The OP is held liable to pay appropriate interest on the amount of 2nd survival benefit from 10.12.2007 to 30.07.2013 and on 3rd survival benefit from 10.12.2012 to 30.07.2013. If actually, the claimed maturity amount and the due survival benefits have been paid to the complainant, then the OP is to pay appropriate interest for the period as discussed above .Hence the complaint is allowed. The OP is hereby directed to settle the claim of the complainant in the manner as indicated above without further delay.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-24-001-1902 Maturity Claim

Sri Gobardhan Prasad Dalai VS L.I.C.Of India,Cuttack D.O.

Award dated 7th January, 2015

Fact:-The complaint in brief is that in the year 1992 the complainant took a policy bearing no. 581027016 from the OP for a sum assured of 50000/- under salary saving scheme. The policy got matured on 16.03.2012. Even after maturity of the policy, monthly premium @ Rs 255/- was deducted from salary for March,2012 to January,2013 and collected by LIC office. He wrote to the OP but did not get any result. Finally he approached this forum.

The OP files SCN stating that the policy got matured on 16.03.2012. On 16.12.2011, well before the maturity, it had sent maturity intimation and discharge voucher to the complainant followed by reminders for submission to process the claim. But the complainant did not submit the same. On 24.03.2012 OP kept prepared a cheque no. 027218 dated 28.03.2012 for Rs 110640/- favouring the complainant towards maturity claim . OP reiterates that the maturity claim would be paid to the complainant on receipt of the required documents.

Award:- I have elaborately gone through the photocopy of the relevant policy bond which is readily available in the file. From the face of the policy document it is quite apparent that the OP promises to pay the sum assured to the holder of the policy or to his nominee on proof to its satisfaction of the title of the said policy holder or his nominee claiming payment. This being the agreed term entered into by the Insured and the Insurer, they are bound by it.

The policy in question got matured on 16.03.2012. Although the OP fails to show any evidence regarding service of notice on the complainant requiring original policy bond, DV etc., the later openly admits that he received letter dated 04.03.2013 of the OP in that light. In spite of that the complainant did not comply. He remained callous only because he had lodged the present complaint. The reason shown does not appear to be sound. I do not understand how lodging of a complaint prevented the complainant from complying the request of the insurer. In the mean while almost two long years have elapsed.

Had the complainant responded to the request letter dated 04.03.2013, he would have got the maturity value about two years back. However, the complainant has to submit the desired papers without any further delay. On submission of the same the OP has to process the claim and pay the maturity value to him.

Next Point relates to complainant's claim of interest. In an insurance contract the parties have to perform their respective part and the defaulting party is to face penal action as provided in the connected contract. Since the complainant is the policy holder, presumably he is aware of the date of maturity. Record lacks any definite material to the effect that on or after the date of maturity the complainant approached OP with adequate proof regarding his title. Had he done so, then he would have been entitled to get appropriate interest on the maturity amount, in case the OP had failed to process the said claim within 30 days as permissible under the provisions of Protection of Policy Holder's Interest Regulations, 2002. Peculiarly enough, in the present case the complainant has failed to produce appropriate proof regarding his title to the satisfaction of OP as yet, even in spite of receipt of request letter dated 04.03.2013 on that score. In the circumstances, he is not entitled to get any interest on maturity amount for his lapses.

As regards the claim for excess premium it is the admitted position that premia @ 255/- per month has been deducted from complainant's salary for March,2012 to January,2013.

When this inadvertence came to the knowledge of OP, it refunded the excess amount through a cheque. But the complainant did not accept it and refunded back. It is not intelligible as to why he refunded back the amount. Since the complainant is entitled to get back the excess premium deducted from his salary, the OP has to pay the same. Hence the OP is hereby directed to settle the claim of the complainant in the manner as indicated above.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1314-2087 Maturity Claim

Sri Sudhir Kumar Ray VS LIC of India, Cuttack DO

Award dated 20th March, 2015

Fact:- Brief case of the complainant is that he took a policy bearing no. 531100508 from the OP and it got matured on 31.12.2007. The Insurer did not pay the maturity claim of the policy under the pretext that the very policy was not of him. The complainant reiterated that the entire premium had been deducted from his salary and deposited in Angul Branch of OP under the same policy number. It is also informed that the policy was assigned to LIC HFL against a loan and it was sent to Angul Branch by LIC HFL for registration but became untraceable. Initially the complainant gave a wrong policy number in his complaint, but subsequently he rectified it. However he approached this forum when he did not get his maturity claim. The OP files SCN stating that the policy master of the policy number 581100508 shows that it is in the name of Sri M.N.Moorthy, Executive Engineer, Gridco having different status. OP was not in a position to ascertain who is the correct policy holder under the policy 581100508 . However after thorough search it was located that the policy no. 581100508 belongs to S.K.Ray , the present complainant , of course the premium was received @ Rs 135/- per month which was less by Rs 2/-. OP reiterates that it has to effect necessary changes in the policy master ,then premiums will be adjusted and maturity claim will be paid to LIC HFL as the policy has been assigned in its favour.

Award:- At the time of hearing before this forum, the complainant physically appears and states that the policy got matured on 28.12.2007. In fact on 23.04.2004 the policy was assigned in favour of LIC HFL, Bhubaneswar for aviling housing loan. In the mean while the housing loan and interest has been repaid. When he wrote to OP for payment of maturity it became callous. He reiterates that he is entitled to get the maturity claim. Sri Debajyoti Das, Admn. Officer appears on behalf of OP. According to him, on verification of record it was found that due to inadvertence or otherwise the policy of the complainant merged with policy of M.N.Moorthy . However, the OP is ready and willing to pay the maturity amount shortly.The entire controversy arose due to mingling of the complainant `s policy with the policy of Sri M.N.Moorthy in the policy master. This fact has also been

openly admitted by the representative of OP who reveals in clear term that the OP is ready and willing to effect necessary changes and pay the maturity amount. But we cannot overlook the assignment of the policy in favour of LIC HFL. The complainant reiterates that he has in the mean while repaid the housing loan. If it is true then he can obtain necessary document from LIC HFL and produce it before the OP enabling it to disburse the maturity amount to him . On failure to do so, the maturity amount would be paid to LIC HFL in whose favour the complainant assigned the policy in the past. Hence the OP is hereby directed to settle the claim of the complainant without least delay.

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BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-041-1314-2067 Maturity Claim

Dr Baijayantimala Mohanty VS SBI Life Ins. Co. Ltd.

Award dated 30th March, 2015

Fact:- The case of the complainant in a nut-shell is that she took two numbers of policies from the OP which got matured on 10.05.2012. As she did not receive any communication from OP regarding payment of maturity amount against both the policies even after the date of maturity, she wrote to OP to extend one more year from the date of maturity of the policies or pay her the maturity value under both the policies along with interest of 5 months and 7 days which was regretted by OP on the ground that refund of maturity amount was not permissible after the vesting date. So she approached this forum for redressal.

The OP files SCN stating that as per terms and conditions of said policies, at Maturity "where the life assured attains the vesting age, he/she will have the option to commute up to one third of the maturity benefit and purchase an annuity with the remaining two third of the maturity benefit and the maturity value is equal to the fund value, based on the NAV prevailing on the vesting date. OP sent letters dated 24.04.2012 to the complainant through speed post AWB No. EM2056120531IN and EM205612067IN on 27.04.2012 requesting to choose the type of annuity she preferred to opt. Reminders were also issued to her but the company did not receive the Annuity option sheet or other mandatory documents. The OP received the first complaint under both the policies on 27.10.2012 alleging that she had not received any information before the maturity date i.e. 10.05.2012

of the policies from the OP and requesting to pay the full maturity value with interest or to allow the matured amount to be invested in any other beneficial policies. OP intimated that the terms and conditions of the policies taken by the complainant, did not allow full withdrawal of the amount.

Award :-On a minute scrutiny of Photo-copies of both the policy schedule it is found that at maturity where the life assured attains the vesting age he/she will have the option to commute up to one- third of the maturity benefit and purchase an annuity with the remaining two- third of the maturity benefit in accordance with prevalent tax laws. The annuity may be purchased either from the company (depending on the annuity products then available with the company) or from any other annuity provider. However as per Clause 10 of policy condition, the policy will acquire a surrender value provided that at least one entire policy years' premiums have been paid. The surrender value at any time when premiums have been paid regularly for at least three consecutive years following the date of commencement and when premiums have not been paid regularly for 3 consecutive years following the date of commencement of policy the surrender value will be payable at the end of the third year following the date of commencement of policy. The complainant did not apply for surrender of the policy before the vesting. So it is quite apparent that the complainant is not entitled to get surrender value or maturity proceeds as she failed to apply before vesting. Furthermore her desire to invest the maturity value in other beneficial plan is not supported by the terms and conditions of the value.

It may here be noted that the policy conditions do not impose any responsibility on OP to serve notice on the other side before maturity/vesting, as contended by the complainant. Since the complainant is a party to the insurance contract, she is presumed to be well aware about its terms and conditions. So she has to act according to the same. Her plea that for want of prior intimation from the insurer regarding the maturity/vesting date she could not give option cannot be bolstered. Hence the complaint being devoid of any merit is hereby dismissed.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1314-2122 Maturity Claim

Sri Jaya Krushna Pradhan VS L.I.C Of India Berhampur D.O

Award dated 30th March, 2015

Fact:- In brevity, the case of the complainant is that his policy under salary saving scheme got matured on 28.09.2009. OP settled the maturity claim on the policy on 07.12.2013 . Before settlement of maturity claim though the OP had informed him to pay interest as per their letter dated 17.08.2013 , it did not pay the same for late settlement. So he approached this forum for redressal of his grievance.

The OP files SCN stating that as per Insurance ombudsman Order OIO/BBSR/24-001-1709 dated 20.09.2013 the complainant furnished the deduction particulars for the wanting period on 08.10.2013 and maturity claim was settled on 04.12.2013 along with payment of interest of Rs 1912/- for the period from 09.10.2013 to 04.12.2013. OP reiterates that for a policy under SSS the policy holder is having responsibility to update his premium in the policy . But the Complainant failed to perform his obligation in keeping the policy upto date. So he is not entitled to interest from 28.09.2009 to 08.10.2013.

Award :- As per OP, for want of deduction particulars for the period from 07/2006 to 12/2007 the maturity claim could not be settled. Only on 17.08.2013 it wrote a letter to the complainant requiring deduction particulars which were furnished on 08.10.2013. Then the OP processed the claim and paid it on 04.12.2013 along with interest from 09.10.2013 to 04.12.2013. I do not understand what for the insurer was sitting idle from the date of maturity till 17.08.2013, if actually there were gaps in premium and it did not like to intimate it to the policy holder requesting compliance. Had it called for the required particulars from the complainant soon after the date of maturity, then the position would have been different. The negligence could have been attributed to him in case of non-compliance. No plausible explanation to that effect is forthcoming. For this callousness of the OP the maturity amount of the complainant remained unnecessarily with it from 28.09.2009 till 16.08.2013, during which period the amount must have fetched adequate interest. After submission of deduction particulars by the complainant on 08.10.2013 the OP had 30 days time till 07.11.2013 to process the claim. But the claim was settled belatedly on 04.12.2013.

Obviously OP is liable to pay interest from 08.11.2013 till 04.12.2013. In view of the peculiar facts and circumstances of the case the complainant is entitled to get appropriate interest from the OP on the maturity amount from 28.09.2009 to 16.08.2013 and from 09.11.2013 to 04.12.2013. Hence the complaint is allowed to the extent as indicated above. The OP is hereby directed to settle the claim accordingly.

DELHI

Case No.LI/PNB Met/383/14
In the matter of Smt. Veena Gupta
PNB Met Life Insurance Company Limited
DATE: 03.03.2015

1. Smt. Veena Gupta (herein after referred to as the complainant) had filed the complaint against the decision of PNB Met Life Insurance Company Limited (herein after referred to as respondent Insurance Company) relating to non-payment of maturity amount.
2. The complainant alleged that she paid Rs. 3.50 lacs as single premium plan for 5 years of term. She submitted that she was informed that she will be entitled to Net Asset Value as on the date of maturity of the policy i.e. 22/8/2014. She made a visit on that very date to the Insurance Company branch in Nehru Place Delhi and applied for surrender value which was denied by Insurance Company. After approaching Insurance Company, she approached this forum for release of Net Asset Value amounting to Rs. 5,17,366.00.
3. The Insurance Company reiterated its written submissions dated 6/1/2015. The plan opted and issued was pension plan. The complainant approached Insurance Company on the date of vesting. The policy could not be surrendered after vesting date, and therefore 1/3rd amount was paid and remaining 2/3rd was used at annuity as per terms and

conditions of the plan. The complainant approached Insurance Company on 29/09/2014 and alleged nonpayment of the full maturity amount and non disclosure of terms and conditions of the policy. Since the policy was issued on the basis of proposal forms duly signed by complainant. Insurance Company requested that the customer was aware of the terms and conditions and was satisfied with the policy. Hence, it was requested that the case is devoid of any merit and may be dismissed.

4. I heard both the sides, the complainant as well as the Insurance Company. During the course of hearing the complainant requested for full fund value on the date of vesting.

The Insurance Company stated that they had provided the options form to the complainant regarding pension but the complainant did not exercise the option. Since the complainant had agreed for any of the options, I see no reason to interfere with the decision of the Insurance Company. Accordingly the complaint filed by the complainant is hereby dismissed.

Case No.LI/LIC/597/13

In the matter of Sh. Saranga Lal

Life Insurance Corporation Of India.

DATE: 02.02.2015

1. Sh. Saranga Lal (herein after referred to as the complainant) had filed the complaint against the decision of Life Insurance Corporation Of India (herein after referred to as respondent Insurance Company) relating to non-receipt of maturity amount under policy no. 113342845.
2. The complainant alleged that LIC had given him Surrender amount of Rs 46,502/- whereas he had opted for maturity amount (Notional value Rs 56,939/-)
3. During the course of hearing, the Insurance Company had informed that the complainant was paid difference Rs. 10437/-

on 21/1/2015 through NEFT and amount credited in his bank A/c on 21/1/2015.

4. I heard both the sides, the Insurance Company and the representative of the complainant. During the course of hearing, the complainant desired that interest should be paid on the amount of difference of Rs. 10437/- paid to him from the date of vesting till the date of payment. The Insurance Company has agreed to pay the interest on the delayed payment. Accordingly an award is passed with the direction to the Insurance Company to pay the interest @9% (simple interest) on difference amount of Rs 10437/- from the date of vesting till the date of payment.

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INSURANCE OMBUDSMAN
GUWAHATI CENTRE

Complaint No.

GUW-L-029-1415-0121

Mr. Ashraf Ali Ahmed ----- complainant
vs

Life Insurance Corporation of India---Insurer

Date of Award-19.03.2015

The Complainant has stated in his petition dated 22.06.2014 that he procured Policy No.480161536 from the L.I.C. of India, GBO-2 Branch with the date of commencement on 28-11-1988 for a Sum Assured of Rs. 1,00,000/- and table and term 14/25 under SSS Mode .It is stated by the Complainant that the said policy attained maturity on 28.11.2013 and he did not receive the Maturity amount.

After careful evaluation of all the facts and circumstances, it is seen that the complainant failed to submit any documents as proof of ownership of the policy. Also the insurer does not have any other physical evidence of having received and adjusted any premium whatsoever against the disputed policy. The insured was advised to approach the insurer for reconsideration if he can trace out any proof of ownership of the policy and deduction/adjustment of premium. The decision of the insurer is upheld as of now.

Insurance ombudsman
Guwahati centre

Complaint No. ;Guw-L-029-1415-0047

Md.Naushad Ali ----- complainant

Vs
LIC Of India-----Insurer

It is stated by the complainant in his petition dated 26.05.2014 that he took a policy from LIC of India, Guwahati Divisional Office, bearing no 483295749 under T/T 165-10, which stands matured on 28.2.2014. The Insurer has made the maturity payment of Rs.32,540/-. But the complainant alleged that he has deposited Rs.48,000/- towards premium; but received only 32540/-.

After careful evaluation of all the facts and circumstances, it is seen from the calculation submitted by the insurer that the payment made by the insurer is correct and as per policy condition maturity benefit is less than the premium to be paid by the policyholder. Therefore, the complainant is not eligible for any further relief.

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KOCHI

**AWARD NO.IO/KOC/A/LI/0104/2014-15
COMPLAINT NO.IO/KCH/LI/21-002-315/13-14
Award passed on 16.10.2014
Sri. K.A Thomas Vs. SBI Life Insurance Co.Ltd.
Non-payment of maturity value**

The complainant invested Rs1,00,000/- in Unit Plus II pension policy of the respondent insurer. At the time of Investment it was informed that the maturity proceeds can be withdrawn after 5 years. After 5 years, when the complainant approached the Insurer, he was informed that the policy has vested and only a part of the proceeds could be commuted and the balance taken as pension. However no such intimation to this effect was received by the complainant. If this was known, the policy would have been surrendered before the vesting date. Despite the numerous follow-ups, the insurer is not agreeable to payment of the entire proceeds as lumpsum. Complaint is dismissed.

oo

**AWARD NO.IO/KOC/A/LI/0109/2014-15
Complaint No. KOC-L-006-1415-0057
Award passed on 16.10.2014
Sri. V.T. Chacko & Smt. Achamma Vs. Bajaj Allianz Life Insurance Co.Ltd.
Non-payment of maturity value**

The complainants had taken pension policies from the respondent-Insurer (No. 0007979261 and No 0007978814 with an annual premium of Rs.10,000/-each) respectively. The policy commenced in 2005 and matured (vested) in 2010. After the term of the policy the complainants had approached the respondent Insurer to claim the maturity proceeds. They were informed that being pension policies only pensions could be obtained. This was against the information given at the time of joining the scheme, wherein the officials had given an assurance that the entire maturity amount could be taken in lumpsum. Being senior citizens, this money is useful for meeting medical needs etc and there is no point in receiving the same as pensions. All appeals to the company proved futile, hence this complaint. Relief sought is for the full amount as a lumpsum.

Respondent-Insurer to pay to the complainants the entire maturity amount as a lumpsum along with simple interest at 9% p.a. from date of maturity till date of award.

oo

**AWARD NO.IO/KOC/A/LI/0110/2014-15
COMPLAINT NO.IO/KCH/LI/21-009-734/12-13
Award passed on 16.10.2014
Sri. Abdulkalam T.M. Vs. Bajaj Allianz Life Insurance Co.Ltd.
Non-payment of maturity value**

The complainant had taken pension policy from the respondent-Insurer (No. 00030039226 with a single premium of Rs.50,000/-). The policy commenced in 2006 and matured (vested) in 2011. After the term of the policy the complainant had approached the respondent Insurer to claim the maturity proceeds, when he was informed that being pension a policy only pensions could be obtained. This was against the information given at the time of joining the scheme, wherein the officials had given an assurance that the entire maturity amount could be taken in lumpsum. There has been no intimation from the company about this action prior to maturity date, hence this complaint. Relief sought is for the full amount as a lumpsum.

Respondent-Insurer to pay to the complainant the entire maturity amount as a lumpsum along with simple interest at 9% p.a. from date of maturity till date of award.

oo

**AWARD NO.IO/KOC/A/LI/0111/2014-15
COMPLAINT NO.IO/KCH/LI/21-009-299/13-14
Award passed on 16.10.2014
Sri. Reghunathan Nair Vs. Bajaj Allianz Life Insurance Co.Ltd.
Non-payment of maturity value**

The complainant had taken pension policy from the respondent-Insurer (No. 0028369390 with an annual premium of Rs.50,000/-). The policy commenced in October 2006 and matured (vested) in October 2011. After the term of the policy the complainant had approached the respondent Insurer to claim the maturity proceeds, when he was informed that being pension a policy only pensions

**AWARD NO.IO/KOC/A/LI/0192/2014-15
COMPLAINT NO.IO/KCH/LI/24-009-702/2012-13**

Award passed on 14.11.2014

**Smt. Augustina John Vs. Bajaj Allianz Life Insurance Co.Ltd.
Dispute in maturity amount**

The complainant had taken a policy in 08/2007 with a term of 5 years. This was a single premium policy. At the time of maturity when the complainant approached the office of the respondent Insurer, she was informed the value is less than that invested as she had done a "switching of fund". The complainant has informed the insurer that she has not signed any papers for switching and she ought to get the value had it not been switched. Appeals to the insurer is in vain, hence this complaint.

Respondent-Insurer to make payment of the maturity value calculated as if the switching over of funds had not taken place, along with simple interest at 9% p.a. from date of receipt of complaint (10/12/2012) till date of award.

oo

**AWARD NO.IO/KOC/A/LI/0207/2014-15
COMPLAINT NO.IO/KCH/LI/21-007-342/2012-13**

Award passed on 20.11.2014

**Smt. V. Vasantha Kumari Vs. MAX Life Insurance Co.Ltd.
Non-payment of maturity amount**

The complainant has taken a pension policy from the respondent Insurer in 2006 with a term of 5 years on the understanding that if pensions are not required, the maturity amount will be returned at the rate of Rs.10,000/- for 5 years. The policy has vested in 2011.

The Insurer has informed that out the entire maturity amount only 1/3rd can be taken as a lumpsum and the balance 2/3rd will be utilized to purchase an annuity policy wither from the respondent Insurer or another insurer of complainants choice. The respondent insurer has issued a cheque for the 1/3rd amount in the complainants favour and the balance in favour of Life Insurance Corporation of India. LIC of India has informed that the minimum corpus required for a pension plan is Rs1,00,000/- whereas the cheque was for Rs.62,000/- only. Being a senior citizen the

**AWARD NO.IO/KOC/A/LI/0231/2014-15
COMPLAINT NO.IO/KCH/LI/21-001-24/2013-14
Award Passed on 21.11.2014**

Smt. A Ushakumari Vs. L.I.C. of India

Dispute in maturity value

The complainant has taken a 2 policies from the respondent Insurer. The complainant alleges that the insurer gave no intimation as to the maturity and by the time the polices had matured, it was informed by the insurer that it has moved to pension fund. Appeals to the higher office did not draw any positive outcome. Hence this complaint.

Complaint is dismissed.

oo

**AWARD NO.IO/KOC/A/LI/0243/2014-15
COMPLAINT NO.IO/KCH/LI/21-001-215/13-14
Award Passed on 28.11.2014**

Sri K Ramachandran Vs. L.I.C. of India

Dispute in Maturity claim

The complainant had taken a policy from the respondent Insurer in 2007 for a period of 5 years. On maturity, it was found that the plan taken was a pension plan and the amount has already been vested and maturity proceeds taken as annuities only. Appeals to the insurer on taking the entire proceeds as a lumpsum did not yield any result. Hence this complaint.

Complaint is dismissed.

oo

**AWARD NO.IO/KOC/A/LI/0244/2014-15
COMPLAINT NO.IO/KCH/LI/22-012-631/2013-14
Award Passed on 28.11.2014**

**Sri C Narayanan Vs. PNB Metlife Insurance Co. Ltd.
Low Maturity Amout**

The complainant had taken a policy from the respondent Insurer in 2008 by paying an amount of Rs.40,000/-. He was informed by the advisor that the premiums have to be paid for only three years and at the end of the period he would receive the invested amount with full benefits. Accordingly the complainant has paid three premiums of Rs40,000/-. In 2013 he has received a cheque for Rs

AWARD NO.IO/KOC/A/LI/0288/2014-15
COMPLAINT NO.IO/KCH/LI/21-001-387/13-14
Award Passed on 12.12.2014
Sri. John George Vs. LIC of India
Non-receipt of maturity claim

The complainant was holding a Market Plus policy from the respondent Insurer. The maturity date was 27/07/2012. Unfortunately the complainant could not encash the policy before the due date. The complaint was preferred to obtain the full maturity benefit.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0292/2014-15
COMPLAINT NO.KOC-L-019-1415-0004
Award Passed on 17.12.2014
Sri. E Mohandas Vs. HDFC Standard Life Insurance Co. Ltd.
Non-payment of maturity amount

The complainant had taken a policy from the respondent insurer which matured for payment in 01/2014. The complainant tried to surrender the policy which was not allowed by the respondent Insurer as the policies had already matured. Aggrieved by the action of the insurer, this complaint has been filed.

The insurer to refund the eligible amount to the complainant.
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AWARD NO.IO/KOC/A/LI/0305/2014-15
COMPLAINT NO.IO/KCH/LI/21-001-513/13-14
Award Passed on 18.12.2014
Smt. K Kochumani Vs. LIC of India
Delay in settlement of maturity claim

The complainant took a policy from the respondent Insurer that matured for payment in 12/2012. But she received the intimation 7 months after the maturity. The complainant is aggrieved that she could not exercise the settlement option as given in the policy maturity. She claims interest for the delay in settlement of the claim.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0315/2014-15
COMPLAINT NO.IO/KCH?LI/21-006-850/13-14
Award Passed on 18.12.2014
Smt. Annie Kannath Vs. Birla Sun Life Insurance Co. Ltd.
Delay in maturity claim settlement

The complainant had taken a Policy from the Respondent-Insurance Company in April, 2003 and it matured on 17/04/2013. The maturity amount of the policy was credited to her Bank A/c only on 14/11/2013. The request for interest for delayed settlement of the claim was turned down.

The Respondent-Insurer to pay simple interest @ 9% per annum from the date of maturity to the date of payment.

AWARD NO.IO/KOC/A/LI/0316/2014-15
COMPLAINT NO.IO/KCH/GI/11-003-992/2012-13
Award Passed on 18.12.2014

Sri. Rajeev Kumar Vs. Exide Life Insurance Company Ltd.
Dispute in maturity amount

The complainant had taken a policy from the respondent Insurer in September, 2007 by investing Rs.1,00,000/- as he was promised that after a period of 3 years, he can withdraw the amount along with interest. The policy matured on 17/09/2012 and he reliably learnt from the insurer's office that only Rs.82248/- would be payable to him.

The complaint stands "DISMISSED'.

**AWARD NO.IO/KOC/A/LI/0331/2014-15
COMPLAINT NO.IO/KCH/LI/21-009-631/2012-13**

Award Passed on 26.12.2014

Sri. S E Janardhanan Vs. Bajaj Allianz Life Insurance Co. Ltd.

Non-payment of maturity amount

The complainant had taken a policy from the respondent insurer which matured for payment in 06/2012 for a term of 3 years. The complainant paid all due premiums and when he approached the insurer to get the maturity proceeds he was informed that it was a pension plan and only 1/3rd amount could be commuted and the balance taken as annuities.

The insurer to refund the eligible amount as a lumpsum.

**AWARD NO.IO/KOC/A/LI/0358/2014-15
COMPLAINT NO.KOC-L-029-1415-0073**

Award Passed on 06.01.2015

Sri. Koshy P.C. Vs. LIC of India

Dispute in maturity value

The complainant had taken a policy from the respondent insurer in 02/2004 by opting to pay quarterly premium of Rs.1,225/- for a period of 10 years. On maturity the complainant received a discharge form with an amount of Rs.29,845/- The complainant alleges that the maturity value is Rs. 1 Lakh as shown in the policy document and not Rs.29,845/- as shown in the discharge form.

Complaint is dismissed.

**AWARD NO.IO/KOC/A/LI/0359/2014-15
COMPLAINT NO.KOC-L-029-1415-0081**

Award Passed on 06.01.2015

Sri. Kurian Jose Vs. LIC of India

Dispute in maturity value

The complainant had taken a policy from the respondent insurer in 02/2004 by opting to pay quarterly premium of Rs.2,400/- for a period of 10 years. On maturity the complainant received a discharge form with an amount of Rs.81,058/. The complainant alleges that the maturity value is Rs.2 Lakhs as shown in the policy document and not Rs.81,058/- as shown in the discharge form.

Appeals to the insurer.Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0360/2014-15
COMPLAINT NO.IO/KCH/LI/21-001-1046/13-14
Award Passed on 06.01.2015
Sri. H Rajagopal Vs. LIC of India
Dispute in maturity value

The complainant had taken a policy from the respondent insurer in 02/2004 by opting to pay quarterly premium of Rs.1,225/- for a period of 10 years. On maturity the complainant received a discharge form with an amount of Rs.34,895/- The complainant alleges that the maturity value is Rs.1 Lakh as shown in the policy document and not Rs.34,895/- as shown in the discharge form.

Appeals to the insurer were in vain.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0426/2014-15
COMPLAINT NO.IO/KCH/LI/21-004-575/13-14
Award Passed on 23.01.2015
Sri. V. L. Varghese Vs. ICICI Prudential Life Insurance Co. Ltd.
Non-payment of maturity amount

The complainant had taken a pension policy from the respondent Insurer. Before vesting date the insurer has informed the amount due and the procedures for obtaining pension. However the complainant is unhappy with the amount and demands the full refund. The complainant who was working in a bank states that a deposit in the bank would have fetched greater returns. Now he is demanding full refund of the full pension corpus which is not acceded to by the insurer, hence this complaint.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0429/2014-15
COMPLAINT NO.IO/KCH/LI/21-002-209/13-14
Award Passed on 23.01.2015
Sri. A Radhakrishnan Vs. SBI Life Insurance Co. Ltd.
Non-payment of maturity value

The complainant had taken a Pension policy from the respondent Insurer in September, 2007 and paid premium for 5 years @Rs.50,000/- each. When he approached the insurer for surrender of the policy in August, 2012, it was informed that surrender forms

would be sent to him. After a few days, he again visited the insurer for surrender of the policy and he was informed that full withdrawal of the maturity amount after date of vesting was not possible as per the terms and conditions of the policy. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant.

AWARD NO.IO/KOC/A/LI/0430/2014-15

COMPLAINT NO.IO/KCH/LI/21-002-735/2012-13

Award Passed on 23.01.2015

Sri. John Eapen Vs. SBI Life Insurance Co. Ltd.

Non-payment of maturity value

The complainant had taken a Pension policy from the respondent Insurer in September, 2007 and paid single premium of Rs.1,00,000/-. The term of the policy was 5 years. When he approached the insurer for surrender of the policy, well before the vesting date, the insurer had requested to comply with the requirements. After few days, he had submitted all the requirements to the nodal Branch of the Bank and they forwarded the same after vesting date. As the requirements for surrender had reached the insurer after vesting date, they did not accede to the request of the complainant. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant.

AWARD NO.IO/KOC/A/LI/0433/2014-15

COMPLAINT NO.KOC-L-029-1415-277

Award Passed on 23.01.2015

Sri. K. Kuttikrishnan Vs. LIC of India

Dispute in maturity value

The complainant had taken a Jeevan Saral policy from the respondent Insurer in 03/2004. The complainant was paying Rs.255/- as monthly premiums and the term of the policy was 10 years. On maturity he was paid an amount of Rs.21,815/- along with loyalty addition of Rs.5,453.75 only as against a premium paid of more than Rs.30,000/-. Aggrieved with the low amount of

maturity claim, he has approached the Insurer. However he was not given any further amounts, hence this complaint. Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0435/2014-15
COMPLAINT NO.KOC-L-026-1415-0231
Award Passed on 23.01.2015
Smt. Ajitha D.M Vs. Kotak Mahindra Old Mutual Life Insurance Ltd.
Non-payment of maturity value

The complainant had taken a Pension policy from the respondent Insurer in February, 2009 and paid premium for 3 years believing the promise given by the Agent that the amount could be withdrawn at any time after 3 years. When she approached the insurer for surrender of the policy after 5 years, it was informed that only 1/3 of the benefit would be given as lump-sum and the rest 2/3 as annuity. Her appeal to the Grievance cell of the insurer for the full amount was also in vain.

Respondent-Insurer to make payment of the entire surrender benefits as lump-sum.

AWARD NO.IO/KOC/A/LI/0456/2014-15
COMPLAINT NO.IO/KCH/LI/21-001-877/13-14
Award Passed on 23.01.2015
Smt. Aleyamma V Mathunny Vs. LIC of India
Non-payment of maturity claim

The complainant's deceased husband had a policy with the respondent Insurer (policy no 41490315, date of commencement 28/10/1972). The policyholder passed away in 1995 and the papers relating to the policy was misplaced. In 2012, while clearing away some old documents, the policy was spotted and promptly taken to the insurer. The Insurer has demanded proof of payment of premiums under the policy which could not be produced. Now seeking relief of the full maturity amount.

Complaint is dismissed.

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AWARD NO.IO/KOC/A/LI/0469/2014-15

COMPLAINT NO.KOC-L-029-1415-0373

Award Passed on 02.02.2015

Sri. M.Raveendran Vs. LIC of India

Dispute over maturity claim

The complainant had taken a Jeevan Madhur Policy (No 796082723) in 03/2009. The Policy matured for payment in 03/2014. The complainant approached the insurer with a letter dated 27/08/2014 requesting payment of maturity proceeds after deducting the unpaid premiums. The respondent Insurer has not heeded this request, hence this complaint.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0471/2014-15

COMPLAINT NO.KOC-L-029-1415-0407

Award Passed on 02.02.2015

Sri. P.Mohammed Shereef Vs. LIC of India

Dispute in maturity value

The complainant had taken a Jeevan Saral policy from the respondent Insurer in 02/2004. The complainant was paying Rs. 500/- as monthly premiums and the term of the policy was 10 years.

On maturity he was paid an amount of Rs.47,395/- along with loyalty addition of Rs.14,218.50 only as against a premium paid of Rs.60,000/-. Aggrieved with the low amount of maturity claim, he has approached the Insurer. However he was not given any further amounts, hence this complaint. The complainant seeks relief of maturity amount with returns at Bank interest rates.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0491/2014-15

COMPLAINT NO.IO/KCH/LI/21-002-203/13-14

Award Passed on 09.02.2015

Smt. Indira S Pillai Vs. SBI Life Insurance Co. Ltd.

Non-payment of maturity proceeds

The complainant had taken a policy from the respondent Insurer in 09/2007 for a period of 5 years. The complainant has approached the insurer in 01/2013 to enquire on the policy when she was told that the policy vested in 2012 and the entire amount cannot be

taken; only 1/3rd can be taken as a lumpsum and the balance 2/3rd has to be utilised to purchase annuities. The complainant is a pensioner and has joined for this scheme only expecting some growth and not pensions. Moreover the fund has not even earned the bank rate of interest and is a big blow to a pensioner.

Respondent-Insurer to pay to the complainant the entire maturity proceeds as a lumpsum instead of annuities.

**AWARD NO.IO/KOC/A/LI/0492/2014-15
COMPLAINT NO.IO/KCH/LI/21-002-270/13-14
Award Passed on 09.02.2015
Smt. Suhara Azeez Vs. SBI Life Insurance Co. Ltd.
Non-payment of maturity proceeds**

The complainant had taken a policy from the respondent Insurer in 05/2007 for a period of 5 years. The insurance advisor was informed that the sole intention was to get the maturity amount as a lumpsum and the advisor has confirmed that the insurer would get the choice of the policyholder before making any payment. When no information was forthcoming at maturity the complainant has approached the insurer when she was told that the entire amount cannot be taken and only 1/3rd can be taken as a lumpsum and the balance 2/3rd has to be utilised to purchase annuities. The complainant is a widow with no other means of income and is finding it difficult to make ends meet, with mounting medical problems. Appeals to the insurer has not borne fruit, hence this complaint.

Respondent-Insurer to pay to the complainant the entire maturity proceeds as a lumpsum instead of annuities.

**AWARD NO.IO/KOC/A/LI/0494/2014-15
COMPLAINT NO.IO/KCH/LI/21-002-263/13-14
Award Passed on 12.02.2015
Smt. L Jayakumari Vs. SBI Life Insurance Co. Ltd.
Non-payment of maturity proceeds**

The complainant had taken a policy from the respondent Insurer in 2008 for a period of 5 years. Based on the narration of the terms and conditions of the plan, a policy was taken and premiums of Rs.40,000/- paid for three years. In 2013, the complainant had requested for surrender and submitted the documents which were returned to her after three months without giving any reason. On

enquiry, she was told that the entire amount cannot be taken and only 1/3rd can be taken as a lumpsum and the balance 2/3rd has to be utilised to purchase annuities. Appeal to the insurer has not borne fruit, hence this complaint.

Respondent-Insurer to pay to the complainant the entire maturity proceeds as a lumpsum instead of annuities.

AWARD NO.IO/KOC/A/LI/0497/2014-15

COMPLAINT NO.KOC-L-033-1415-0265

Award Passed on 12.02.2015

Sri. K.S.Premnath Vs. PNB Metlife India Ins. Co. Ltd.

Non-payment of maturity proceeds

The complainant had taken a policy in his name from the respondent Insurer in 06/2009 with a term of five years. He was induced to take the policy for future education needs of his children and he had informed his advisor about this need. There is a clear case of mis-selling as the policy is a pension product. The complainant has received no intimation of the vesting and thereby was denied the opportunity to surrender the policy and take the entire amount as a lumpsum. Appeals to the Insurer did not bear any result, hence this complaint.

Respondent Insurer to pay the fund value as a lumpsum instead of insisting on annuities.

AWARD NO.IO/KOC/A/LI/0498/2014-15

COMPLAINT NO.KOC-L-033-1415-0286

Award Passed on 16.02.2015

Sri. Abdul Kadar P Vs. PNB Metlife India Ins. Co. Ltd.

Denial of maturity claim

The complainant had taken a pension policy from the respondent insurer and paid Rs.30,000/- in total. The Policy matured in 2014 and the insurer has issued a cheque in favour of LIC of India for Rs.3,54,532/-. On enquiry, the complainant understands that he has to put in more money to purchase a pension policy from another insurer. He has requested the insurer to refund the amount to him, which was not acceded to, hence this complaint.

Respondent insurer to refund the entire maturity proceeds to the complainant.

**AWARD NO.IO/KOC/A/LI/0510/2014-15
COMPLAINT NO.IO/KCH/LI/21-009-1001/13-14
Award Passed on 16.02.2015**

**Sri. Nithyananda Pai K Vs. Bajaj Allianz Life Insurance Co. Ltd.
Non-payment of maturity proceeds**

The complainant had taken a policy in his name from the respondent Insurer in 12/2003 with a term of 10 years. There is a clear case of mis-selling as the policy is a pension product. On maturity the complainant has demanded the full amount as a lumpsum instead of opting for annuities, however this request was not acceded to by the insurer. Appeals to the Insurer did not bear any result, hence this complaint.

Respondent Insurer to pay the fund value as a lumpsum instead of insisting on annuities.

**AWARD NO.IO/KOC/A/LI/0511/2014-15
COMPLAINT NO.KOC-L-029-1415-0364
Award Passed on 16.02.2015**

**Dr.Thomas John M Vs. LIC of India
Delayed payment of maturity proceeds**

The complainant had taken a policy in his name from the respondent Insurer in 07/1991. The date of maturity was 28/07/2014. Three periodic benefits payable in 2011, 2012 and 2013 were paid with a delay of 1070 days, 705 days and 340 days respectively. Penal interest was paid, however an amount of Rs.1,195/- was deducted as Tax on the same. Tax due to delay on the Insurer's part is to be borne by them and not the policyholder.

Request for refund of the amount deducted as tax was not acceded to, hence this complaint.

Complaint is dismissed.

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AWARD NO.IO/KOC/A/LI/0534/2014-15

COMPLAINT NO.KOC-L-029-1415-0253

Award Passed on 25.02.2015

Sri. K.E.Mathai Vs. LIC of India

Dispute in maturity value

The complainant had taken a policy from the respondent insurer in 05/2004 by opting to pay quarterly premium of Rs.1,531/- for a period of 10 years. On maturity the complainant received a discharge form with an amount of Rs.34,895/-. The complainant alleges that the maturity value is Rs.1.25 Lakh as shown in the policy document and not Rs.30,836/- as shown in the discharge form. Appeals to the insurer were in vain, hence this complaint seeking relief for the full amount of Rs.1.25 Lakh.

The complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0540/2014-15

COMPLAINT NO.IO/KCH/LI/21-002-713/13-14

Award Passed on 26.02.2015

Sri. K A John Vs. SBI Life Insurance Co. Ltd.

Dispute in maturity value

The complainant had taken a Pension policy from the respondent Insurer in December, 2007 and paid single premium of Rs.1,01,000/-. The term of the policy was 5 years. When he approached the insurer after 5 years for Lump-sum maturity value, it was informed that the policy has vested and full withdrawal was not possible. However, there is an option to commute upto a maximum of 33% of the accumulated sum. He appealed to the Grievance cell of the insurer for lump-sum amount which was also in vain.

Respondent-Insurer to make payment of the amount as per terms and conditions of the policy.

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**AWARD NO.IO/KOC/A/LI/0541/2014-15
COMPLAINT NO.IO/KCH/LI/22-002-939/13-14**

Award Passed on 26.02.2015

Smt. K Vijayalakshmi Vs. SBI Life Insurance Co. Ltd.

Dispute in maturity value

The complainant had taken a Pension policy from the respondent Insurer in January, 2008 and paid single premium of Rs.2,00,000/-.

The term of the policy was 5 years. She had opted for Monthly annuity with 33% commutation and an amount of Rs.62,275/- was paid to her as lump-sum on 30/05/2013. Subsequently, 8 monthly annuities were paid. Her request for lump-sum payment of balance maturity amount was turned down by the company. Her appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Respondent-Insurer to make payment of the entire maturity fund value after deducting the amount already paid to the complainant by way of pension and 1/3rd lumpsum amount.

**AWARD NO.IO/KOC/A/LI/0560/2014-15
COMPLAINT NO.IO/KCH/LI/21-001-1041/13-14**

Award Passed on 02.03.2015

Sri. K. A. Paulose Vs. LIC of India

Dispute in maturity value

The complainant had taken a policy from the above Insurance Company in August, 1998 under quarterly mode by remitting Rs.2,665/- as premium. The term of the policy was 15 years. The policy has matured on 26/08/2013 and the claim was settled well before the maturity date to enable the insured to get the amount on the due date itself. He was not satisfied with the settlement made by the Insurer.

Complaint is dismissed.
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**AWARD NO.IO/KOC/A/LI/0574/2014-15
COMPLAINT NO.KOC-L-029-1415-0222
Award Passed on 09.03.2015
Sri. Avinash P. Kamath Vs. L.I.C. of India
Dispute in maturity value**

The complainant had taken a Jeevan Saral policy in 04/2004 (no 774649498). It was promised verbally and also shown in the policy document that the maturity sum assured will be Rs.1,00,000/-.

However, the insurer has communicated that the maturity value under the policy is only Rs.55,565/-. Upon hearing this, the matter was taken up with the insurer, but no satisfactory response has been received. This complaint is filed seeking the full maturity value of Rs.1,00,000/- as shown in the policy document along with additional compensation in view of misleading information given by the insurer.

Respondent-Insurer to pay to the complainant an amount of Rs.1,00,000/- under the policy as Maturity claim.

**AWARD NO.IO/KOC/A/LI/0575/2014-15
COMPLAINT NO.KOC-L-029-1415-0221
Award Passed on 09.03.2015
Sri. R. Prakash Vs. L.I.C. of India
Dispute in maturity value**

The complainant had taken a Jeevan Saral policy in 04/2004 (no 774649502). It was promised verbally and also shown in the policy document that the maturity sum assured will be Rs.1,00,000/-.

However the insurer has communicated that the maturity value under the policy is only Rs.33,666.80. Upon hearing this, the matter was taken up with the insurer, but no satisfactory response has been received. This complaint is filed seeking the full maturity value of Rs.1,00,000/- as shown in the policy document a along with additional compensation in view of misleading information given by the insurer.

Respondent-Insurer to pay to the complainant an amount of Rs.1,00,000/- under the policy as Maturity claim.

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AWARD NO.IO/KOC/A/LI/0580/2014-15
COMPLAINT NO.IO/KCH/LI/21-003-1053/13-14
Award Passed on 09.03.2015
Smt. P. K. Shymol Vs. Tata AIA Life Insurance Co. Ltd.
Dispute in maturity value

The complainant had taken a policy from the respondent insurer and paid three annual premiums of Rs.15,000/- each. After completion of 5 years she was given Rs.53,657.05 by the insurer. She appealed to the insurer who has replied that the maturity value has been paid as per the terms and conditions of the policy.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0588/2014-15
COMPLAINT NO.IO/KCH/LI/21-005-595/13-14
Award Passed on 09.03.2015
Sri. T Viswanathan Vs. HDFC Standard Life Insurance Co. Ltd.
Non-payment of maturity value in lumpsum

The complainant had taken a Pension policy from the respondent Insurer in June, 2008 and paid single premium of Rs.25,000/-. The term of the policy was 5 years and has matured on 20/06/2013. When he approached the insurer on 20/06/2013 for getting the maturity amount, it was informed that only 1/3 of total proceeds can be commuted and the rest 2/3 as annuity. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain. Respondent-Insurer to make payment of the entire maturity fund value to the complainant in lump-sum.

AWARD NO.IO/KOC/A/LI/0590/2014-15
COMPLAINT NO.KOC-L-021-1415-0059
Award Passed on 10.03.2015
Smt. K. D. Malathi Vs. ICICI Prudential Life Insurance Co. Ltd.
Non-payment of maturity value in lumpsum

the complainant had taken a Pension policy from the respondent Insurer in November, 2003 by remitting yearly premium of Rs.10,000/-. She had remitted Rs.30,000/- in total. The term of the policy was 10 years and has matured on 17/11/2013. When she approached the insurer after the maturity date for getting the

amount, it was informed that the maturity amount had been invested in pension fund. Her appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant in lump-sum.

**AWARD NO.IO/KOC/A/LI/0595/2014-15
COMPLAINT NO.IO/KCH/LI/22-004-974/13-14
Award Passed on 19.03.2015**

**Sri. Venugopalan Nair Vs. ICICI Prudential Life Insurance Co. Ltd.
Non-payment of maturity value in lumpsum**

The complainant had taken a Pension policy from the respondent Insurer in September, 2008 by remitting single premium of Rs.50,000/-. The term of the policy was 10 years and has matured in September, 2013. When he approached the insurer after the maturity date for getting the amount, it was informed that only annuity would be payable. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant in lump-sum.

**AWARD NO.IO/KOC/A/LI/0596/2014-15
COMPLAINT NO.KOC-L-021-1415-0228
Award Passed on 19.03.2015**

**Sri. John K Thomas Vs. ICICI Prudential Life Insurance Co. Ltd.
Non-payment of maturity value in lumpsum**

The complainant had taken a Pension policy from the respondent Insurer in December, 2003 by remitting yearly premium of Rs.10,000/-. He had remitted Rs.60,000/- in total. The term of the policy was 10 years and has matured in 2013. When he approached the insurer after the maturity date for getting the amount, it was informed that only annuity would be payable. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant in lump-sum.
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AWARD NO.IO/KOC/A/LI/0597/2014-15
COMPLAINT NO.KOC-L-021-1415-0152
Award Passed on 19.03.2015
Sri. P.J. John Vs. ICICI Prudential Life Insurance Co. Ltd.
Non-payment of maturity value in lumpsum

The complainant had taken a Pension policy from the respondent Insurer in March,2003 by remitting yearly premium of Rs.10,000/-. He had remitted Rs.30,000/- in total. The term of the policy was 10 years and has matured in 2013. When he approached the insurer after the maturity date for getting the amount, it was informed that the maturity amount had been invested in pension fund. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant in lump-sum.

AWARD NO.IO/KOC/A/LI/0605/2014-15
COMPLAINT NO.KOC-L-021-1415-0176
Award Passed on 19.03.2015
Sri. Sebastian Joseph Vs. ICICI Prudential Life Insurance Co. Ltd.
Non-payment of maturity value in lumpsum

The complainant was a holder of a pension policy (no 00720145) issued by the respondent insurer in 02/2004. The policy vested in 02/2014 and the complainant understands that he has the option only to convert 1/3rd amount and utilise the balance 2/3rd to purchase annuities. No communication was received from the insurer and it is understood that a letter from the insurer was sent back to them as the addressee was not found. The insurer cannot arbitrarily decide to deposit the amount in the pension scheme and this complaint is filed seeking the refund of the entire amount.

Complaint is dismissed.
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AWARD NO.IO/KOC/A/LI/0607/2014-15

COMPLAINT NO.KOC-L-029-1415-0439

Award Passed on 20.03.2015

Sri. D.Binesh Kumar Vs. LIC of India

Dispute in maturity value

The complainant had a convertible whole life policy from the respondent insurer in 06/2001. As per the conditions of the policy, it could be converted to an endowment policy by paying the difference in premium. The complainant has requested for conversion and remitted Rs.3,350/- as per the instruction of the insurer. Subsequently it was informed that the amount was mistakenly informed and a higher amount was required. After 6 years, a request for surrender was made, however so far no money has been received.

Pay the surrender value on receipt of documents and return of deposit of Rs.3,350/-. The deposit shall carry an interest at 9% from date of deposit till date of payment.

AWARD NO.IO/KOC/A/LI/0608/2014-15

COMPLAINT NO.IO/KCH/LI/21-001-935/13-14

Award Passed on 20.03.2015

Smt. A Thresiamma Vs. LIC of India

Non-receipt of claim amount

The complainant had taken a Jeevan Adhar Policy from the respondent insurer (no 774389174) for a Sum Assured of Rs.275,000/- for the benefit of her son who is mentally retarded and cannot speak & hear. As per the policy conditions the entire premiums for 10 years have been paid. Sri G Radhakrishnan, Chief Insurance Advisor code no 2047798 at the time of taking the policy had informed that the nominee will receive an amount of Rs.7,000/- every month starting from April 2013 ie, one year after premium payment of the 10 year. Since no amount was forthcoming as informed by the agent, 3 letters dated 03/06/2013, 26/06/2013 and 08/07/2013 were sent to the Manager requesting him to sanction the surrender value of the policy if monthly instalments are not possible. The manager has informed that the policy is Jeevan Adhar policy which has no option for surrender value. The insurer is not returning the money to the complainant nor making any payments for the complainant's mentally retarded son. The complainant has saved this money for her son thinking the payout will start in 2013, but now she understands that her money does not even earn any interest now, it is simply stuck with the insurer with

no benefit to any of the people concerned. This complaint is filed seeking the direction from the Ombudsman to the insurer to release the entire money to the complainant.

Respondent insurer to pay to the complainant an amount of Rs.3,75,000/- (Rupees Three Lakhs Seventy Five Thousand only) in full and final settlement of any claim on the policy.

AWARD NO.IO/KOC/A/LI/0612/2014-15
COMPLAINT NO.IO/KCH/LI/21-011-812/13-14
Award Passed on 24.03.2015

Sri. K V Varghese Vs. Exide Life Insurance Company Ltd.
Non-payment of maturity value in lumpsum

The complainant had taken a Pension policy from the respondent Insurer in October, 2005 by remitting yearly premium of Rs.10,000/-. He had remitted Rs.65,000/- in total. The term of the policy was 7 years and has matured in 2012. When he approached the insurer after the maturity date for getting the amount, it was informed that only annuity would be payable. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Disputes regarding this could not be resolved among them, a complaint was filed before this Forum.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant in lump-sum.

AWARD NO.IO/KOC/A/LI/0613/2014-15
COMPLAINT NO.IO/KCH/LI/21-011-603/13-14
Award Passed on 24.03.2015

Sri. T V Sebastian Vs. Exide Life Insurance Company Ltd.
Non-payment of maturity value in lumpsum

The complainant had taken a Pension policy from the respondent Insurer in February, 2006 by remitting Rs.1,04,000/- in total, over a span of 7 years. The term of the policy was 7 years and has matured in 2013. When he approached the insurer after the vesting date for getting the amount, it was informed that only annuity would be payable. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant in lump-sum.

AWARD NO.IO/KOC/A/LI/0646/2014-15

COMPLAINT NO.KOC-L-006-1415-0132

Award Passed on 30.03.2015

Sri. D. Alexander Vs. Bajaj Allianz Life Insurance Co. Ltd.

Non-payment of maturity value in lumpsum

the complainant had taken a Pension policy from the respondent Insurer in May, 2007 and paid annual premium @ Rs.1,00,000/- for 5 years. The term of the policy was 5 years. The policy has matured on 17/05/2012. When he approached the insurer for maturity amount of the policy after the vesting date, he was told that only pension would be payable. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain. Disputes regarding this could not be resolved among them, a complaint was filed before this Forum.

Respondent-Insurer to make payment of the entire maturity fund value in lump-sum.

AWARD NO.IO/KOC/A/LI/0647/2014-15

COMPLAINT NO.KOC-L-006-1415-0289

Award Passed on 30.03.2015

Sri. M. Swamidasan Vs. Bajaj Allianz Life Insurance Co. Ltd.

Non-payment of maturity value in lumpsum

The complainant had taken a Pension policy from the respondent Insurer in June, 2009 and paid annual premium @ Rs.10,000/- for 3 years. The term of the policy was 5 years. The policy has matured on 28/06/2014 When he approached the insurer for maturity amount of the policy, after the vesting date, he was told that only pension would be payable. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain. Disputes regarding this could not be resolved among them, a complaint was filed before this Forum.

Respondent-Insurer to make payment of the entire maturity fund value in lump-sum.

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**AWARD NO.IO/KOC/A/LI/0648/2014-15
COMPLAINT NO.IO/KCH/LI/21-009-665/13-14**

Award Passed on 30.03.2015

Smt. Raichel Chandy Vs. Bajaj Allianz Life Insurance Co. Ltd.

Non-payment of maturity value in lumpsum

The complainant had taken a Pension policy from the respondent Insurer in April, 2008 and paid a single premium of Rs.6 lacs. The term of the policy was 5 years. The policy has matured on 28/04/2013. When she approached the insurer for maturity amount of the policy after the vesting date, she was told that only pension would be payable. Her appeal to the Grievance cell of the insurer for lump-sum amount was also in vain. Disputes regarding this could not be resolved among them, a complaint was filed before this Forum.

Respondent-Insurer to make payment of the entire maturity fund value in lump-sum.

AWARD NO.IO/KOC/A/LI/0650/2014-15

COMPLAINT NO.KOC-L-006-1415-0224

Award Passed on 30.03.2015

Fr.Augusthy Nelliyan Vs. Bajaj Allianz Life Insurance Co. Ltd.

Non-payment of maturity value in lumpsum

The complainant had taken a Pension policy from the respondent Insurer in June, 2008 and paid single premium of Rs.2,00,000/-.

The term of the policy was 5 years. When the policy was matured, it was informed that only pension is payable. His appeal to the Grievance cell of the insurer for lump-sum amount was also in vain.

Disputes regarding this could not be resolved among them, a complaint was filed before this Forum.

Respondent-Insurer to make payment of the entire maturity fund value to the complainant in lump-sum.

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**AWARD NO.IO/KOC/A/LI/0656/2014-15
COMPLAINT NO.IO/KCH/LI/21-002-970/13-14**

Award Passed on 31.03.2015

Smt. Aasa Vs. SBI Life Insurance Co. Ltd.

Dispute in maturity value

The complainant had taken a policy from the respondent insurer in 2008. The policy matured in 2013. The complainant is not satisfied with the returns on the maturity. She appealed to the insurer for a minimum of 10% returns which was not acceded to, hence this complaint

Complaint is dismissed.

**AWARD NO.IO/KOC/A/LI/0657/2014-15
COMPLAINT NO.IO/KCH/LI/21-002-969/13-14**

Award Passed on 31.03.2015

Sri. K. S. Jayasenan Vs. SBI Life Insurance Co. Ltd.

Dispute in maturity value

The complainant had taken a policy from the respondent insurer in 2008. The policy matured in 2013. The complainant is not satisfied with the returns on the maturity. He appealed to the insurer for a minimum of 10% returns which was not acceded to, hence this complaint.

Complaint is dismissed.

**AWARD NO.IO/KOC/A/LI/0665/2014-15
COMPLAINT NO.KOC-L-029-1415-0158**

Award Passed on 31.03.2015

Sri C Giridhar Vs. LIC of India

Dispute in maturity value

The complainant had taken three Bima Plus policies from the respondent insurer. The policies were surrendered in 2013, he was not given the full surrender value as per the policy, hence this complaint.

Complaint is dismissed.

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**AWARD NO.IO/KOC/A/LI/0667/2014-15
COMPLAINT NO.KOC-L-029-1415-0283**

Award Passed on 31.03.2015

Sri J Athul Vs. LIC of India

Dispute in maturity value

The complainant had taken a policy from the respondent insurer in 07/2004. The policy matured in 2014. The complainant is not satisfied with the maturity value as it differs from the stated benefits under the policy issued to him. He appealed to the insurer to pay the maturity value as per the policy bond, but it was not acceded to by the respondent insurer, hence this complaint.

Respondent insurer to pay the maturity benefits as per the original policy bond issued to the policyholder.

**AWARD NO.IO/KOC/A/LI/0668/2014-15
COMPLAINT NO.KOC-L-029-1415-0086**

Award Passed on 31.03.2015

Sri Edward Sirling Vs. LIC of India

Dispute in maturity value

The complainant had taken a policy from the insurer in 03/2004 and paid instalment premium of Rs.1,39,750/- as annual premium for 10 years believing the words of the agent. The agent has not informed about the amount deducted towards the risk covered and there was no mention of the same in the policy. On maturity the complainant was promised very big amounts by the agent, however he finds that the maturity amount is not as promised to him by the agent. The original information given by the agent was only to get more commission. The discharge has not been given by the complainant however the maturity amount has been directly credited to the bank account. A complaint was given to the SDM, which was replied to without going into the merits. Aggrieved by the situation this complaint has been filed.

Complaint is dismissed.

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AWARD NO.IO/KOC/A/LI/0669/2014-15
COMPLAINT NO.KOC-L-029-1415-0256
Award Passed on 31.03.2015
Sri P Ashokakumar Vs. LIC of India
Dispute in maturity value

The complainant had taken a policy in 01/2011 with a term of 12 years and a premium of Rs.2,117/- to be paid under the monthly mode. The complainant surrendered the policy in 07/2014. The amount received on surrender was not satisfactory and he preferred an appeal with the insurer who has not given a satisfactory reply, hence this complaint.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0674/2014-15
COMPLAINT NO.KOC-L-029-1415-0486
Award Passed on 31.03.2015
Smt L Indira Vs. LIC of India
Dispute in maturity value

The complainant had taken a Jeevan Saral policy from the respondent insurer in 02/2004. The policy bond on receipt showed a maturity sum assured of Rs. 1 lakh. The premiums were all paid assuming that the amount at the end i.e., at maturity will be Rs. 1 lakh along with other bonus. However the complainant was informed that the maturity benefit on maturity ie. 28/02/2015 is Rs.39,894/-. Aggrieved with this, this complaint has been filed. Respondent insurer to honour the contract and pay the maturity sum assured of Rs. 1 lakh as printed on the policy.

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AWARD NO.IO/KOC/A/LI/0675/2014-15
COMPLAINT NO.KOC-L-029-1415-0227
Award Passed on 31.03.2015
Sri Ummer Nattukallingal Vs. LIC of India
Dispute in maturity value

The complainant had taken a Jeevan Saral policy from the respondent insurer in 03/2004. The complainant remitted Rs.408/- as monthly premiums from 03/2004 to 12/2013. The complainant received a discharge form from the insurer for Rs.42,814/- towards maturity payment of the said policy. The complaint has been filed seeking full relief for the entire money paid with profits.

Complaint is dismissed.

AWARD NO.IO/KOC/A/LI/0680/2014-15
COMPLAINT NO.IO/KCH/LI/21-012-607/2013-14
Award Passed on 31.03.2015
Smt Rosamma Nainan Ezharathu Vs. PNB Metlife India Ins. Co.P.
Ltd.
Dispute in maturity value

The complainant had taken a policy from the respondent insurer in 2008. And she has remitted a total premium of Rs.1,14,000/- in all. On maturity of the policy she has received only Rs.1,12,142/- which is very low. Dissatisfied with the value, she has appealed to the insurer, only to be turned down, hence this complaint seeking a greater maturity value.

Complaint is dismissed.

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AWARD NO.IO/KOC/A/LI/0676/2014-15

COMPLAINT NO.KOC-L-029-1415-0448

Award Passed on 31.03.2015

Sri Mathews P Abraham Vs. LIC of India

Dispute in maturity value

The complainant had taken a policy from the respondent insurer during 2007. The premiums were paid for a period of three years and discontinued thereafter. On 30/08/2014 the policy was surrendered and an amount of Rs.91,367/- was credited to the complainant's bank account. On scrutiny it came to light that 7473.18 units were accrued and NAV on that date was 16.20. As such the complainant feels he should get Rs.1.21 lakhs against the amount paid by the insurer. Complaints sent to the insurer elicited various differing reasons for the difference in the amount. This complaint is filed seeking the Hon. Ombudsman to instruct the insurer to pay the surrender value as on surrender date and the interest for the period when the insurer kept the funds with them ie, 13/02/2014 (date of foreclosure) till 30/08/2014 ie, (date of surrender).

Insurer to pay interest at 9% on the surrender value of Rs.91,367/- from 13/02/2014 till 30/08/2014.

AWARD NO.IO/KOC/A/LI/0700/2014-15

COMPLAINT NO.KOC-L-029-1415-0186

Award Passed on 31.03.2015

Sri K Sivaprasadan Vs. LIC of India

Dispute in maturity value

The complainant had taken a Jeevan Saral policy from the respondent insurer in 04/2004. The policy bond on receipt showed a maturity sum assured of Rs.2,50,000/-. The premiums were all paid assuming that the amount at the end ie, at maturity will be Rs. 2.5 lakh along with other bonus. However the complainant was informed that the maturity benefit on maturity ie.28/04/2014is Rs.39,767/-. Aggrieved with this, this complaint has been filed.

Respondent insurer to honour the contract and pay the maturity sum assured of Rs. 2.5 lakh as printed on the policy.

KOLKATA

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

AWARD IN THE MATTER OF

Complaint No. : 569/24/001/L/07/2012-13

Nature of Complaint : Non-payment of maturity claim

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

Policy No. : 9317868

**Name & Address of the Complainant : Shri Kalyan Chaudhuri,
Flat No.4C,
1, Dr. Daudar Rahaman Road,
Lake Gardens,
Kolkata – 700 045.**

Name of the Life Assured : Late Sudarshan Chowdhury

**Name & Address of the Insurer : Life Insurance Corporation of
India,
K.M.D.O. – I, Jeevan Prakash,
16, C.R. Avenue,
Kolkata – 700 072**

Date of hearing : 21.11.2014

Award Date : 19.12.2014

AWARD

Facts and Submissions

Complainant

The complainant is the son of the Deceased Life Assured (DLA) Late Sudarshan Chowdhury who had taken a policy bearing no.9317868 from Life Insurance Corporation of India, Calcutta Divisional Office, on 25th May, 1960 under Plan/Term 5-25 having sum assured of Rs.5,000/- and quarterly premium of Rs.58.75. He has stated in his petition dated 12th July, 2012 that his father (LA) died on 1st November, 1996 due to illness. The above policy was sent to LIC Divisional Office, Kolkata, on 24th April, 2007 by United Bank of India, Bhowanipore Branch, Kolkata, for reassignment in favour of the policyholder. As there was no response from LIC Divisional Office, Kolkata, the complainant persuaded the matter with them and according to their advice, enquired about the policy in question from one branch to another without any result.

Ultimately, the C.R.M., K.M.D.O.-1 directed him verbally to pursue the matter with the Manager Claims, 16, C.R. Avenue, Kolkata – 700 072. The complainant submitted his prayer dated 9th July, 2010 to the Manager Claims, LIC Divisional Office, Kolkata, which was duly received by the Office on 10th July, 2010. As there was no communication from their end, the complainant met Mr. T.K. Das, Manager Claims, Divisional Office, 16, C.R. Avenue, Kolkata – 700 072, a number of times but got no positive solution.

Insurer

The insurer has stated in their written submission (SCN) dated 20th June, 2013 that the policy document in respect of the above policy was sent to LIC Divisional Office, Kolkata, for reassignment by United Bank of India, Bhowanipore Branch, on 24th April, 2007 i.e. after a long gap of about ten and a half years from the reported date of death (1st November, 1996) of the Life Assured. The complainant has not submitted any tangible evidence towards the same or any death claim that has been lodged with them.

Accordingly, the death claim, being time barred in nature without any substantive proof of documents ever placed before them for consideration of claim, the competent authority has decided to reject the demand of the legal heir on condition that reopening of the case could be made only after all documentary proof of communication by the claimant and the bank is submitted.

The claimant has, therefore, been put to strict proof in support of his claim.

HEARING

Both the parties to the Complaint had been asked to attend before the Undersigned for a Hearing on the 21st of November, 2014 at Kolkata and both parties were present at the hearing.

The Complainant stated that his father had died on the 1st of November, 1996. Before his death he had taken a policy in 1960 with a term of 25 years. Due to business compulsions he had pledged the policy to the United Bank of India. The policy matured in 1985 but his father never asked about the policy from the Bank. After his death when the Complainant had gone to their Bank to close the

transactions and enquired about the policy, the Bank informed them that the policy had been sent to LIC for reassignment. They also provided him with the office copy of the letter which stated that the policy was being forwarded to LIC for reassignment. He contacted various offices of LIC regarding the status of the policy but nobody could help him. So he approached the Zonal Office of the Insurer at 4, C.R.Avenue, from where he had been advised to meet the Manager (CRM) of KMDO –I. The Manager CRM asked him to contact the Manager Claims but he did not get a positive answer from him too. Rather due to his multiple visits to the Office the Officers started avoiding him and finally he was misbehaved with and insulted by the Manager Claims of KMDO –I. He did not get any satisfactory reply from anybody and hence has approached this Forum.

The Insurer stated that they had been constantly asking for any documentary evidence regarding the original policy having been submitted to LIC for reassignment but the Complainant is not in possession of any other document than a copy of a letter which says that the policy may be reassigned. It is because of the non availability of any conclusive proof that LIC iss not being able to proceed further in this matter.

DECISION

We have heard both the parties and have gone through the documents available on record. On scrutiny it is found that there are no proper records available for examination either with the Complainant or the Insurer. Further, both the claim and the Complaint are time barred. Hence, the Complaint is dismissed.

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**OFFICE OF THE INSURANCE OMBUDSMAN
HINDUSTAN BUILDING ANNEXE, 4TH FLOOR,
4, CHITTARANJAN AVENUE, KOLKATA – 700 072**

AWARD IN THE MATTER OF

Complaint No. : 1225/24/001/L/12/2012-13

**Nature of Complaint : Non-settlement of maturity
claim**

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

Policy No. : 425100355

**Name & Address of : Smt. Smrity Rani Saha,
the Complainant C/o Gopal Saha,
South Pansila, P.O. Pansila,
Kolkata – 700 112.**

**Name & Address of : Life Insurance Corporation of
India, the Insurer
K.S.D.O., Jeevan Prabha,
DD – V, Sector – I,
Salt Lake City, Kolkata – 700 064.**

Date of hearing : 11.09.2014

Date of Award : 09/10/2014

AWARD

Facts and Submissions

Complainant

The complainant has stated in her petition dated 30th November, 2012 that she had purchased a policy bearing no. 425100355 on 28th January, 2006 under Plan 14 for 6 years from LIC, Sodepur Branch, on payment of quarterly premium of

Rs.4,933/-. The instalment premium was paid up to October, 2007. Then she was unable to pay further premiums from January, 2008. Thereafter, she applied for 'Loan-cum-Revival' of the said policy. Declaration of Good Health (DGH) in connection with revival of the policy was accepted and sent to Loan Department for creating loan against revival. The policy was matured on 28th January, 2012, but Discharge Voucher was not received by the complainant/Life Assured (LA).

On enquiry, it is known that the loan process could not be completed due to mis-matching of her signature and excess amount of loan after adjustment of premium could not be done. Naturally, the policy got fully lapsed in the meantime. But the insurance company referred the matter to the higher authority for reconsideration of her appeal for Loan-cum-Revival. The complainant/LA has raised her voice in connection with sending her appeal to the higher authority for reconsideration if any lapsation is done from her end.

Insurer

The insurer has stated in their written submission dated 8th April, 2013 that the complainant purchased a policy bearing no.425100355 under Table-Term 014-06 from LIC, Sodepur Branch on 28th January, 2006 and applied for Loan-cum-Revival on 28th March, 2011 as her policy had lapsed due to non-payment of premiums. But, due to difference in signature of the policyholder, Loan-cum-Revival process could not be completed. The status of the policy is lapsed without acquiring paid-up value i.e. nothing is payable on maturity. They mentioned that the policyholder is supposed to get a confirmation through premium certificate that the

amount of unpaid premium has been adjusted from the loan amount. But the policyholder was not interested to pay any further premiums and subsequently, she claimed payment of maturity value vide her letter to BM/Sodepur Branch, dated 21st March, 2012.

She wanted to avail the full benefits under the policy through Loan-cum-Revival, without any investment. She was interested to get the full benefits under the policy as maturity value instead of getting life risk cover which is principal purpose of insurance.

It is also to mention that the Competent Authority having the discretion power for acceptance of Revival for any policy and the revival is effected subject to acceptance by the insurer. "NO" maturity amount is payable to the policyholder Smt. Smrity Rani Saha for "Lapsed without acquiring paid-up value".

HEARING

Both the parties to the Complaint were called for a personal hearing on the 11th of September, 2014 at Kolkata and both the parties attended the hearing.

The complainant's husband stated that his wife's policy was in a lapsed state as he had been unable to pay the premiums due to financial crunch. He had been advised by his agent to apply for revival of the policy through the process of loan cum revival and accordingly he had submitted all the necessary documents in the Branch of LIC. At the time of maturity when he did not receive any intimation or any payment, he approached the LIC Branch office who informed him that his policy is in lapsed condition and hence nothing was payable. His wife's application for the loan-cum-revival had been rejected as there was difference in signature. He stated that

the signature had been attested by the Agent who is a club member agent. His contention was that there was no communication on the part of the Insurer informing his wife that there was a mismatch in signature. He wanted the maturity amount.

The Insurer stated that the complaint had applied for loan cum revival in the 4th year but the same did not take place as there was a difference in signature of the Life Assured. The complainant had paid the premiums for the 1st and 2nd year and there after the policy lapsed due to non payment of premium. Since there was a difference in signature in the revival form and it was informed to the agent, the office did not proceed any further in the matter. They admitted that there was a fault on the part of the Branch in not informing the life assured about the signature difference in writing.

DECISION

We have heard both the parties and have gone through the documents available on record. It is clear that there was a difference in the signature of the life assured in the revival form but the Insurer failed to call for specimen signatures from the life assured in writing. There is no evidence that the insured had been given any written intimation of the difference in signature so that she would be able to come and submit fresh forms to avail of the loan cum revival facility. The Insurer is directed to pay the notional Maturity value under the policy presuming that the policy had been revived under the loan cum revival scheme taking into consideration the loan and interest recovery from the final amount. The Complaint is accepted.

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**OFFICE OF INSURANCE OMBUDSMAN
HINDUSTAN BUILDING ANNEXE,4TH FLOOR
4, C.R.AVENUE,KOLKATA-700072**

AWARD IN THE MATTER OF

Complaint No. : 1414/24/001/L/01/12-13

**Nature of Complaint : NON PAYMENT OF MATURITY
CLAIM**

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

Policy No. : 280331875

**Name & Address of : SRI SUGATO DATTA,
the Complainant FLAT NO-B2,1ST FLOOR
P-18,RAIPUR
KOLKATA-700008**

**Name & Address of : L.I.C.OF INDIA,
the Insurer DELHI DIVISION -1**

Date of hearing : 16.01.2015

Date of Award : 09.02.2015

**BRIEF
Facts and Submissions**

Complainant

The complainant Sri Sugata Datta has submitted a petition dated 04.11.2012 received by us on 09.01.2013 for non payment maturity claim due on 28.11.2010 against the above policy. He has requested the Insurance Co to look into the matter vide letter dated

05.05.2011, 27.07.2011, 7.09.2011, 12.10.2011, 05.03.2012, 19.05.2012 & 04.11.2012 to look into the matter. The complaint did not receive any respond from the Insurance Co. Being aggrieved, he approached this forum for Hon'ble Ombudsman to act as a mediator between the insurer and the complainant to seek relief for his grievance.

Insurer

The Insurance Co has not submitted the SCN despite of our letter dated 15.01.2013 followed by reminders dated 20.08.2014 & 20.11.2014.

HEARING

Both the parties to the Complaint had been asked to appear before the Undersigned for a Hearing at Kolkata on the 16th of January, 2015 and both parties were present at the Hearing.

The Complainant stated that he had submitted all his documents including the Original Policy Bond, NEFT mandate, Discharge Voucher etc. to the Branch office of the Insurer at Delhi where his policy was being serviced. However, till date he has not received his Maturity payment.

The Manager CRM of KMDO-1, who was representing the Delhi Division, stated that they had been advised to request the policy holder (Complainant) to submit the lost policy questionnaire and other documents so that the Maturity payment could be released to him. However, since the Complainant had submitted all the Original Documents and had acknowledgement of the same, only the Discharge Voucher would be collected from the Complainant sent to the Delhi office along with necessary advice.

DECISION

We have heard both the parties and have gone through the Documents available on record. The Complainant has stated very clearly that he had submitted all the Original documents at the servicing Branch of his policy for release of his Maturity Amount. Thereafter, by asking for a lost policy questionnaire the Insurer is admitting to the fact that these documents have been misplaced at their end for which the Complainant should not be made to suffer.

The Insurer is directed to make the payment of the Maturity amount immediately on the receipt of the Duplicate Blank DV from the Complainant along with interest on the maturity amount @ 2% above the Bank Rate from May, 2011 till the date of payment.

This exercise is to be completed latest within 15 days of receiving a copy of this Award and the Consent of the Complainant under information to this Forum.

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

AWARD IN THE MATTER OF

Complaint No. : 1437/24/001/L/01/12-13

Nature of Complaint : Non-payment of maturity claim

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

Policy No. : 419275093

**Name & Address of the Complainant : Ms. Swapna Das,
9, Congress Exhibition Road,
Kolkata – 700 017.**

Name of the Life Assured : Ms. Swapna Das

**Name & Address of the Insurer : Life Insurance Corporation of
India,
K.M.D.O.-I, Jeevan Prakash
16, C.R. Avenue, Kolkata – 700 072.**

Date of hearing : 10.03.2015

Award Date : 30.03.2015

Award No. : IO/KOL/A/LI/0344/2014-2015

BRIEF

Facts and Submissions

Complainant

The complainant has stated in her petition dated 10th January, 2013 that she had deposited Rs.10,000/- to LIC, CBO-19, Kolkata –

72 for LIC Future Plus plan on 30th June, 2006 for the period of 5 years term and the same was encashed on 7th July, 2006. It was a single deposit plan. At the time of maturity, she submitted the policy bond and discharge voucher but the Insurance Company told that her cheque was dishonoured . But as per version of the complainant, she did not receive any cheque dishonour advice from the Insurance Company nor the cheque itself. Therefore, she was quite in dark about it. Rather, she got the information from the Bank that the cheque was honoured/cleared on 7th July, 2006. In support of which, she also submitted photo copy of her Bank Pass Book. She took up the matter with the Insurance Company but the insurance company did not agree to pay the matured amount.

Insurer

The Insurance Company has stated in their Written Submission (SCN) dated 27th February, 2015 that -

- The captioned Future Plus policy was taken by Smt. Swapna Das on 30th June, 2006 on deposit of an amount of Rs.10,000/- by cheque.**
- As per the record of the Branch Office, the cheque was dishonored by Bank and the Branch Office took dishonor action accordingly.**
- At the schedule time of maturity of the policy i.e. after June, 2011, the policyholder approached the Branch and claimed his maturity proceeds. But the Branch Office confirmed that the policy was cancelled automatically due to dishonour of the single premium cheque.**

- **The policyholder then submitted the instrument of the bank along with the copy of the relevant page of her bank pass book.**
- **They had taken up the matter with the Union Bank of India, Sundari Mohan Avenue Branch for their confirmation but no reply was received by them.**
- **In view of the above, they are unable to take any action and hence, wanted to close the complaint.**

HEARING

Both the parties to the Complaint had been asked to appear before the Undersigned for a Hearing at Kolkata on the 10th of March, 2015 and both the parties attended the Hearing.

The Complainant stated that she had paid Rs.10000/- by cheque towards purchase of a Future Plus policy which had been encashed on 7.7.2006. After maturity of the policy in June 2011 when she approached the Insurer for the payment of her maturity value she was told that her policy had been cancelled as her cheque had bounced. She had provided proof that her cheque had been encashed and provided her pass book copy to prove the same but the Insurer remained adamant and did not pay her amount.

The Insurer stated that as per the records of the Branch the cheque of the complainant had bounced and they had wanted a certificate from the Bank Manager that the cheque has been encashed.

The Complainant produced a copy of the encashed cheque to this Forum along with the copy of her passbook to prove that the cheque had indeed been encashed on 7.7.2006.

DECISION

We have heard both the parties and have gone through the documents available on record. It is strange that the Insurer is insisting for a certificate from the Branch Manager of Union Bank of India to the effect that the Complainant's cheque had been encashed even though her passbook has a clear entry of the same. The inflexible attitude of the Insurer is deplorable. The photocopy of the reverse of the said cheque clearly shows the clearing date. Instead of asking for a Certificate from the Bank, the Insurer should verify its own records to locate exactly what had happened.

The Insurer is directed to make the Full Maturity payment under the policy along with interest @ 11% from the date of Maturity till the date of payment within 15 days of receiving a copy of this Award and the Consent of the Complainant under information to this Forum.

Let the copies of this Award be sent to both the parties to the Complaint.

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

AWARD IN THE MATTER OF

Complaint No. : 1457/21/003/L/01/12-13

Nature of Complaint : Less payment of maturity claim

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

Policy No. : C200499495

**Name & Address of the Complainant : Shri Bimal Kolay,
12/4, Halder Para Lane,
Howrah – 711 104.**

Name of the Life Assured : Shri Bimal Kolay

**Name & Address of the Insurer : Tata AIA Life Insurance Co.
Ltd.,
Legal Department,
Kishore Bhavan (3rd Floor),
17, R.N. Mukherjee Road,
Kolkata – 700 001.**

Date of hearing : 19.11.2014

Award Date : 19.12.2014

AWARD

Facts and Submissions

Complainant

The complainant has stated in his petition dated nil, received by this Forum on 15th January, 2013 that he had purchased a policy

bearing no.C200499495 from Tata AIA Life Insurance Co. Ltd. on 25th November, 2002 for a period of 10 years. Necessary premium including service tax was paid by him within the due date. The Insurance Company submitted a Discharge Voucher (D.V.) for maturity claim on 27th August, 2012 where it was clearly indicated that the payable amount was Rs.89,215.39/-. He had completed the D.V. and submitted it to the office. But instead of crediting the amount of Rs.89,215.39/-, it was credited Rs.83,869.24/- which was a short of Rs.5,346.15/-. The complainant brought this matter to the notice of the Insurance Company vide his letter dated 28th November, 2012. In reply the Insurance Co. vide letter dated 4th December, 2012 had informed that the D.V. was sent 90 days prior to the maturity of the policy and at that time the vested bonus calculated on the basis of bonus declared for the year 2011-12 which was 60%; but at the time of payment the bonus declared for the year 2012-13 was 35%, hence there was such difference.

Insurer

The policy was issued on the basis of the completed application form and on accepting the terms and conditions of the policy by the Complainant.

In the Discharge Voucher submitted towards maturity claim of the above mentioned policy it was mentioned clearly that Terminal Bonus ("if any") would be Rs.12,830/-.

The said Terminal Bonus amount mentioned on the DV was considering the Terminal Bonus rate as 60% of the vested reversionary bonus declared for 2011-12 and accordingly the amount of Rs.89,215.39/- was mentioned on the DV. However, the actual Terminal Bonus declared for the year 2011-12 was 35% of the

vested reversionary bonus and hence there is a difference in the Terminal Bonus amount mentioned in the DV and that actually paid out to LA. Subsequently the same answer was given to the Complainant while referring to his grievance.

Keeping in view of the above, the complaint is devoid of any substance and the claim made therein is unlawful, malafide and not made in accordance with the terms and conditions of the said policy and law of land in vogue and it is prayed that Hon'ble Insurance Ombudsman be pleased to dismiss the complaint.

HEARING

Both the parties to the Complaint had been called to attend a hearing before the Undersigned at Kolkata on the 19th of November, 2014 and the same had been attended by both the parties.

The Complainant stated that he had signed on revenue stamp on the Discharge Voucher of the Insurer where the Net Maturity Amount payable was shown as Rs89,215/-. However, when he received the payment, he saw that he had been paid Rs.5346.15 less than what had been shown on the Discharge Voucher. His contention was that having signed on a revenue stamped paper, he was bound to receive the amount mentioned thereon. He wanted the difference of the Maturity Value.

The Insurer stated that in the discharge voucher there is a phrase "if any" against the bonus amounts which indicates that the amount will be paid subject to Bonuses available as per Valuation and since there was a drop in the Bonus rate the company has paid a lower amount.

DECISION

We have heard both the parties and have gone through the documents available on record. The Complainant was made to give discharge by signing on revenue stamp indicating the net amount which eliminates the possibility of any contingency of the varying on either side in future. The Insurer also has not explained the issue while making payment of an amount which was lesser than what the Complainant found while signing the Advance Discharge Voucher on revenue stamp.

Although the explanation offered at a later date and during hearing was based on Valuation results, it does not justify payment of an amount lesser than what was indicated as net payable.

The Insurer is directed to pay the balance amount of Rs.5,346.15 within 15 days of receiving a copy of this Award and the consent of the Complainant under information to this Forum.
