PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17 of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Sri Suresh Chandra Panda

CASE OF (Reena Padhy Vrs. Birla Sun Life Insurance)

COMPLAINT REF: NO: BHU-L-009-1819-0237

AWARD NO: IO/BHU/A/LI/096 /2019-20

1.	**Name & Address of the Complainant**	**Mrs. Reena Padhy. C/o- Pramod Kumar choudhury** **College Square, Po- Nuagam, Choudhury Nagar Aska** **Dist- Ganjam**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**006524960** **Life** **11.06.2014**
3.	**Name of the insured** **Name of the policyholder**	**Mr. Judhisthir Padhy** **----do-----**
4.	**Name of the insurer**	**Birla Sun Life Insurance**
5.	**Date of Repudiation**	**NA**
6.	**Reason for repudiation**	**NA**
7.	**Date of admission of the Complaint**	**11.09.2018**
8.	**Nature of complaint**	**Cancellation of policy without intimation**
9.	**Amount of Claim**	**Rs.500000/-**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.500000/-**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(b)**
13.	**Date of hearing/place**	**10.10.2019 / Bhubaneswar**
14.	**Representation at the hearing**	
	a) For the Complainant	**Reena Padhy**
	b) For the insurer	**Rabindranath Maharana**

15	Complaint how disposed	Under Insurance Ombudsman Rule 17.
16	Date of Award/Order	13.11.2019

17) Brief Facts of the Case:- The above said policy was purchased by the husband of the complainant on 11.06.2014 from the present Insurer. But, unfortunately he died due to heart attack on 10.06.2015. After the sad demise of her husband when she claimed the insurance money, it was repudiated by the insurer. According to the insurer, the policy was cancelled from the inception, due to certain discrepancies that was observed. The insurer conducted investigations and observed that there were some discrepancies or mismatch of information provided by the Life Assured at the time of proposal. Hence, the policy was cancelled. However, the claimant argued that the policy was issued in the year 2014 and it was cancelled in July 2017 which is after one year of death of her husband, which is arbitrary and unjust on the part of insurer. Thus being dissatisfied with the decision of the insurer, she approached this forum for redressal.

The insurer on the other hand submitted SCN stating that as DLA had died within 1 year from the date of policy issuance, it investigated the matter and found that Life Assured had died on 28.02.2013 which was prior to issuance of the policy. Investigation revealed that LA had died on 28.02.2013 and the cause of death was HIV +ve. Hence the complainant played fraud with the insurer as Life Assured did not exist at the time of policy issuance.

18) Cause of Complaint:

a) Complainant's argument:- During the course of hearing the complainant argued that her husband died due to heart attack on 10.06.2015. She also submitted some written statements issued by the ANM, Kharia Sub-Center, CHC,Balisira, Anganbadi worker, College square, Aska, and the Sarpanch, Baragam Grampanchayat, Ganjam which clearly mention that the death had occurred on 10.06.2015 due to heart attack. The complainant also submitted a written document issued by the Asha Didi of her village which states that neither anybody had enquired nor she had issued any written statement regarding the death of Late Judhistir Padhi earlier. Hence, the repudiation of claim on the ground of "insurance on the life of a non-existing person" is illegal.

b) Insurers' argument:- The insurer on the other hand stated that as DLA had died within 1 year from the date of policy issuance, it investigated the matter and found that Life Assured had died on 28.02.2013 which was prior to issuance of the policy. Investigation revealed that LA had died on 28.02.2013 and the cause of death was HIV +ve. Insurer also submitted a Xerox copy of the Anganbadi register in which date of death was mentioned as 28.02.2013. Hence the complainant played fraud with the insurer as Life Assured did not exist at the time of policy issuance

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint against non-settlement of claim by Insurer.

20) The following documents were placed for perusal.
a) Photo copies of proposal/policy document.
b) Photo copy of complaint letter and rejection letter by Insurer.

21) Result of hearing with both parties (Observations & Conclusion):- After going through the arguments and submissions of both the parties it was observed that, the insurer repudiated the claim on the basis of it's enquiry regarding the date of death, i.e "death prior to the commencement of policy", not on the basis of cause of death. Insurer could not prove that the DLA was suffering from HIV which was the cause of his death. No medical reports or Doctor's report was produced by the insurer to prove that the DLA was suffering from HIV. Only evidence produced by the insurer to repudiate the claim was the Xerox copy of Anganbadi register. This register also seems to be a forged document produced by the insurer before this forum as it is not signed by the issuing authority. From this register, it appears that the name of Judhistir Padhi has been inserted afterwards without a correct serial no. Further, as per special investigation report of the insurer the address in DL copy

of the LA was At- Talarampalli, Naikanipali, Kodala, Khalikote which does not match with the DL copy submitted by the claimant. As per the DL copy submitted by the claimant address was "College Squire, Nuagam, Aska, Ganjam" which is the current address of the complainant. On the other hand complainant had submitted written documents from Anaganbadi worker, Asha didi, Local Sarpanch and ANM and Doctor of the local CHC to prove that death had occurred on 10.06.2015. From all the above evidence submitted by the complainant, it is concluded that date of death i.e 10.06.2015 is correct and genuine. Hence, this forum is of the opinion that death claim is to be admitted and the complainant should be paid full Sum Assured along with bonus with interest.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, it is awarded that death claim is to be admitted and full Sum Assured of Rs.200000/- (Rupees Two lakh only) along with bonus, if any, is to be paid with interest from the date of claim up to the date of this award, as full and final settlement of the complaint.

Hence, the complaint is allowed accordingly.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.

b. As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman.

c. As per the rule 17(8), of the said rules the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 13th Nov. 2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Shri Suresh Chandra Panda

CASE OF (Mrs Gita BiswasVs. LIC of India Berhampur)

COMPLAINT REF: NO: BHU-L-029-1819-0424

AWARD NO: IO/BHU/A/LI/098/2019-20

1.	**Name & Address of the Complainant**	**Mrs Gita Biswas, AT/PO- Naktisimada(DNK), VIA-Raighar,Dist- Nabranpur**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**573347704** **Life** **28.09.2013**
3.	**Name of the insured** **Name of the policyholder**	**Late Gurudas Biswas** **- do-**
4.	**Name of the insurer**	**LIC of India Berhampur**
5.	**Date of Repudiation**	**NA**
6.	**Reason for repudiation**	**NA**
7.	**Date of admission of the Complaint**	**05.12.2018**
8.	**Nature of complaint**	**Repudiation of death claim**
9.	**Amount of Claim**	**Rs.75000/-**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.75000/-**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(b)**
13.	**Date of hearing/place**	**Bhubaneswar**
14.	**Representation at the hearing**	
	c) For the Complainant	**Absent**
	d) For the insurer	**Smt. K P Sabat**

15	**Complaint how disposed**	**Under Insurance Ombudsman Rule 17.**
16	**Date of Award/Order**	**20.11.2019**

17) Brief Facts of the Case:-.The life assured Late Gurudas Biswas had taken insurance policy no.573347704, DOC being 28.09.2013. He expired suddenly on 23.05.2015. The claimant is Mrs Gita Biswas, wife of life assured. She had applied for the claim, but the insurer rejected the claim on the basis of misstatement of age by the life assured, while taking the policy. Finding no alternative, she approached this forum for Redressal.

On the other hand the OP filed SCN and pleaded that the policy was completed on the basis of self declaration by the life assured Late Gurudas Biswas and there was misstatement of age as 47 years, while actual age was 51 years at the time of taking the policy. Hence the claim was repudiated by the DOCDRC and the decision was upheld by ZOCDRC. However COCDRC directed to admit the claim on ex gratia basis. Accordingly the claim was admitted and was paid to the claimant on 11/02/2018. Hence OP has requested to dismiss the complaint filed by the complainant.

18) Cause of Complaint:

a) Complainant's argument:- Complainant was absent during the course of hearing.

b) Insurers' argument:- The insurer pleaded that the policy was completed on the basis of self declaration by the life assured Late Gurudas Biswas and there was misstatement of age as 47 years, while actual age was 51 years at the time of taking the policy. Hence the claim was repudiated by the DOCDRC and the decision was upheld by ZOCDRC. However COCDRC directed to admit the claim on ex gratia basis. Accordingly the claim was admitted and was paid to the claimant on 11/02/2018. Hence OP has requested to dismiss the complaint filed by the complainant.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint against non-payment of claim by the Insurer.

20) The following documents were placed for perusal.
a) Photo copies of policy documents.
b)Photo copy of representation to Insurer and its reply.

21)Result of hearing with both parties(Observations & Conclusion):- After going through the submissions made by the insurer, it was observed that the claim has already been admitted by the insurer on Ex-gratia basis. Accordingly SA of Rs.75000/- was paid to the claimant on 11.10.2018. From the status report of the policy it was also confirmed that Rs.75000/- had been paid by the insurer on 11.10.2018 vide ch. No 0004447. The claimant also did not attend the hearing on stipulated date. So it appears that after receipt of the above said amount the claimant was satisfied and hence she does not have any more grievance against the insurer. Hence, this forum is of the opinion that the complaint may be dismissed.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, the complaint is treated as dismissed.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

d. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.

e. As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman

f. As per rule 17 (8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 20th Nov.2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Shri Suresh Chandra Panda

CASE OF (Mr Babula KachimVs. LIC of I ndia , Berhampur)

COMPLAINT REF: NO: BHU-L-029-1819-0477

AWARD NO:IO/BHU/A/LI/099/2019-20

1.	**Name & Address of the Complainant**	**Mr Babula Kachim, AT- Badanagajhori, PO- Ichhapur, VIA- Ambadola, Block,Muniguda, Raygada.**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**574375380** **Life** **28.06.2016**
3.	**Name of the insured** **Name of the policyholder**	**Mr. Dhanasingh Kachim** **- do-**
4.	**Name of the insurer**	**LIC of India , Berhampur**
5.	**Date of Repudiation**	**NA**
6.	**Reason for repudiation**	**NA**
7.	**Date of admission of the Complaint**	**04.01.2019**

8.	**Nature of complaint**	**Repudiation of death claim**
9.	**Amount of Claim**	**Rs.100000/-**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.100000/-**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(b)**
13.	**Date of hearing/place**	**20.11.2019/Bhubaneswar**
14.	**Representation at the hearing**	
	e) For the Complainant	**Babula Kachim**
	f) For the insurer	**Smt. K P Sabat**
15	**Complaint how disposed**	**Under Insurance Ombudsman Rule 17.**
16	**Date of Award/Order**	**20.11.2019**

17) Brief Facts of the Case:-.The life assured Late Dhanasingh Kachim had taken policy no. 574375380 on his own life with DOC 28/06/2016 and SA 75000/-. He expired on 01/10/2016 due to heart attack. Hence the claimant Mr Babula Kachim had applied for payment of death claim amount. But the Insurer did not respond. Finding no alternative, he approached this forum for Redressal.

On the other hand the OP filed SCN and pleaded that the life assured Late Mr. Dhanasingh Kachim had been treated for chest pain and other disease prior to taking the insurance policy. Secondly LA had taken the insurance policy by declaration that his age was 48 years, at the time of taking the policy, whereas actually he was 55 years of age as per the voter list of 2018.Accordingly the claim was repudiated on the ground of suppression of material facts.

18) Cause of Complaint:

a) Complainant's argument:- Complainant stated that his father had purchased the above policy from the present insurer on 28.06.2016. But, unfortunately he died of heart attack on 01.10.2016. According to him his father was an illiterate person without having any education. The said attack was the second attack of his father. The first heart attack was felt in the year 2013. When he applied for payment of death claim amount his claim was not only rejected by the insurer but he was misbehaved by the employees and officers of the insurer. He has already complained to the higher authority regarding the misbehavior of the officials in the office of the insurer.

b) Insurers' argument:- Insurer on the other hand pleaded that the proposal was completed on the basis of Adhar Card in which date of birth was recorded as 03.11.1968 i.e age was 48 years as on the date of commencement. But as per the voter list age was 55 years as on the date of commencement of the policy. In addition to it the LA was also treated in UMA CLINIC (Nurshing Home), Kesinga for chest pain and other disease. As per the said treatment DLA did ultrasound at Uma Clinic, Kesinga on 15.08.2012 which was not disclosed by the DLA at the time of proposal. So the complaint should be dismissed.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint against non-payment of claim by the Insurer.

20) The following documents were placed for perusal.
a) Photo copies of policy documents.
b)Photo copy of representation to Insurer and its reply.

21)Result of hearing with both parties(Observations & Conclusion: After going through the arguments and submissions of both the parties it was observed that, the LA had submitted Adhar card as age proof, but the policy was completed by the insurer on the basis of school certificate. This is evident from the status report submitted by the insurer along with the SCN. It is not clear, why insurer wanted to complete the proposal through school certificate when he had submitted Adhar Card as age proof. However, the date of birth in both the cases is same. In addition to it the insurer has collected some proof regarding pre-existing disease for which DLA was treated in UMA CLINIC, Keshinga. As per the treatment papers submitted by the insurer there was sufficient proof that DLA was treated for chest pain. He had not disclosed regarding this treatment at the time of proposal. Had it been disclosed, the underwriting decision would have been something different. So, insurer's decision to repudiate the claim on the ground of mis-representation was correct and justified. Hence, this forum is of the opinion that the complaint should be treated as dismissed.

But before winding of the complaint if we look at the version of the claimant that he was chastised by the officials inside the office, it is a serious matter to be noted. Insurer should ensure that the clients are behaved very decently and politely on their visit to the office and such things should not be repeated further.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, the complaint is treated as dismissed.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

g. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.

h. As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman

i. As per rule 17 (8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 20th Nov. 2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Shri Suresh Chandra Panda

CASE OF (Sri Fagu MahaliVs. LIC of India, Cuttack)

COMPLAINT REF: NO: BHU-L-029-1819-0480

AWARD NO: IO/BHU/A/LI/100/2019-20

1.	**Name & Address of the Complainant**	**Sri Fagu Mahali , AT- Pithakutuni, PO- Badamtolia, PS- Rairangpur, Dist- Mayurbhanj**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**598228723 , 598231901** **Life** **19.05.2011 , 23.09.2011 respectively**
3.	**Name of the insured** **Name of the policyholder**	**Mr. Bikram Mahali** **- do-**
4.	**Name of the insurer**	**LIC of India, Cuttack**
5.	**Date of Repudiation**	**12.07.2018**
6.	**Reason for repudiation**	**As the murder was not accidental**
7.	**Date of admission of the Complaint**	**04.01.2019**
8.	**Nature of complaint**	**Rejection of accident death benefit claim**
9.	**Amount of Claim**	**Rs.50000/- + 50000/-**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.100000/-**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(b)**
13.	**Date of hearing/place**	**20.11.2019/Bhubaneswar**
14.	**Representation at the hearing**	
	g) For the Complainant	**Absent**
	h) For the insurer	**R N Panda**
15	**Complaint how disposed**	**Under Insurance Ombudsman Rule 17.**

16	**Date of Award/Order**	**20.11.2019**

17) Brief Facts of the Case:-.The life assured had two no. of policies. He expired on 26/06/2015, the cause of death was murder. Both these policies have accident death benefit coverage. Champa Mahali, daughter of life assured is the claimant in policy no. 598228723 and Fagu Mahali, son of the life assured is the claimant in policy no. 598231901. The basic claim had already been settled but the accidental death benefits had been rejected by the insurer. Finding no alternative, the complainant approached this forum for Redressal.

On the other hand the OP filed SCN and pleaded that, the insured Bikram Mahali was taking liquor and side by side he worked as informer of excise personnel and furnished information regarding illicit liquor transaction in their locality, and hence he was murdered. As per policy conditions evidence should be produced to prove that the murder was an accident, but no evidence was produced to prove that murder was by accident. The claimant himself had admitted that, the cause of death is Murder which is not an accidental murder. Hence claim for accident benefit had been rejected by OP.

18) Cause of Complaint:

a) Complainant's argument:- The complainant was absent during the course of hearing.

b) Insurers' argument:- Insurer pleaded that as per the judgment report in the court of Additional Sessions Judge , Rairangpur, Sri Fagu Mahali, the complainant, declared that his father Sri Bikram Mahali, (deceased) was taking liquor and side by side he was working as an informer of Excise personnel to furnish information with regard to illicit transaction of liquor in their locality. So the accused persons bore grudge on the deceased and planned to murder him. The report itself leads to suspicion of the murder being by design and intent/murder simplicitor rather than accidental murder. So this act of Murder cannot be included as an accidental murder. Hence, the claim of the applicant for payment of accidental claim was rejected.
9) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint against non-payment of claim by the Insurer.

20) The following documents were placed for perusal.
a) Photo copies of policy documents.
b)Photo copy of representation to Insurer and its reply.

21)Result of hearing with both parties(Observations & Conclusion):- This forum has carefully observed the arguments and representations made by both the parties. The crux of the issue is that whether murder amounts to accident and whether the nominee of the DLA is eligible for accident benefit as per the terms and conditions of the policy.

The apex consumer body, the National Consumer Disputes Redressal Commission (National Commission) while hearing an appeal filed against the order of the Maharastra State Consumer Disputes Redressal Commission (State Commission) has recently held in *Royal Sundaram Alliance Insurance Co Ltd Vs Pawan Balaram Mulchandani,* that murder of an insured is to be treated as an accident policy, unless expressly excluded and/or caused as a result of the insured's own deliberate act. The National Commission thus reached the conclusion that in case the immediate cause of injury was not the result of any deliberate or willful act of the insured and the incident was not expected on the part of the insured, the murder was to be considered as an "accident". In other words an injury or death caused by a willful and deliberate act of some third person is to be treated as an accident. But if the immediate cause of injury is the deliberate and willful act of the insured himself, there would seem to be no accident and no claim will lie under the policy.

In this case, it was observed that the insured was doing a noble job i.e informing the police regarding illicit liquor transaction affair for which he was murdered by some criminals. As far as insured was concerned it was an unforeseen event. His murder was an untoward event which was not expected or designed by the insured nor did the insured expected it's occurrence. The murder which is an unexpected event from the standpoint of

view of victim is an accident. The issue need to be seen from the standpoint of victim and not from perpetrators who would have planned their attack. But the fact remains that victim remained unaware of such mishap and was neither a party nor privy to the mishap.

In addition to it, as per claim manual of the insurer, page no 113 and point no 1.4 " When the life assured is murdered or he succumbs to injury inflicted on him by others, consideration of claim for Accident Benefit need not be postponed till the arrest, trial and judgment in the case registered by the police in connection with the event." It implies that accident benefit is payable in case of murder also.

Hence, this forum is of the opinion that murder of the insured should be treated as an accident for extending the accident benefits under the policy and insurer is directed to pay DAB sum assured of Rs.100000/- with interest.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by the insurer during the course of hearing, the insurer is directed to admit Accident Benefit against the said policy and pay DAB Sum Assured of Rs.100000/- along with interest from the date of claim up to the date of this award as full and final settlement of complaint.

Hence, the complaint is treated as allowed accordingly.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

j. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.

k. As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman

l. As per rule 17 (8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 8th Aug. 2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Shri Suresh Chandra Panda

CASE OF (Sri Phukuni MohantyVs. LIC of India, Cuttack)

COMPLAINT REF: NO: BHU-L-029-1819-0529

AWARD NO:IO/BHU/ A/LI/102/2019-20

1.	**Name & Address of the Complainant**	**Mr. Phukuni Mohanty,F/O Late Shankar Charan Mohanty,At-Chatra,PO- Jgatsinghpur,Dist- Jagatsinghpur.**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**599680315** **Life** **22.02.2014**
3.	**Name of the insured** **Name of the policyholder**	**Mr. Shankar Charan Mohanty** **- do-**
4.	**Name of the insurer**	**LIC of India, Cuttack**
5.	**Date of Repudiation**	**NA**
6.	**Reason for repudiation**	**NA**
7.	**Date of admission of the Complaint**	**10.01.2019**
8.	**Nature of complaint**	**Rejection of DAB Claim**
9.	**Amount of Claim**	**Rs.140000/-**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.140000/-**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(b)**
13.	**Date of hearing/place**	**20.11.2019 / Bhubaneswar**
14.	**Representation at the hearing**	
	i) For the Complainant	**Tanmaya Malla (Son-in law of Complainant)**
	j) For the insurer	**R N Panda**
15	**Complaint how disposed**	**Under Insurance Ombudsman Rule 17.**
16	**Date of Award/Order**	**20.11.2019**

17) Brief Facts of the Case:-.The complaint is regarding non-payment of accidental benefit claim of Rs 140000/ in policy no 599680315. The life assured, Late Shankar Charan Mohanty had taken the policy on 22.02.2014 and the policy had accidental death benefit coverage. Life assured expired on 31/08/2014 and the basic death claim is already settled. The cause of death of life assured was murder and hence the complainant, who is also the nominee of the policy had claimed accidental death benefit claim for Rs 140000/. The insurer had rejected the claim. Finding no alternative, the complainant approached this forum for redressal.

On the other hand the OP filed SCN and pleaded on the basis of policy conditions, that, the accidental death is to be corroborated by sufficient evidence, and no such evidence was produced to prove that the cause of death was due to accident. OP had also pleaded that the postmortem report reveals the death was due to Asphyxia. Hence the claim had been rejected by the OP on 23.02.2018.

18) Cause of Complaint:

a) Complainant's argument:- The complainant appealed that late Shankar Charan Mohanty had taken the said policy on his own life from the present insurer in which there was accidental death benefit coverage. Life assured expired on 31/08/2014 and the basic death claim is already settled. The cause of death of life assured was murder and hence the complainant, who is also the nominee of the policy had claimed accidental death benefit claim for Rs 140000/. The insurer had rejected the claim.

b) Insurers' argument:- On the other hand insurer pleaded that on the basis of policy conditions, accidental death is to be corroborated by sufficient evidence, and no such evidence was produced to prove that the cause of death was due to accident. OP had also pleaded that the postmortem report reveals the death was due to Asphyxia. Hence the claim had been rejected by the OP on 23.02.2018.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint against non-payment of AB by the Insurer.

20) The following documents were placed for perusal.
a) Photo copies of policy documents.
b)Photo copy of representation to Insurer and its reply.

21) Result of hearing with both parties(Observations & Conclusion):- After going through the arguments and submissions of both the parties it was observed that, first LA was found missing and was suspected to have been kidnapped by his employer. Then his dead body was found to be laying at a distant place from his house for which police suspected that it was a case of murder. But, as per the judgment of the court of Additional District and Sessions judge, "there is no ocular witness to the alleged murder or kidnap of the deceased". Death had occurred, but the court failed to state how it occurred. The postmortem report revealed that the cause of death was due to asphyxia out of smothering and death is ante mortem in nature. It further revealed that there are abrasion, laceration bruise in the face of the deceased. In the judgment, the accused were also acquitted of the charge of murder. So, it can not be concluded that the death was due to murder which would be treated as an accident. An accident is a sudden, unforeseen and involuntary event caused by external, violent and visible means. So in this case, as far as death of the LA is concerned, there was no concluding decision regarding the cause of death. Hence, this forum is of the opinion that the insurer is not liable to admit accident benefit in this case and the complaint is to be dismissed.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, the complaint is to be treated as dismissed.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

m. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.

n. As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman

o. As per rule 17 (8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 20th Nov. 2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Shri Suresh Chandra Panda

CASE OF (Sri Santanu Kumar BeheraVs. LIC of India, Bhubaneswar)

COMPLAINT REF: NO: BHU-L-029-1819-0445

AWARD NO:IO/BHU/A/LI/103/2019-20

1.	**Name & Address of the Complainant**	**Sri Santanu Kumar Behera,AT- Sdhasarangi, PO-Brahman Sarangi,VIA- Balipatana, Khordha.**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**598309843** **Life** **13.10.2011**
3.	**Name of the insured** **Name of the policyholder**	**Smt Gunamani Behera** **- do-**
4.	**Name of the insurer**	**LIC of India, Bhubaneswar**
5.	**Date of Repudiation**	**NA**
6.	**Reason for repudiation**	**NA**
7.	**Date of admission of the Complaint**	**18.12.2018**

8.	**Nature of complaint**	**Delay in settlement of death claim**
9.	**Amount of Claim**	**Rs.120000/-**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.120000/-**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(b)**
13.	**Date of hearing/place**	**22.11.2019/ Bhubaneswar**
14.	**Representation at the hearing**	
	k) For the Complainant	**Santanu Kumar Behera**
	l) For the insurer	**D Nayak**
15	**Complaint how disposed**	**Under Insurance Ombudsman Rule 17.**
16	**Date of Award/Order**	**22.11.2019**

17) Brief Facts of the Case:-.The deceased LA Smt Gunamani Behera had taken one life insurance policy no. 598309843 , DOC 13.10.2011. She expired on 02/11/2011, after 19 days of date of commencement of policy. The cause of death as mentioned in hospital records is acute leukemia. Accordingly the claimant of the policy Sri Santanu Kumar Behera submitted the relevant papers to the insurer for settlement of death claim. But the claim was not settled by the insurer and is delayed substantially. Finding no alternative, he approached this forum for Redressal.

On the other hand the OP filed SCN and pleaded that the DLA died due to acute leukemia, on 02.11.2011 , after 19 days of taking policy. It was an early death claim, i.e., death within two years of taking the policy. The medical reports and necessary investigations show that the DLA was treated in 3 hospitals in Bhubaneswar from 28.10.2011 to 02.11.2011, and was suffering from severe anemia and acute leukemia and continued fever since 20 days i.e Hematological Malignancy with generalized Limphademopathy. As per discharge certificate of Vivekananda Hospital Bhubaneswar, it was a case of continued fever since 20 days. OP stated that all these suggest LA was not in proper health before taking the policy and the disease was not declared in personal History Questionnaire no. II, had it been declared, it would have affected the underwriting decision.

18) Cause of Complaint:

a) Complainant's argument:- The complainant appealed that his wife had taken an insurance policy from the present insurer on 13.10.2011. But unfortunately she died of leukemia on 02.11.2011. He submitted requisite papers to the insurer for payment of claim amount which was repudiated by the insurer without stating any reason.

b) Insurers' argument:- The insurer on the other hand pleaded that the DLA died due to acute leukemia, on 02.11.2011 , after 19 days of taking policy. It was an early death claim, i.e., death within two years of taking the policy. The medical reports and necessary investigations show that the DLA was treated in 4 different hospitals in Bhubaneswar from 28.10.2011 to 02.11.2011, and was suffering from severe anemia and acute leukemia and continued fever since 20 days i.e Hematological Malignancy with generalized Limphademopathy. As per discharge certificate of Vivekananda Hospital Bhubaneswar, it was a case of continued fever since 20 days. OP stated that all these suggest LA was not in proper health before taking the policy and the disease was not declared in personal History Questionnaire no. II, had it been declared, it would have affected the underwriting decision.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint against non-payment of claim by the Insurer.

20) The following documents were placed for perusal.
a) Photo copies of policy documents.
b)Photo copy of representation to Insurer and its reply.

21)Result of hearing with both parties(Observations & Conclusion):- After going through the arguments and submissions of both the parties it was confirmed that death of the LA occurred due to acute leukemia. LA was also treated in different Hospitals like, BMC Hospital, Capital Hospital, Vivekananda Hospital and Ayush Hospital Bhubaneswar from 28.10.2011 till death on 02.11.2011. BMC Hospital report reveals that DLA was suffering from severe anemia CCF with PUO (Typhoid fever). As per the report of Vivekananda Hospital, LA was suffering from acute leukemia, severe anemia and severe thrombocytopenia with continued fever since 20 days. The complainant also admitted that deceased was suffering from fever continuously for more than 10 days prior to the treatment in BMC Hospital. According to the complainant, neither the DLA nor any member of her family knew that she was suffering from leukemia for which she was only treated for fever. It was only in Vivekananda Hospital, the deceased was confirmed to be suffering from leukemia. Acute leukemia may begin suddenly and adopts a rapid course in a few weeks or months. The only sign of acute leukemia is anemia with fever which rapidly grow to leukemia within a few weeks. In this case also the DLA was suffering from anemia and fever prior to detection of leukemia. The insurer also could not prove that DLA was suffering from leukemia prior to the commencement of policy. From all these points it may be concluded that the Life Assured had no knowledge that she was suffering from leukemia at the time of proposal. Hence, this forum is of the opinion that death claim is to be admitted and the claimant should be paid full Sum assured of Rs.120000/- with interest.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, it is awarded that a Sum of Rs.120000/- is to be paid to the claimant with interest from the date of claim till the date of this award as full and final settlement of the complaint.

Hence, the complaint is treated as allowed accordingly.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

p. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.

q. As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman

r. As per rule 17 (8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 22nd Nov. 2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Shri Suresh Chandra Panda

CASE OF (Mr. Manoj Kumar Das Vs. LIC of India, Bhubaneswar)

COMPLAINT REF: NO: BHU-L-029-1819-0509

AWARD NO:IO/BHU/A/LI/104/2019-20

1.	**Name & Address of the Complainant**	**Mr Manoj Kumar Das, AT- Brahmin Sahikhandapada, Dist- Nayagarh- 752077**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**597336515,597190266,597332883** **Life** **21.06.2016, 28.04.2015, 28.03.2016v respectively**
3.	**Name of the insured** **Name of the policyholder**	**Mrs Shradhanjali Dash** **- do-**
4.	**Name of the insurer**	**LIC of India, Bhubaneswar**
5.	**Date of Repudiation**	**NA**
6.	**Reason for repudiation**	**NA**
7.	**Date of admission of the Complaint**	**10.01.2019**
8.	**Nature of complaint**	**Repudiation of death claim**
9.	**Amount of Claim**	**Rs.285000/- + Bonus**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.285000/- + Bonus**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(b)**
13.	**Date of hearing/place**	**Bhubaneswar**
14.	**Representation at the hearing**	
	m) For the Complainant	**Manoj Kumar Das**
	n) For the insurer	**D Nayak**
15	**Complaint how disposed**	**Under Insurance Ombudsman Rule 17.**
16	**Date of Award/Order**	**22.11.2019**

17) Brief Facts of the Case:-.The life assured Mrs. Shradhanjali Dash had taken 4 nos. of policies from the insurer, i.e., policy no 598360980,597332883,597190266 & 597336515 on various dates. She expired on 04/09/2016. The cause of death as mentioned in hospital record was seizure disorder .The complainant Sri Manoj Kumar Dash was the brother of deceased life assured, he was also the claimant in policy no 597190266 and 597336515. The claimant in policy no 597332883 was Sri Pranabesh Dash, nephew of the deceased life assured. The complainant stated that the death of Smt. Shradhanjali Dash was natural and she was not suffering from any disease anytime before or after taking the policy. As the claim was repudiated in above 3 policies (claim in policy no.598360980 was settled as it was a non-early claim), the claimant represented to the insurer. However the claim was repudiated by the insurer citing non disclosure of medical history. Finding no alternative, he approached this forum for Redressal.

On the other hand the OP filed SCN and pleaded that the primary cause of death of LA was epilepsy & seizure and the LA was suffering from Seizure disorder since birth & was Epileptic since 10 years of age which was not disclosed at the time of proposal. Hence the early claim(claim arising within two years of taking the policy) in policy no. 597332883, 597190266 and 597336515 was repudiated by the divisional authority and the decision was upheld by Zonal authority. The claim in policy no. 598360980 was settled as that was non early claim, in spite of non disclosure of facts in this policy also.

18) Cause of Complaint:

a) Complainant's argument:- The complainant argued that his sister had purchased the above three policies from the present insurer. Unfortunately she died on 04.09.2016. The complainant stated that the death of Smt. Shradhanjali Dash was natural and she was not suffering from any disease anytime before or after taking the policy. But the insurer repudiated the claim on the ground of pre-existing disease which is illegal and unjust.

b) Insurers' argument:- On the other hand the insurer pleaded that the primary cause of death of LA was epilepsy & seizure and the LA was suffering from Seizure disorder since birth & was Epileptic since 10 years of age which was not disclosed at the time of proposal. Hence the early claim(claim arising within two years of taking the policy) in policy no. 597332883, 597190266 and 597336515 was repudiated by the divisional authority and the decision was upheld by Zonal authority. The claim in policy no. 598360980 was settled as that was non early claim, in spite of non disclosure of facts in this policy also.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint againstnon-payment of claimby the Insurer.

20) The following documents were placed for perusal.
a) Photo copies of policy documents.
b)Photo copy of representation to Insurer and its reply.

21)Result of hearing with both parties(Observations & Conclusion):- After going through the arguments and submissions of both the parties it was found that the deceased was suffering from epilepsy prior to the commencement of the policy. The Bed Head Tickets and case History provided by SUM Hospital shows that, the DLA was suffering from Seizure Disorder since birth and was under medication. In addition to it, the case history also shows that the DLA was epileptic since the age of 10 years. From all these facts it was concluded that DLA was not in good health before taking this policy. All these 3 policies were taken by her by hiding her health conditions only to defraud the insurer. Intentionally, she suppressed the material facts that she was suffering from epilepsy, and took the advantage of insurance on her life. Hence, this forum is of the opinion that the insurer does not have any liability to pay the death claim against all these three policies and the complaint is to be treated as dismissed.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, the complaint is treated as dismissed.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

s. **According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.**

t. **As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman**

u. **As per rule 17 (8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.**

Dated at Bhubaneswar on 22nd Nov. 2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Shri Suresh Chandra Panda

CASE OF (Smt Minakshi SahooVs. LIC of India, BBSR)

COMPLAINT REF: NO: BHU-L-029-1819-0510

AWARD NO:IO/BHU/A/LI/106/2019-20

1.	**Name & Address of the Complainant**	**Meenakshi Sahoo,At- Ballavpur,PO-Chhanipur,Salipur,Cuttack**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**574928756** **Life** **09.01.2015**
3.	**Name of the insured** **Name of the policyholder**	**MrSusanta Kumar Sahoo** **- do-**
4.	**Name of the insurer**	**LIC of India, BBSR**
5.	**Date of Repudiation**	**NA**
6.	**Reason for repudiation**	**NA**

7.	**Date of admission of the Complaint**	**10.01.2019**
8.	**Nature of complaint**	**Delay in settlement of death claim**
9.	**Amount of Claim**	**Rs.200000/-**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.600000/-**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(a)**
13.	**Date of hearing/place**	**22.11.2019/ Bhubaneswar**
14.	**Representation at the hearing**	
	o) For the Complainant	**Absent**
	p) For the insurer	**D Nayak**
15	**Complaint how disposed**	**Under Insurance Ombudsman Rule 17.**
16	**Date of Award/Order**	**22.11.2019**

17) Brief Facts of the Case:-.The LA Santosh Kumar Sahoo had taken policy no 574958756, DOC- 09/01/2015, SA-200000/-. LA died on 16/05/2015.The claimant is Smt Meenakshi Sahoo, mother of deceased LA. She had represented to the insurer for settlement of claim on various occasions, i.e., on 12.01.2016, 15.09.2017, 31.12.2018.But claim payment was delayed by the insurer. Finding no alternative, he approached this forum for Redressal.

On the other hand the OP filed SCN and pleaded that, after receiving all documents and after completion of all formalities the death claim was settled in favor of nominee Smt. Minakshi Sahoo on 15.12.2018.They have submitted the policy status report and copy of NEFT payment confirming the claim payment details.

8) Cause of Complaint:

a) Complainant's argument:- The complainant was absent during the course of hearing.

b) Insurers' argument:- The insurer stated that after completion of all formalities, the death claim was settled in favour of the nominee on 15.12.2018 and Rs.250000/- was credited to her Bank account on 17.12.2018. Hence, the complaint should be dismissed.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint against non-payment of claim by the Insurer.

20) The following documents were placed for perusal.
a) Photo copies of policy documents.
b)Photo copy of representation to Insurer and its reply.

21)Result of hearing with both parties(Observations & Conclusion):- After going through the submissions of the insurer, it was found that the complaint has been settled by the insurer by paying the death claim amount to the complaint. Being satisfied with this act of the insurer the complainant also did not attend the hearing on the stipulated date. Hence, this forum is of the opinion that the complaint should be dismissed.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, the complaint should be treated as dismissed.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

v. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.

w. As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman

x. As per rule 17 (8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 22nd Nov.2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF ODISHA

(UNDER RULE NO: 16(1)/17of

THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Shri Suresh Chandra Panda

CASE OF (Mrs Aparna Das Vs. LIC of India, Cuttack)

COMPLAINT REF: NO: BHU-L-029-1819-0527

AWARD NO:IO/BHU/ A/LI/101/2019-20

1.	**Name & Address of the Complainant**	**Mrs Aparna Das, W/O Late Susant Kumar Das, AT-Nilambarpur, PO- Nekursuni,VIA- Belda, Paschim Midnapore, West Benagal**
2.	**Policy No:**	**599571327,333,337,339,341,343,344**

	Type of Policy **Duration of policy/Policy period**	**Life** **28.09.2013 – all 7 policies**
3.	**Name of the insured** **Name of the policyholder**	**Late Mr. Susant Kumar Das** **- do-**
4.	**Name of the insurer**	**LIC of India, Cuttack**
5.	**Date of Repudiation**	**09/11/2016 as per SCN**
6.	**Reason for repudiation**	**Policy lapsed due to non payment of premium**
7.	**Date of admission of the Complaint**	**03/01/2019**
8.	**Nature of complaint**	**Rejection of death claim**
9.	**Amount of Claim**	**Rs1000000/-(in all 7 policies)**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs.1000000/-**
12.	**Complaint registered under Rule no: of Insurance Ombudsman Rules**	**13(1)(b)**
13.	**Date of hearing/place**	**20.11.2019/ Bhubaneswar**
14.	**Representation at the hearing**	
	q) For the Complainant	**Aparna Das**
	r) For the insurer	**R N Panda**
15	**Complaint how disposed**	**Under Insurance Ombudsman Rule 17.**
16	**Date of Award/Order**	**20.11.2019**

17) Brief Facts of the Case:-.The life assured Late Mr. Susant Kumar Das had taken 7 policies from LIC of India, DOC of all policies 28/09/2013.The life assured expired in a road accident on 12/07/2015, hence the claimant gave the death intimation to the concerned servicing branch office of Jaleswar. But there was no response. Finding no alternative, she approached this forum for Redressal.

On the other hand the OP filed SCN and pleaded that the claim on all policies had been denied by the competent authority on the ground of 'policy lapsed at the time of death.' OP pleaded that at the time of death policy was lapsed due to non payment of premium due 03/2015 within due date including the grace period as applicable. Further premium due for 03/2015 was paid on 12/07/2015 at 10.38 am after the death of life assured. On this basis competent authority had denied the claim and the same had been intimated to the complainant on 15.011.2016.

18) Cause of Complaint:

a) Complainant's argument:- Complainant pleaded that her husband had purchased the above mentioned seven policies from LIC of India Jaleswar branch on 28.09.2013. She was a native of Midnapur District of West Bengal. As the servicing branch was far away from their native place, her husband used to pay premium to the

concerned agent who had procured the policy. After payment of premium the receipts were delivered to him by the agent. According to the complainant, her husband had never delayed in payment of premium. She also admitted that neither she nor her husband ever verified the date of premium payment from the receipt. The premium due for 03/2015 was collected by the agent in time which was remitted to insurer late. Her husband is in no way responsible for delayed payment of the same. Hence repudiation of claim by the insurer is arbitrary and illegal.

b) Insurers' argument:- The insurer on the other hand pleaded that DLA faced accident on 12.07.2015 at 4.30 AM and at the same time the status of all the policies was "Lapse" due to non payment of premium due on 28.03.2015. However after knowing the death of the policyholder, premium for the said due were paid at 10.38 AM on the same day i.e on 12.07.2015. to defraud the corporation. Hence, the insurer denied the claim benefits to the claimant.

19) Reason for Registration of Complaint: - scope of the Insurance Ombudsman Rules 2017.
This is a complaint against non-payment of claim by the Insurer.

20) The following documents were placed for perusal.
a) Photo copies of policy documents.
b)Photo copy of representation to Insurer and its reply.

21)Result of hearing with both parties(Observations & Conclusion):- After going through the argument and submissions of both the parties it was observed that the premium due on 28.03.2019 in respect of all the seven policies were paid after the death of the policyholder. As the policyholder was a native of Midnapur District of West Bengal and policies were serviced by Jaleswar Branch of Odisha, every time premium was collected by the concerned agent who in turn deposited the same with LIC. From the premium history it was also observed that every time premium was deposited late. During the course of hearing, the complainant also stated that her husband used to pay the premium in time to the concerned agent, but he deposited it in LIC according to his convenience. The receipts were also delivered to him late every time. From this, it is evident that although the premiums were collected by the agent in time, it was deposited in LIC much after the due date. This is the reason for which the claimant is deprived of her legitimate claim. The poor claimant is now punished for the misdeeds and notorious activities of the concerned agent. Moreover, the insurer also could not submit any satisfactory reply regarding the date on which default notice was served to the policyholder for non-payment of premium.

However, from technical point of view, the policy was in lapse condition at the time of death of the LA. So the insurer does not bear any liability for claim payment in respect of lapsed policies. It is the duty of the LA to keep in force the policies on his life. As per agent's regulation, the agent is also not authorized to collect the premium. This regulation prohibits the agent from collecting the premium on behalf of the insurer. So far as default notice is concerned, as per IRDA guidelines it is only a courtesy on behalf of the insurer to send premium notice to the policyholder. It is the duty of the LA to pay the premium to avoid lapsation or penalties. In a similar case filed in Supreme Court vide Harshad J Sah & Anr vs LIC of India & Ors on 04 April 1997, the Court made the insurer free from any liability of paying the total claim amount to the complainant. It only directed the insurer to refund the entire amount of premium paid by the DLA with interest. Hence, this forum is of the opinion that, the insurer has to refund all the premium that has been paid by the DLA in respect of all the seven policies with interest from the date of claim up to the date of this award.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, the insurer is directed to refund the total premium that has been received in respect of all the seven policies with interest from the date of claim till the date of this award as full and final settlement of the complaint.

Hence, the complaint is treated as allowed accordingly.

22) The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

y. According to Rule 17(6) of the Insurance Ombudsman Rule 2017, the Insurer shall comply with the Award within 30 days of the receipt of the award and shall intimate the compliance to the Ombudsman.

z. As per rule 17(7) the complainant shall be entitled to such interest at a rate per annum as specified in the regulations framed under the Insurance Regulatory and Development Authority of India Act 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman

aa. As per rule 17 (8) of the said rule, the award of the Insurance Ombudsman shall be binding on the Insurers.

Dated at Bhubaneswar on 22nd Nov. 2019

(SURESH CHANDRA PANDA)
INSURANCE OMBUDSMAN
FOR THE STATE OF ODISHA

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN,

MUMBAI (MUMBAI METRO & GOA)
(UNDER RULE NO. 16(1)17 OF THE INSURANCE OMBUDSMAN RULES, 2017)
OMBDUSMAN – SHRI MILIND KHARAT

Complaint No.: MUM-L-021-1920-0304
Award No: IO/MUM/A/LI/0127/2019-20
Complainant: Ms Chhaya Darveshi
Respondent: ICICI Prudential Life Insurance Co.Ltd.

The complainant's husband, Mr. Nilesh Darveshi purchased ICICI Pru Loan Protect Plus SP policy bearing no. 22275902 on 30.4.2018 as a single premium plan for Rs.84,695/- against the Home Loan Account No. LBMUM00004410243 which was assigned to ICICI Bank. The policyholder expired on 28.4.2019. The complainant approached the Company for payment of Death Claim amount. The Company made payment of Rs.67,756/- being 80% of the total premium amount paid as per policy terms and conditions. The entire Death Benefit was rejected. Aggrieved by the decision of the Respondent, the complainant approached this Forum seeking relief in the matter.

The Forum scheduled a Joint hearing of the parties concerned to the dispute on 25.10.2019 at 10.30 am. The Respondent informed the Forum that they have reviewed the matter and made the payment of Rs.17,54,494/- to the above ICICI

Bank Loan Account. The complainant has confirmed the same vide her email dated 14.11.2019.

In view of the above, the complaint stands closed at this Forum. There is no order for any other relief. The case is disposed of accordingly.

Dated at Mumbai, this 14th day of November, 2019.

(Milind Kharat)
INSURANCE OMBUDSMAN, MUMBAI

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SH. C.S.PRASAD

CASE OF PANKAJ KUMARI V/S SBI LIFE INSURANCE COMPANY LIMITED

COMPLAINT REF: NO: NOI-L-041-1819-0553

AWARD NO:

1.	Name & Address of the Complainant	Smt. Pankaj Kumari W/O Late Sh. Hariom Singh , Gali no. 1 , Durga Colony Bilram Gate, Kasganj, Uttar Pradesh Pin 207123
2.	Policy No: Type of Policy Duration of policy/Policy period	1B005288404 Life Plan 15/15 Years
3.	Name of the insured Name of the policyholder	Late Sh. Hari Om Singh Late Sh. Hari Om Singh
4.	Name of the insurer	SBI Life Insurance Company Limited
5.	Date of Repudiation	No Reply
6.	Reason for repudiation	None
7.	Date of receipt of the Complaint	25.02.2019
8.	Nature of complaint	Refund of premiums paid under the policy over the death claim benefit
9.	Amount of Claim	Rs.249581/-
10.	Date of Partial Settlement	Rs.5,90,000/-
11.	Amount of relief sought	Rs.249581/-
12.	Complaint registered under IOB rules	13 (1) (b)
13.	Date of hearing/place	Noida on 06.08.2019/28.11.2019
14.	Representation at the hearing	
	s) For the Complainant	Sh. Pradeep Singh
	t) For the insurer	Ms. Anjali, AVP, SBI Life Insurance
15	Complaint how disposed	Award
16	Date of Award/Order	29.11.2019

17) Brief Facts of the Case:- This complaint is filed by Smt. Pankaj Kumari against SBI Life Insurance Company limited relating to less death claim payment under policy bearing no. 1B00 5288404 issued on the life of her husband Late Sh.Hari Om Singh.

18) **Cause of Complaint**:- Less death claim payment.

a)**Complainants argument** :- The complainant stated that her husband had taken a policy for sum assured of Rs. 5 Lakh from SBI Life Insurance Company Limited on yearly mode of payment of premium of Rs.41936/- with term of 15 years on 26.08.2013. Her husband died on 09.12.2018 due to kidney and intestine disease. The complainant submitted claim papers to the insurer and received Death Claim Payment of Rs. 5,90,000/-(including basic sum assured Rs. 5 lakhs and 90,000/- bonus) through NEFT in her account. She further submitted that her husband had paid 6 instalment of yearly premium @Rs.41936/- totaling RS.249581/- under the policy, whereas she has received death claim of Rs.5,90,000/- only.

b)**Insurers' argument**:- The insurer stated that the Deceased Life Assured , Late Sh. Hariom Singh had applied for Smart Income Protect policy through duly executed proposal along with initial deposit of Rs.41936/- and accordingly the policy bearing no. 1B005288404 was issued on 26.08.2013 for basic sum assured of Rs.5 Lakh , Accidental Death Benefit Rider of Rs.5 Lakh and Criti Care 13 Non –Linked Rider of Rs.5 Lakh for term of 15 years on annual mode of premium payment. As the DLA died due to natural cause, nothing is payable under Accidental Death benefit rider. The life assured died on 09.12.2018 and the insurer received death intimation of the life assured on 17.01.2019. The sum assured of Rs.5 lakh along with Interim Reversionary Bonus of Rs.16,250/-and vested Reversionary Bonus of Rs.73,750/-(Total Rs.5,90,000/-)had been paid to the complainant through Neft in her account on 24.01.2019. The company has paid the death claim value as per the terms and conditions of the policy. The complainant is demanding refund of premiums paid under the policy over the death benefit paid. The premium is the consideration of the contract. Having availed the insurance cover and received the death claim under the policy, the demand for refund of premium is not tenable.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN dated 26.3.2019

21)<u>Observations & Conclusion</u>: The Insurer and the authorized representative of the complainant attended the hearing on 28.11.2019 and reiterated their submissions. The Complainant stated that apart from basic sum assured, the Insurer has not refunded the premium amount of Rs. 2,49,581/-. The Insurer stated that the Insurer has paid the claim as per terms and conditions of the Policy. Nothing is payable at this stage.

I observe that the Insurer has rightly paid the claim alongwith bonus amount and nothing is payable. The premium paid was the consideration of the contract between the insurer and the insured and the insurer has honoured the contract in letter and spirit. The complainant's representative was explained about the concept of Insurance and he was satisfied. The Insurer has paid the claim amount, which is just and legal.

<u>AWARD</u>

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, I see no reason to interfere with the decision of the Insurance Company.

The Complaint is disposed off.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida. **C.S. PRASAD**
Dated: 29.11.2019 **INSURANCE OMBUDSMAN**
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SH. C.S.PRASAD

CASE OF SMT. SONAM V/S LIFE INSURANCE CORPORATION OF INDIA

COMPLAINT REF: NO: NOI-L-029-1920-0469

1.	**Name & Address of the Complainant**	**Smt. Sonam** **W/O late Sh. Vijendra Malik** **4/9, Shradhhapuri Phase 1** **Near Water Tank, Khirva Road** **Kankerkheda, Meerut** **Uttar Pradesh-250001**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**258479439** **Life Plan**
3.	**Name of the insured** **Name of the policyholder**	**Sh. Vijendra Malik** **Sh. Vijendra malik**
4.	**Name of the insurer**	**LIC of India**
5.	**Date of Repudiation**	**30.3.2019**
6.	**Reason for repudiation**	**Non-Disclosure of material fact of previos Illness**
7.	**Date of receipt of the Complaint**	**10.10.2019**
8.	**Nature of complaint**	**Repudiation of Death Claim**
9.	**Amount of Claim**	**Rs.20 Lakh**
10.	**Date of Partial Settlement**	**NIL**
11.	**Amount of relief sought**	**Rs. 20 Lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (b)**
13.	**Date of hearing/place**	**On 24.12.2019 at Noida**
14.	**Representation at the hearing**	
	u) For the Complainant	**Smt. Sonam, Self**
	v) For the insurer	**Sh. Arvind Kumar Tyagi, AO**
15	**Complaint how disposed**	**Award**
16	**Date of Award/Order**	**31.12.2019**

17) Brief Facts of case ;- This complaint is filed by Smt. Sonam against the decision of LIC of India relating to repudiation of death claim under policy no.258479439 issued on the life of her husband late Sh. Vijendra Malik.

18) Cause of Complaint:- Repudiation of Death Claim of the policy.

Complainants argument :- The complainant stated that her husband late Sh. Vijendra Malik had taken a policy from LIC of India on 10.8.2016 for sum assured of Rs. 20 lakh on 10.8.2016 . Her husband was in service of Uttar Pradesh , Police Department for last 12 years. Her husband died on 14.10.2018 and cause of death was Dengue . The complainant had submitted all the relevant claim forms to the insurer for the settlement of death claim. The insurer had repudiated payment of death claim on the ground of pre existing disease on 30.03.2019.

Insurers' argument:- The insurer stated that that a policy named jeevan lakshya bearing no. 258479439 was issued on the life of Late Sh. Vijendra Malik under plan & term 833/15/22 on monthly mode of payment of Rs.7233/- for sum assured of Rs20 lakh on 10.8.2016. The life assured died on 14.10.2018 i.e. with in 2 years and 2 months of inception of policy due to Refractory Shock, AFI, Sceleroderma, Hypothyroidism. The DLA was suffering from these diseases for the last 4 years and was under treatment. The DLA did not deliberately disclose the material fact of his previous illness at the time of proposal. This fact is proved by the death summary of AIIMS, New Delhi and claim form B.Hence death claim payment was repudiated on 30.3.2019. This decision was upheld by ZCDRC, Kanpur on 29.8.2019.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

21) Observations and Conclusion:- Personal hearing in the case was held on 24.12.2019. Both the complainant and insurer attended the hearing and reiterated their submissions. The complainant submitted that her husband was in the service of , Uttar Pradesh, Police Department for the last 12 years. She submitted that her husband was healthy and never took leave on medical ground. Her husband was suffering from Dengue / Fever for last 3-4 days and died on 14.10.2018 at AIIMS, New Delhi.

The insurer submitted that the DLA was suffering from Sceroderma-ILD ,Hypothyroidism for last 4 years and was under treatment, which is proved by the claim forms B , B-1 and death summary issued by AIIMS, New Delhi. The DLA did not deliberately disclose the material fact of his previous illness at the time of proposal.

It is observed that the immediate cause of death was Dengue/Fever.The insurer has not submitted any proof, other than claim form B & B1, to support their allegation of PED and that the insured deliberately suppressed this information at the time of taking the policy. On the contrary the Employer Certificate issued by the Senior Police Superintendent , Ghaziabad shows that the DLA had not taken any leave from 10.8.2013 to 13.10.2018 on medical ground i.e. 3 years before taking policy. This is a clear proof that the insured was a healthy person and did not suffer from any serious disease.

Further, the policy was issued on the life of the DLA on non – medical, special basis, as the DLA was in Government Service for last 12 years and was healthy. In view of above, the insurer's decision of repudiation of death claim is not justified.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the insurer is directed to make payment of admissible death claim under the policy.

The complaint is disposed off accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida. **C.S. PRASAD**
Dated: 31.12.2019 **INSURANCE OMBUDSMAN**
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SH. C.S.PRASAD

CASE OF SH. RAMRUCHI PANDEY V/S LIFE INSURANCE CORPORATION OF INDIA

COMPLAINT REF: NO: NOI-L-029-1920-0441

1.	**Name & Address of the Complainant**	**Sh. Ramruchi Pandey Village and Post- Kohra Rudhauli Distt. Basti, Uttar Pradesh- 272150**
2.	**Policy No: Type of Policy Duration of policy/Policy period**	**206701226 Life Plan 19/16**
3.	**Name of the insured Name of the policyholder**	**Late Sh. Arvind Kumar pandey Late Sh. Arvind Kumar pandey**
4.	**Name of the insurer**	**LIC of India**
5.	**Date of Repudiation**	**26.3.2019**
6.	**Reason for repudiation**	**Non Disclosure of material fact of road traffic accident**
7.	**Date of receipt of the Complaint**	**25.9.2019**
8.	**Nature of complaint**	**Repudiation of death claim**
9.	**Amount of Claim**	**Rs.2 Lakh**
10.	**Date of Partial Settlement**	**NIL**
11.	**Amount of relief sought**	**Rs.2 lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (b)**
13.	**Date of hearing/place**	**24.12.2019 at Noida**
14.	**Representation at the hearing**	
	a) For the Complainant	**Absent**
	b) For the insurer	**Sh. B.G. Goel, AO**
15	**Complaint how disposed**	**Award**
16	**Date of Award/Order**	**31.12.2019**

17)Brief Facts of case ;- This complaint is filed by Sh. Ramruchi Pandey against the decision of LIC of India relating to repudiation of death claim under policy no. 206701226 issued on the life of his son Late Sh. Arvind Kumar Pandey.

18)Cause of Complaint:- Repudiation of death claim.

a)Complainants argument :- The complainant stated that a policy no. 206701226 was issued on the life of his son Late Sh. Arvind Kumar Pandey with date of commencement 28.12.2017 for sum assured of Rs.2 Lakh. The complainant further stated that his son died suddenly on 13.4.2018 due to heart attack. The complainant had submitted

all the relevant claim forms to the insurer on 3.11.2018 for settlement of death claim. The insurer has repudiated payment of death claim vide their letter dated 26.3.2019.

Insurers' argument:- The insurer stated that a policy no. 206701226 was issued on the life of Late Sh. Arvind Kumar Pandey on 28.12.2017 for sum assured of Rs.2 Lakh under plan 833-19-16 on half yearly mode of payment of Rs.6455/- at the age of 33 years. The insurer received intimation of death from the nominee along with all the claim forms. The insurer had repudiated the death claim payment vide letter letter dated26.3.2019. on the basis of non-disclosure of material fact of Road Traffic Accident on 9.10.2017 by the DLA. Had he disclosed it would have affected underwriting decision leading to the Postponement or Declining of proposal. This decision was upheld byZCDRC, Kanpur vide their letter dated 29.6.2019.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

21) Observations and Conclusion:- Personal hearing in the complaint was held on 24.12.2019. The complainant was absent on the date of hearing. But the insurer attended the hearingThe insurer submitted that the DLA had met with the Road Traffic Accident on 9.10.2017 i.e 3 months and 22 days before date of proposal, which he deliberately did not disclose at the time of proposal. Had he disclosed it would have affected underwriting decision leading to the Postponement or Declining of proposal.

It is observed that the insured died of heart attack on 13.4.2018 and this fact is not questioned by the insurer. Strangely , the insurer has invoked the road accident of the insured, about 3 months before the date of proposal, as the reason for repudiating the claim. This is preposterous. The insurer's own investigator has concluded that the insured was completely healthy after the accident , and it was certainly not the cause of his death. In fact, the investigator has recommended for payment of death claim. That the insured was healthy is also evident by the medical report, based on which proposal was accepted, which does not show any adverse remark. In view of above insurers decision of repudiation of death claim is unjustified and is set aside.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by the insurer during the course of hearing, the Insurance Company is directed to make payment of death claim under the policy.

The complaint is disposed off accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.
Dated: 31.12.2019

C.S. PRASAD
INSURANCE OMBUDSMAN
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SH. C.S.PRASAD

CASE OF DULARO DEVI V/S LIFE INSURANCE CORPORATION OF INDIA

COMPLAINT REF: NO: NOI-L-029-1920-0420

1.	**Name & Address of the Complainant**	**St. Dularo Devi W/O Late Sh. Ramdeen Village –Dhakia Nagla Post Gehluiya, Pilibhit Uttar Pradesh 262001**
2.	**Policy No: Type of Policy Duration of policy/Policy period**	**227406062 & 227406036 Life Plan Life Plan 16 16**
3.	**Name of the insured Name of the policyholder**	**Late Sh. Ramdeen Late Sh. Ramdeen**
4.	**Name of the insurer**	**LIC of India**
5.	**Date of Repudiation**	**28.8.2019**
6.	**Reason for repudiation**	**Non-Disclosure of material facts of previous Illness**
7.	**Date of receipt of the Complaint**	**23.9.2016**
8.	**Nature of complaint**	**Repudiation of Death Claim**
9.	**Amount of Claim**	**Rs. 3 Lakh & Rs.2 Lakh**
10.	**Date of Partial Settlement**	**NIL**
11.	**Amount of relief sought**	**Rs.5 lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (d)**
13.	**Date of hearing/place**	**On 24.12.2019 at Noida**
14.	**Representation at the hearing**	
	w) For the Complainant	**Smt. Dularo Devi, Self**
	x) For the insurer	**Sh. Gangadhar, AO**
15	**Complaint how disposed**	**Award**
16	**Date of Award/Order**	**31.12.2019**

17) Brief Facts of case ;- This complaint is filed by Smt. Dularo Devi against the decision of LIC of India relating to repudiation of death claim under policy no 27406062 & 227406036 issued on the life of her husband Late Sh. Ramdeen.

18) Cause of Complaint:- Repudiation of Death Claim under the Policies.

Complainants argument :- The complainant stated that her husband had taken 2 policies for sum assured of Rs.3 lakh and 2 lakh from LIC of India on 15.5.2017 and 12.5.2017. She stated that at the time of taking policies her husband was fit and fine. Her husband died on 4.3.2018 at home. The complainant had submitted all the relevant claim forms to the insurer for settlement of death claim. The insurer has repudiated payment of death claim vide letter dated 28.8.209.

Insurers' argument:- The insurer stated that policy no's 227406062 and 227406036 were issued on the life of Late Sh. Ramdeen under plan and term 843-16 & 815-16 on 15.5.2017 and 12.5.2017 respectively. The DLA died on 4.3.2018 i.e. with in 10 months of inception of policy. As per claim form B and B1 the deceased was admitted to Shri Ram Murti Smarak Hospital, Bhojipura from 27.2.2018 to 3.3.2018 and was discharged against medical advice. from hospital on 3.3.2018. . The DLA died at home on 4.3.2018. As per claim form B, DLA was suffering from

Breathlessness, Cough , Expectoration and Fever from last 4 years. The immediate cause of death was COPD, Sepsis, Septic Shock, AKI and DM. The DLA had the habit of smoking, chewing tobacco and alcoholic for the last 30 years, which the deceased did not disclose at the time of inception of policy,which was very material and significant information while underwriting the proposal. Since the concealment of the above fact was done with fraudulent intention in order to take the policy by the life assured, hence death claim payment was repudiated on the ground of suppression of material fact of previous illness and habits vide letter dated 28.8.2019. This decision was upheld by ZCDRC, Kanpur vide their letter dated 19.8.2019.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

22) Observations and Conclusion:- Personal hearing in the case was held on 24.12.2019. Both the complainant and insurer attended the hearing and reiterated their submissions. The complainant submitted that her husband was healthy at the time of taking the policy and he died on 4.3.2018 at home due to pain in the chest.

The insurer stated that as per claim form B, DLA was suffering from Breathlessness, Cough with Expectoration and Fever for last 4 years. The immediate cause of death was COPD, Sepsis, Septic Shock, AKI and DM. The DLA had the habit of smoking, chewing tobacco and he was alcoholic for the last 30 years. The deceased did not disclose this at the time of inception of policy,which was very material and significant information while underwriting the proposal. Since the concealment of the above fact was done with fraudulent intention in order to take the policy by the life assured, hence death claim payment was repudiated on the ground of suppression of material fact of previous illness and habits.

It is observed that the insurer has not submitted any cogent proof to establish pre –existing disease other than claim form B.Further, the discharge summary of Shri Ram Murti Hospital, Bareilly mentions that the DLA was suffering from Breathlessness, Cough with Expectoration since 4 days. In view of above insurer's decision of repudiation of claim is unjustified and is set aside.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the insurer is directed to make payment of death claim under the policy.

The complaint is disposed off accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida. **C.S. PRASAD**
Dated: 31.12.2019 **INSURANCE OMBUDSMAN**
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SH. CHANDRA SHEKHAR PRASAD

CASE OF SMT. MADHURI V/S LIFE INSURANCE CORPORATION OF INDIA

COMPLAINT REF: NO: NOI-L-029-1920-0105

1.	**Name & Address of the Complainant**	**Smt. Madhuri** **H.No. E 1 /3 , Kailash Puri** **Mathura Road, Agra** **Uttar Pradesh-282002**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**114147574** **Life plan**
3.	**Name of the insured** **Name of the policyholder**	**Late Sh. Pradeep Kumar** **Late Sh. Pradeep Kumar**
4.	**Name of the insurer**	**Life Insurance corporation of India**
5.	**Date of Repudiation**	**NA**
6.	**Reason for repudiation**	**NA**
7.	**Date of receipt of the Complaint**	**14.5.2019**
8.	**Nature of complaint**	**Non-Settlement of Death Claim**
9.	**Amount of Claim**	**Rs. 10 Lakh**
10.	**Date of Partial Settlement**	**None**
11.	**Amount of relief sought**	**Rs.10 Lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (b)**
13.	**Date of hearing/place**	**Noida on 21.10.2019 / 13.12.2019**
14.	**Representation at the hearing**	
	y) For the Complainant	**Sh.Vijay Kumar,**
	z) For the insurer	**Smt. KalaSivaramakrishnan, Manager**
15	**Complaint how disposed**	**Settled**
16	**Date of Award/Order**	**31.12.2019**

17) Brief Facts of the Case:- This complaint is filed by Smt. Madhuri against Life Insurance Corporation of India relating to non- settlement of death claim under policy number 114147574 issued on the life of her husband Late Sh. Pradeep Kumar.

19) **Cause of Complaint:-** Non-Settlement of Death Claim

a)Complainants argument :- The complainant stated that her husband had taken a policy number 114147574 on 15.2.2005 from Life Insurance Corporation of India on annual mode of payment of Rs.2762/- for sum assured of Rs. 10 lakh. She further stated that before inception of policy her husband was medically examined and policy was issued after medical examination. Her husband was under treatment for one month at Ram Manohar Lohia Hospital, New Delhi but he died on 25.5.2006. The complainant had submitted all relevant claim forms to the insurer on 9.2.2009 through registered post but till date she has not received death claim payment. The complainant had again submitted claim form –A , photo I.D. to the Manager, claims on 22.11.2018 through registered post . The complainant had already submitted original death certificates and all claim papers to the insurer.

b)Insurers' argument:- The insurer stated that the policy bearing no. 114147574 was issued on the life of Sh. Pradeep kumar on 15.2.2005 and the First Premium Receipt was issued on 15.3.2005.The policy was taken for Rs.10 Lakhs under Jeevan Anmol Plan which is a high risk plan. The life assured expired on 25.5.2006 as per copy of death certificate i.e. within one year three months after issue of First premium Receipt. On receipt of death intimation, claim forms which are manual requirements for consideration of early death claim were issued vide letter dated17.12.2008.The insurer did not receive Claim Form B- Medical Attendant's Certificate, Claim Form B1 – Certificate of Hospital treatment, Claim Form E-Employer certificate and original death certificate. The claim forms submitted were also not witnessed by the authorized persons.The insurer had called for Claim Form B, B1, E and

Original death Certificate through several letters for consideration of Early death claim.It was further submitted that as per Claim Investigation report,the life assured was patient of AIDS.This was corroborated by signed statements given by members residing in neighbourhood of deceased life assured. As per proposal form , the life assured was working as supervisor in Barnali Exports. However as per claimant's statement the life assured's occupation was agriculture.The insurer had called for employer's statement as per Claim Form E or atleast address of Barnali Exports for which the claimant had expressed her inability to provide. Therefore ,the insurer was unable to establish that the person whose death certificate is being provided is the same person whose life had been insured under the policy no. 14147574.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

20) **Observations and Conclusion:-** Personal hearing in the case was held on 21.10.2019 and on13.12.2019. Sh. Vijay Kumar, brother of the complainant attended the hearing on behalf of the complainant on both days. The insurer was also present for hearing on both days. The complainant submitted that policy was taken on 15.2.2005 and after payment of two yearly premiums, the life assured died on 25.5.2006. The complainant had submitted all the relevant forms on 9.2.2009 for settlement of death claim but till date death claim had not been settled by the insurer.

The insurer submitted that the complainant had not submitted Original Death Certificate, Claim form E-employer certificate and treatment papers of Ram Manohar Lohia Hospital. Further the claims forms received were not witnessed by Gazetted Officer.Due to non-receipt of above mentioned requirements Insurer was unable to settle death claim under the policy.

It is observed that the insurer had written letter to the Ram manohar Lohia , Hospital on 22.3.2019 i.e. after 10 years of submission of claim forms by the complainant, for treatment papers of the DLA, who died ofAIDS on 25.5.2006. The investigation report dated 19.1.2013, confirmed death of the deceased at his parental village Allapur due to illness and also confirmed treatment of the DLA at Ram Manohar Lohia hospital. It is clear that there is inordinate delay in settlement of death claim by the insurer. The complainant had already submitted copy of death certificate along with claim forms on 9.2.2009 but was unable to produce original death certificate.

The shortcomings are observed from both sides. However during hearing both insured and insurer were willing to settle the complaint. Accordingly both parties agreed and signed a mediation agreement to settle death claim payment for Rs.5 Lakh as full and final settlement of claim.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing,it is recommended to settle the dispute as per agreement signed between the two parties. The In surance company will pay Rs.5 lakh as full and final settlement of claim under policy no.114147574.

The complaint is disposed off accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.
Dated: 31.12.2019

C.S. PRASAD
INSURANCE OMBUDSMAN
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SH. C.S.PRASAD

CASE OF SH. PAWAN KUMAR V/S LIFE INSURANCE CORPORATION OF INDIA

COMPLAINT REF: NO: NOI-L-029-1920-0332

1.	**Name & Address of the Complainant**	**Sh. Pawan Kumar** **S/ O Late Sh. Harikishan, R/o Kothi Kest** **Post & Tehsil, Jaswant Nagar** **Etawah, Uttar Pradesh- 206002**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**266311145** **Life Plan** **16/16**
3.	**Name of the insured** **Name of the policyholder**	**Late Sh. Hari Kishan** **Late Sh. Hari Kishan**
4.	**Name of the insurer**	**LIC of India**
5.	**Date of Repudiation**	**10.1.2019**
6.	**Reason for repudiation**	**Concealment of material facts of Illness**
7.	**Date of receipt of the Complaint**	**7.8.2019**
8.	**Nature of complaint**	**Repudiation of Death Claim**
9.	**Amount of Claim**	**Rs.1.50 Lakh**
10.	**Date of Partial Settlement**	**NIL**
11.	**Amount of relief sought**	**Rs.1.50 Lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (b)**
13.	**Date of hearing/place**	**13.12.2019 at Noida**
14.	**Representation at the hearing**	
	a) For the Complainant	**Sh. Pawan Kumar, Self**
	b) For the insurer	**St. Anita Singh, Manager (Claims)**
15	**Complaint how disposed**	**Award**
16	**Date of Award/Order**	**31.12.2019**

17)Brief Facts of case ;- This complaint is filed by Sh. Pawan Kumar against the decision of LIC of India relating to repudiation of death claim under policy no. 266311145 issued on the life of his father Late Sh. Hari Kishan.

18)Cause of Complaint:- Repudiation of Death Claim.

a) Complainants argument :- The complainant stated that his late father had taken a policy from LIC of India under plan and term 179/16 for sum assured of Rs.1.50 Lakh on 24.6.2013. The complainant stated that his father had deposited 2 instalment of renewal premium due on 24.6.2014 & 24.6.2015 along with late fees on 22.4.2016. The DLA was admitted to PGI, Saifai, Etawah on19.11.2016 due to Cough and Fever and after 13 days of treatment life assured died on 2.12.2016.The complainant intimated the insurer about the death of his father and submitted all the relevant claim forms for settlement of death claim.The Divisional office , Agra had repudiated the death claim payment vide their letter dated 10.1.2019.

b) Insurers' argument:- The insurer stated that a policy named New Bima Gold was issued on the life of Sh. Hari Kishan on 24.6.2013 for sum assured of Rs.1.50 Lakh with policy term of 16 years. The policy was revived on 22.4.2016 on the basis of DGH. .The life assured died on 2.12.2016 and cause of death was Malaria Fever. The insurer further stated that deceased life assured was suffering from Cough and Fever since 2 years as per claim form B and B1 of Saifai Hospital, Etawah. It means DLA was under treatment at the time of revival of policy. The DLA had replied in negative to all questions related to his health at the time of revival of his policy on 22.4.2016. Hence the claim was repudiated by the insurance company on the ground of concealment of material facts regarding his Illness. In view of the above death claim payment was repudiated vide letter dated10.1.2019 and the same was communicated to the complainant.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

21)Observations and Conclusion:- Personal hearing in the case was fixed on 13.12.2019. both the complainant and insurer attended the hearing and reiterated their submissions. The complainant stated that his late father who was a cobbler, had taken a policy on 24.6.2013 for sum assured of Rs.1.50 lakh, and he died on 2.12.2016 due to cardio pulmonary arrest after 13 days of treatment in the PGI, Saifai , Hospital. The insurer submitted that the policy was revived on 22.4.2016 on the basis of DGH. The DLA was suffering from Cough and Fever since last 2 years, which he did not disclose at the time of revival of policy and had replied in negative to all questions related to his health. It is significant to note that the insured was a cobbler and perhaps illiterate. So in all likelihood , the DGH might have been filled in by the agent of the insurer.

It is observed from record that the DLA was admitted to PGI, Saifai Hospital on 19.11.2016 and the policy was revived on 22.4.2016 i.e. before hospitalization. So, the question is whether the insured knew of his health conditions and did not deliberately declare it. The insurer has not submitted any cogent evidence to support their repudiation. Further, the basis of repudiation, i.e. the claim Form B, itself contains contradictory replies to Q.4. (c) and Q.4 (e). In reply to question regarding duration of illness the doctor has written 2 years, whereas while answering about when did the deceased notice the symptoms for the first time, it is written as 19.11.2016. When the deceased's symptoms were noticed only on 19.11.2016, attributing non-disclosure to his disadvantage is totally unjustified.

Hence insurer's decision of repudiation of death claim on the ground of concealment of material facts of illness is not correct and is being set aside.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the insurer is directed to pay death claim under policy no. 266311145.

The complaint is treated as closed accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida. **C.S. PRASAD**
Dated: 31.12.2019 **INSURANCE OMBUDSMAN**
(WESTERN U.P. & UTTARAKHAND)

ROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND
UNDER INSURANCE OMBUDSMAN RULES 2017
OMBUDSMAN – SH. C.S.PRASAD
CASE OF V/S LIFE INSURANCE CORPORATION OF INDIA
COMPLAINT REF: NO: NOI-L-029-1920-0197

AWARD NO:

1.	**Name & Address of the Complainant**	**Smt. Rajni** **D/O Sh. Mohan Lal, H.No. 6/33** **Saray Rehman , Aligarh** **Uttar Pradesh 202001**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**565009870** **Life plan**
3.	**Name of the insured** **Name of the policyholder**	**Late Sh. Nidhish Kumar** **Late Sh. Nidhish Kumar**
4.	**Name of the insurer**	**Life Insurance corporation of india**
5.	**Date of Repudiation**	**17.1.2018**
6.	**Reason for repudiation**	**Non-Disclosure of Material Fact of Illness**
7.	**Date of receipt of the Complaint**	**19.6.2019**
8.	**Nature of complaint**	**Repudiation of Death Claim**
9.	**Amount of Claim**	**Rs.8 Lakh**
10.	**Date of Partial Settlement**	**NIL**
11.	**Amount of relief sought**	**Rs.8 Lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (d)**
13.	**Date of hearing/place**	**14.11.2019**
14.	**Representation at the hearing**	
	a) For the Complainant	**Smt. Rajni, Self**
	b) For the insurer	**Sh. Satish Chand Rajoria, AAO**
15	**Complaint how disposed**	**Award**
16	**Date of Award/Order**	**18.12.2019**

17)Brief Facts of case:- This complaint is filed by Smt. Rajni against LIC of India relating to repudiation of death claim under policy no. 565009870 issued on the life of her brother late Sh. Nidhish kumar.

18)Cause of Complaint:- Repudiation of Death Claim under the Policy.

a)Complainants argument :- The complainant stated that her brother had taken a policy no. 565009870 on his own life from Life Insurance Corporation of India on 12.7.2017 for sum assured of Rs.8 Lakh with policy term of 21 years at the age of 42 years. The complainant further stated that the policy was issued after the Medical Examination of her brother. On 15.7.2017 her brother died suddenly due to heart attack . The complainant had submitted all the relevant claim forms to the insurer for settlement of death claim. The insurer has repudiated the death claim payment vide letter dated 17.1.2018.

b)Insurers' argument:- The insurer stated that a policy no. 565009870 was issued on the life of Sh. Nidhish Kumar on 12.7.2017 for sum assured of Rs.8 lakh with policy term of 21 years on annual mode of payment of premium of Rs.40766/-. The proposal was completed after medical report of the Deceased Life Assured. The Deceased life Assured was under treatment of DVD from Distict Malkhan Singh Hospital on the date of proposal. Thus it is proved that LA was ill at the time of taking policy and he had taken insurance policy fraudulently. As per Investigation Report the DLA was ill for the last one year and was alcoholic. Had he disclosed his ailment at the time of taking policy proposal would have not been considered. The complainant died just after 3 days of taking the policy. Hence death claim payment was repudiated due concealment of material facts of his illness.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

21)Observations and Conclusions:- Personal hearing in the case was fixed on 13.12.2019. Both the complainant and insurer attended the hearing and reiterated their submissions. The complainant stated that her brother was photographer . The DLA was at home 15.7.2017 due to loose motion and died suddenly of heart attack. He was neither hospitalized nor referred to any hospital.The insurer stated that the life assured died just after 3 days of inception of policy and was alcoholic. The DLA was under treatment of DVD and vomiting from District Malkhan Singh Hospital on the date of proposal.

It is observed that Medical Report of DLA conducted at the time of proposal is ok and there is no adverse remark mentioned in report which shows that the DLA was fit for insurance on the date of proposal.The insurer's contension that on the same day i.e. on 12.7.2017 he consulted OPD of District malkhan Singh Hospital does not have any impact as the OPD papers submitted, showed that he consulted for DVD, diarrhea, vomiting and dehydration . Also it might be after the deposit of premium. The insurer failed to produce any cogent proof to support their allegation of pre-existing disease and its deliberate suppression by the insured. Besides the Investigation report and neighbour's statement confirms that health and habits of the DLA were good and he was not alcoholic.

I observe that the claim has been repudiated on the basis of notions and not on concrete evidence. The repudiation deserves to be set aside and is set aside.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing,the insurer is directed to make payment of death claim under the policy.

The complaint is disposed off accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.
Dated: 18.12.2019

C.S. PRASAD
INSURANCE OMBUDSMAN
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SH. CHANDRA SHEKHAR PRASAD

CASE OFSMT. FARHANA PARVEEN V/S LIFE INSURANCE CORPORATION OF INDIA

COMPLAINT REF: NO: NOI-L-029-1920-0097

AWARD NO:

1.	**Name & Address of the Complainant**	**Smt. Farhana Parveen W/O late Sh. Jamaluddin Village Narheda, Post Zahidpur Meerut, Uttar Pradesh-250002**
2.	**Policy No: Type of Policy Duration of policy/Policy period**	**257877644 Life Plan**
3.	**Name of the insured Name of the policyholder**	**Late. Sh. Jamaluddin Late Sh. Jamaluddin**
4.	**Name of the insurer**	**LIC of India**
5.	**Date of Repudiation**	**10.9.2018**
6.	**Reason for repudiation**	**Concealment of material facts**
7.	**Date of receipt of the Complaint**	**8.5.2019**
8.	**Nature of complaint**	**Repudiation of Death Claim**
9.	**Amount of Claim**	**Rs. 1 Lakh**
10.	**Date of Partial Settlement**	**None**
11.	**Amount of relief sought**	**Rs.1 Lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (b)**
13.	**Date of hearing/place**	**Noida on**
14.	**Representation at the hearing**	
	aa) For the Complainant	**Smt. Farhana Praveen on 21.10.2019**
	bb) For the insurer	**Sh. Arvind Tyagi on 14.11.2019 and on 13.12.2019**
15	**Complaint how disposed**	**Award**
16	**Date of Award/Order**	**17.12.2019**

17) Brief Facts of the Case:- This complaint is filed by Smt. Farhana Praveen against Life Insurance Corporation of India relating to repudiation of death claim under policy no. 25877644 issued on the life of her husband late Sh. Jamaluddin.

18) Cause of Complaint:-Repudiation of Death Claim.

a)Complainants argument :- The complainant stated that her husband had taken a policy for sum assured of Rs. 1 lakh from LIC of India on 11.2.2015. The complainant further stated that her husband died on 7.5.2017 due to Liver Disease. The complainant had submitted all the relevant claim papers to the insurer . The insurer had repudiated death claim payment vide their letter dated 10.9.2018 on the ground of concealment of illness at the time of revival of policy.

b)Insurers' argument:-The insurer stated that a policy no. 257877644 was issued on the life of Late Sh. Jamaluddin on 11.2.2015 for sum assured of Rs.1 Lakh with policy term of 20 years on annual mode of payment of premium of Rs. 5375/-The life assured died on 7.5.2017 i.e. within 2 years and 3 months of inception of policy and cause of death was Metastatic Liver Disease. The insurer submitted that the complainant was hospitalized to Delhi State Cancer Institute, Dilshad Garden Delhi on 27.3.2017 for treatment of Metastatic Liver Disease and was discharged on

7.4.2017. The DLA had revived the policy on 29.4.2017 and did not deliberately disclose the material fact regarding his illness i.e. metastatic Liver, at the time of revival of policy. This non disclosure amounts to fraud , hence death claim payment was repudiated as per section 45 of Insurance Act and premium paid has been forfeited.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

21) Observations and Conclusion :-Personal hearing in the case was fixed on21.10.2019,14.11.2019 and on 13.12.2019. The complainant was present on 21.10.2019. The Insurer attended the hearing on 14.11.2019 and on 13.12.2019. The insurer stated that the policy was revived on29.4.2017 and life assured died on7.05.2017 i.e. within 8 days of revival of policy and cause of death was Metastatic Liver Disease.It was further stated that the DLA deliberately did not disclose the material fact regarding his previous illness at the time revival of policy as he was suffering from Metastatic Liver before the date of revival.

On14.11.2019, the insurer was asked to produce Declaration of Good Health Form to justify their allegation of suppression. The insurer had no proof of DGH i.e. Declaration of Good Health Form which formed the basis for revival of policy. The insurer could not produce any cogent proof in support of their allegation of concealment and misrepresentation. The decision of the insurer is arbitrary and unjustified and liable to be set aside.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the insurance company is directed to make payment of death claim under policy no.257877644.

Hence, the complaint is disposed off accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.
Dated: 17.12.2019

C.S. PRASAD
INSURANCE OMBUDSMAN
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SH. C.S.PRASAD

CASE OF DR. JYOTI NAGPAL V/S LIFE INSURANCE CORPORATION OF INDIA

COMPLAINT REF: NO: NOI-L-029-1920-0216

1.	**Name & Address of the Complainant**	**Dr. Jyoti Nagpal** **Hig-21, Avantika, Phase -1,** **HAD Colony, Ramgarh Road, Aligarh** **Uttar Pradesh--202001**
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	**564928973** **Life Plan** **836/16/10**
3.	**Name of the insured** **Name of the policyholder**	**Late Dr. Girish Kumar Nagpal** **Late Dr. Girish Kumar Nagpal**
4.	**Name of the insurer**	**LIC of India**
5.	**Date of Repudiation**	**26.6.2019**
6.	**Reason for repudiation**	**Non Disclosure of material fact of previous illness ;i.e Diabetis , Hypertension**
7.	**Date of receipt of the Complaint**	**24.6.2019**
8.	**Nature of complaint**	**Repudiation of Death Claim**
9.	**Amount of Claim**	**Rs.5 lakh**
10.	**Date of Partial Settlement**	**NIL**
11.	**Amount of relief sought**	**Rs.5 Lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (b)**
13.	**Date of hearing/place**	**13.12.2019 at Noida**
14.	**Representation at the hearing**	
	cc) For the Complainant	**Dr. Jyoti Nagpal, Self**
	dd) For the insurer	**Sh. Satish Chand Rajoria, AAO**
15	**Complaint how disposed**	**Award**
16	**Date of Award/Order**	**17.12.2019**

17)Brief Facts of case:- This complaint is filed by Dr. Jyoti Nagpal against decision of LIC of India relating to repudiation of death claim under policy no. 564928973 issued on the life of her husband Late Dr.Girish Kumar Nagpal.

18)Cause of Complaint:- Repudiation of Death Claim of Policy.

Complainants argument :- The complainant stated that that her husband had taken a policy from LIC of India on for sum assured of Rs.5 lakh under plan and term 836/16/16 with date of commencement 6.11.2015. Her husband died on 7.1.2018 and cause of death was Carcinoma. The complainant had submitted all the relevant claim forms to the insurer. The insurer had repudiated payment of Death Claim on the ground of non disclosure of pre-existing disease.

Insurers' argument:- The insurer stated that a policy was issued on the life of Dr. Girish Kumar Nagpal on the basis of duly filled and signed proposal form on 29.3.2016. According a policy no. 564928973 was issued on 6.11.2015 under plan and term 836-16-10. The insurer received intimation of death of the life assured along with claim forms from the complainant. It was found that life assured was suffering from Diabetis Type 2, Hypertension prior to proposal , Which is confirmed by the medical certificate issued by Dr. Ajay Mittal, Sarmesh Hospital, Aligarh on

14.9.2016 . As per discharge summary of J P Hospital, Noida DLA was diagnosed of advanced pancreatic carcinoma, Hypertension and Diabetis on his admission in the hospital from 8.7.2016 to 17.7.2016.If he had disclosed these ailments in the proposal; it would have affected underwriting decision.. The DLA was a well known Doctor and was regularly taking medicines of his disease. So death claim was repudiated on the ground of concealment of material facts of his illness.This decision has been upheld by ZCDRC, Kanpur and COCDRC, Mumbai and same has been communicated to the complainant vide letter dated 10.1.2019 and 27.6.2019 respectively.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

23) Observations and Conclusion;-Personal hearing in the case was fixed on 13.12.2019. Both the complainant and insurer attended the hearing and reiterated their submissions. The complainant stated that her husband had taken a policy on 29.3.2016 . Her husband was diagnosed of cancer first time during his admission at JP hospital , Noida from 8.7.2016 to 17.7.2016. He died of cancer on 7.1.2018.The insurer has repudiated death claim payment on the basis of PED of Hypertension and Diabetis.

I observe that insurer had accepted proposal on the life of DLA on the basis of Medical, ECG , FBS, Lipidogram and RUA report, which were found ok by the insurer and policy was issued at Ordinary Rate without charging any extra premium on health ground which indicates the deceased was fit for insurance on the date of proposal. As he was medically examined by the doctors of the insurer, misrepresentation is ruled out. The Insurance Company could not produce any other conclusive evidence of PED. Moreover, Diabetes and Hypertension are life style diseases and have no nexus with carcinoma which was first detected in July-2016 which became the cause of death of the insured.

In view of above insurer's decision of repudiating death claim payment on the basis of pre-existing disease is neither correct nor justified.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the insurer is directed to make payment of death claim under policy no.564928973.

The complaint is disposed off accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.
Dated: 17.12.2019

C.S. PRASAD
INSURANCE OMBUDSMAN
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND
UNDER INSURANCE OMBUDSMAN RULES 2017
OMBUDSMAN – SH. C.S.PRASAD
CASE OF MRS. KAMLESH GUPTA V/S LIFE INSURANCE CORPORATION OF INDIA
COMPLAINT REF: NO: NOI-L-029-1920-0317

AWARD NO:

1.	**Name & Address of the Complainant**	**Smt. Kamlesh Gupta W/O Late Sh. Deepak Gupta Trans Yamuna Colony Ram Bagh, Agra, Uttar Pradesh- 282006**
2.	**Policy No: Type of Policy Duration of policy/Policy period**	**267087498 Life Plan 20/15**
3.	**Name of the insured Name of the policyholder**	**Late Sh. Deepak Gupta Late Sh. Deepak Gupta**
4.	**Name of the insurer**	**LIC of India**
5.	**Date of Repudiation**	**26.3.2019**
6.	**Reason for repudiation**	**Suppression of material fact of previous policy**
7.	**Date of receipt of the Complaint**	**7.8.2019**
8.	**Nature of complaint**	**Repudiation of Death Claim**
9.	**Amount of Claim**	**Rs.2 lakh**
10.	**Date of Partial Settlement**	**NIL**
11.	**Amount of relief sought**	**Rs.2 Lakh**
12.	**Complaint registered under IOB rules**	**13 (1) (b)**
13.	**Date of hearing/place**	**13.12.2019 at Noida**
14.	**Representation at the hearing**	
	ee) For the Complainant	**Smt. Kamlesh Gupta, Self**
	ff) For the insurer	**Smt. Anita Singh, Manager**
15	**Complaint how disposed**	**Award**
16	**Date of Award/Order**	**17.12.2019**

17)Brief Facts of case;- This complaint is filed by St. Kamlesh Gupta against the decision of LIC of India relating to repudiation of death claim under policy no. 267087498 issued on the life of her husband Late Sh. Deepak Gupta.

18)Cause of Complaint:- Repudiation of Death Claim of the Policy.

a)Complainants argument :- The complainant stated that her husband had taken a policy no. 267087498 on 28.12.2017 from LIC of India with policy term of 20 years and premium paying term of 15 years for sum assured of 2 lakhs. She submitted that her husband died suddenly on 27.7.2018 at home and was not hospitalized . The complainant had submitted all relevant claim forms to the insurer for settlement of death claim. The insurer had repudiated death claim payment vide their letter dated 26.3.2019 on the ground of concealment of previous policy.

b)Insurers' argument:- The insurer stated that a policy named New Money Back Plan was issued on the Life of Deepak Gupta on 28.12.2017 with term of 20 years for sum assured of Rs.2 lakh. The life assured died on 27.7.2018 i.e. with in 7 months of inception of policy. During claim investigation, it was found that the insured had not given any information of previous policy 204315474 in the proposal form dated 25.12.2017 for sum assured of Rs.5 Lakh taken from Muraina branch of Gwalior division,which was very material and significant information while underwriting the proposal. Since the concealment of the above fact was done with fraudulent intention in order to take the policy by the life assured, hence death claim payment was repudiated on the ground of suppression of material fact of previous policy.

19) Reason for Registration of Complaint: Scope of the Insurance Ombudsman Rules 2017.

20) The following documents were placed for perusal.

a) Complaint Letter
b) Repudiation Letter
c) Policy Document
d) SCN

21) **Observations and Conclusion;-** Personal hearing in the case was held on13.11.2019. Both the complainant and insurer attended the hearing.The complainant stated that policy no. 267087498 for Sum Assured of Rs.2 Lakh was the first policy issued on the life of her husband Late Sh. Deepak Gupta and other policy no. 204315474 was issued subsequently.Careful examination of policy papers revealed that insurer's allegation of non-disclosure is not true. Misrepresentation and non-disclosure are not proved. Repudiation of the claim is liable to be set aside and is set aside

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the insurer is directed to make payment of death claim under policy no. 267087498.

The complaint is disposed off accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.
Dated: 17.12.2019

C.S. PRASAD
INSURANCE OMBUDSMAN
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND
UNDER INSURANCE OMBUDSMAN RULES 2017
OMBUDSMAN – SHRI C. S. PRASAD
CASE OF REKHA V/S BHARTI AXA LIFE INSU. CO. LTD.
COMPLAINT REF: NO: NOI-L-008-1920-0154

:1.	**Name & Address of the Complainant**	Ms. REKHA SAH JHIVERDI, KARBARI GRANT DEHRADUN UTTRAKHAND - 248007
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	501-7601823 LIFE 12/12
3.	**Name of the insured** **Name of the policyholder**	Tarun Prakash Tarun Prakash
4.	**Name of the insurer**	Bharti AXA Life Insurance Co. Ltd.
5.	**Date of Rejection**	25-03-2019
6.	**Reason for rejection**	Non disclosure of material Facts
7.	**Date of receipt of the Complaint**	03-09-2019
8.	**Nature of complaint**	Repudiation of death claim
9.	**Amount of Claim**	1,38,393/-
10.	**Date of Partial Settlement**	Nil
11.	**Amount of relief sought**	Death Claim payment
12.	**Complaint registered under IOB rules**	Yes
13.	**Date of hearing/place**	6-12-2019/ NOIDA
14.	**Representation at the hearing**	
	gg) For the Complainant	Ms Rekha Sha
	hh) For the insurer	Mr. Piyush
15	**Complaint how disposed**	Award
16	**Date of Award/Order**	31.12.2019

17 . <u>Brief Facts of the case</u> :

The life assured Mr. Tarun Prakash had taken above mentioned policy from Bharti AXA Life Insurance Company on 6-07-2018. The life assured was Serving with Para Military Force. On 20-11-2018 life assured expired and nominee of the policy submitted the papers for death claim to the insurer along with the death certificate.The insurer rejected the claim stating that the assured had not disclosed the material fact that he was suffering with diabetes, hypertension and old cerebro-vascular accident at the time of taking this policy. The complainant has approached the Ombudsman Office for claim settlement.

18. <u>Cause of the complaint</u>:

A. <u>Complainant's argument</u> :

The life assured had taken Elite Advance Life Insurance policy on 6-07-2018 from Bharti Axa Life Insurance Company. On 20-11-2018, the policy holder died and claimant submitted claim forms and death certificate for settlement of claim. But the insurer had rejected the same, stating that the assured did not disclose the material facts before purchasing the policy .The complainant urged that the life assured was working with Para military Force, where fitness is maintained by regular checkups. The military hospitals take care of all health problem of the staff but they do not provide any health report to them. He was never told that he was suffering from any such disease. The deceased Shri Tarun Prakash was admitted in Referral Hospital Greater Noida on 3-11-2018 and was discharged on 20-11-2018 after treatment . While going back to his duty place from Delhi, he had a sudden fall at Railway station and died of heart attack.

B. <u>Insurer's argument</u> :

In this case, the insurer has alleged that the deceased policy holder was suffering from diabetes, hypertension and old CVA since 2013 and policy was taken by assured on 6-7-2018. He did not disclose about pre existing disease at that time . After around four month of the issuance of policy assured was admitted to hospital on 3-11-2018 and died on 20-11-2018. The discharge summary is showing the details of previous illnesses . Hence they have repudiated the claim because of mis representation of facts regarding his health by the deceased.

19. Reason for Registration of Complaint:

Repudiation of Death claim

20. Following documents were placed for perusal:

1. Complaint letter.

2. Copy of proposal forms and IDs

3. SCN

22. Observation and conclusion ;

Both the parties appeared for personal hearing and reiterated their submissions. The complainant contended that her husband, life assured under this policy, was working with Para Military Force where fitness matters. As per complainant the health problems are taken care by the referral hospital of military force and she was not aware of the disease which the insurer has alleged the assured was suffering from before purchasing the policy. The complainant stated the assured was coming back to join his duty after getting discharge from the Referral Hospital on 20-11-2018. At the railway station he suffered a severe heart attack and died. The insurer said that non disclosure of pre- existing diseases is the main reason for repudiation of claim. Had they been disclosed at the time of taking of the policy , it would have affected the acceptance of the policy.

I have examined the documents exhibited as evidence and oral submissions made by both the parties . It is evident from the discharge summary dated 20-11-2018 and the movement order dated 20-11-2018 that the assured was discharged in a stable condition to join his duties as he was fit . The opinion of the referral hospital dated 19-11-2018 also indicates that the deceased had normal cardiac functions. The same report carries a comment by the doctor about mode of onset of alleged pre existing diseases as "insidious"which means secretly and gradually .The insurer's contention that the diseased did not disclose his pre existing diseases is not correct. The medical board of the referral hospital examined the deceased on 19-11-2018 and recommended for his discharge in a stable condition. Consequently, the movement order was issued on 20-11-2018. The assured died suddenly due to heart attack. The decision of insurer to repudiate the claim is not justified and is set aside.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the death of life assured was caused due to heart attack. The Insurance company is directed to pay the claim amount of Rs. 1,38,393/- to the complainant.

The complaint is treated as closed accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida.
Dated: 31.12.2019

C.S. PRASAD
INSURANCE OMBUDSMAN
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND
UNDER INSURANCE OMBUDSMAN RULES 2017
OMBUDSMAN – SHRI C. S. PRASAD
CASE OF DHANI RAM SINGH V/S BAJAJ ALLAINZ LIFE INSU. CO LTD.
COMPLAINT REF: NO: NOI-L-006-1920-0356

1.	**Name & Address of the Complainant**	DHANI RAM SINGH VILL- YUSUFPUR, PO-AHARAN THE – ETMADPUR , AGRA UTTAR PRADESH - 283201
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	0339313928 LIFE 20/20 Years each
3.	**Name of Insured** **Name of Policy Holder**	Narender Kumar Narender Kumar
4.	**Name of the insurer**	Bajaj Allianz Life Insurance CO.
5.	**Date of Rejection**	29-03-2019
6.	**Reason for rejection**	Repudiation
7.	**Date of receipt of the Complaint**	14-08-2019
8.	**Nature of complaint**	Death claim repudiated
9.	**Amount of Claim**	6,50,000/-
10.	**Date of Partial Settlement**	Nil
11.	**Amount of relief sought**	Death Claim
12.	**Complaint registered under IOB rules**	Yes
13.	**Date of hearing/place**	18-12-2019/ NOIDA
14.	**Representation at the hearing**	
	a) For the Complainant	Mr. Dhani Ram
	b) For the insurer	Ms. Swati Seth
15	**Complaint how disposed**	Award
16	**Date of Award/Order**	31.12.2019

17 . Brief Facts of the case : The above policy was purchased by late Shri Narendra Kumar on 8-11-2017. He expired of heart attack on 26-11-2017. The deceased's father & complainant filed the death claim with the insurer. The insurer has rejected the claim stating the insurance was taken on the life of a predeceased person for under monetary gains. The complainant approached the Grievance redressed officer for reconsideration, but in vain. He has approached the Ombudsman Office for settlement of his grievance.

18. Cause of the complaint:

A. Complainant argument : The complainant urged that the policy was purchased by the life assured Mr. Narendra Kumar, his son on 8-11-2017. The life assured died of heart attack on 26-11-2017. The complainant submitted the claim form to the insurer but the insurer repudiated the death claim stating that the complainant had fraudulently purchased the insurance on the life of his pre deceased son. The complainant has submitted written statements of Pradhan (Gram Panchayat), Anganwadi Gram Sevika. The copy of the family register of Gram Panchayat on which the name of assured was cut with the reason "Death on 26-11-2017". The complainant has enclosed the letters from the persons who were present at the time of cremation of life assured on 26-11-2017. He has submitted the death certificate issued by Village Development Officer and also the original Death certificate issued by UP Government on which the date of death is marked as 26-11-2017.

B. Insurer's argument :

The insurer received the death claim papers from the claimant (the father of deceased) for death claim settlement . As per the claim papers death of policy holder was after 18 days of purchasing the said policy. The insurer got the case investigated. The report states that the investigator met with villagers of life assured's village. He was told that assured was suffering from tuberculosis for the last two years. He was also told that assured died on 26-10-2017. The policy was purchased on 8-11-2017. The insurer alleged that the claim was preferred with fake death certificate and policy is obtained on pre-deceased life, resulting into a fraud with dishonest intention to deceive the insurer. This fact was known to the claimant and same was deliberately concealed during the proposal stage. Insurer has rejected the claim.

19. Reason for Registration of Complaint:

Repudiation of Death Claim

20. Following documents were placed for perusal:

1. Complaint letter.

2. Copy of proposal

3. SCN

21. Observation and conclusion : Both the parties appeared for personal hearing and reiterated their submissions. The complainant has contended that his son viz deceased Narendra Kumar had purchased the policy on 08.11.2017 by submitting proposal form, photo and his Aadhar card. The complainant has also stressed that the proposal form was signed by the proposer, Late Narender Kumar himself. Unfortunately, he died of heart attack on 26.11.2017. However, his death claim has been repudiated by the insurance company stating that the complainant had fraudulently purchased the insurance on the life of his pre-deceased son.

I have gone through the documents exhibited as evidence and oral submission made by both the parties. It is noticed that on receipt of death claim, the insurer had the matter investigated by an investigator, who has submitted, based on the evidence of a few villagers that the life assured was suffering from tuberculosis for the last two years and had died on 26.10.2017 i.e. before purchasing the policy on 08.11.2017.

At the outset, it is observed that the insurer has not adduced any evidence to prove that the life assured was suffering from TB for the last two years. Mere assertion is no substitute for hard evidence. Secondly, it is also on record that some others like pradhan of gram panchayat and anganbadi worker had given their written statement that the life assured Late Narender Kumar had died of heart attack at home on 26.11.2017 i.e. after the inception of the policy on 08.11.2017.Thirdly, the veracity or otherwise of the death certificate issued by the Govt. of Uttar Pradesh which indicates the date of death of the life assured to be 26.11.2017 has not been controverted by the insurer by any evidence. Finally, if the life assured Narender kumar had died on 26.10.2017 of TB as the insurer wants us to believe, then on what basis the premium was collected and the policy document was issued by the insurer to him on 08.11.2017?

In view of the facts and circumstances of the case, the insurer's decision to repudiate the death claim is arbitrary and unjustified, and is set aside.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the death of life assured was on 26-11-2017. The repudiation of the claim could not be justified and is set aside. The Insurance company is directed to pay the claim amount Rs. 6,50,000/- to the complainant.

The complaint is treated as closed accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida. **C.S. PRASAD**
Dated: 31.12.2019 **INSURANCE OMBUDSMAN**
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE

THE INSURANCE OMBUDSMAN, STATE OF WESTERN U.P. AND UTTARAKHAND

UNDER INSURANCE OMBUDSMAN RULES 2017

OMBUDSMAN – SHRI C. S. PRASAD

CASE OF SIMRANJEET SINGH V/S BAJAJ ALLIANZ LIFE INSU. CO. LTD.

COMPLAINT REF: NO: NOI-L-006-1920-0167

:1.	**Name & Address of the Complainant**	SIMRANJEET SINGH 330 VILLAGE MAHTOSH, TEHSILBILASPUR RAMPUR U.P. PIN- 244921
2.	**Policy No:** **Type of Policy** **Duration of policy/Policy period**	0334471143 LIFE 56/20
3.	**Name of the insured** **Name of the policyholder**	Late Shri.Pragat Singh Late Shri.Pragat Singh
4.	**Name of the insurer**	Bajaj Allianz Insurance Co. Ltd.
5.	**Date of Rejection**	08-01-2019
6.	**Reason for rejection**	Insured identity not established
7.	**Date of receipt of the Complaint**	13-05-2019
8.	**Nature of complaint**	Repudiation of death claim
9.	**Amount of Claim**	1,77,100.00
10.	**Date of Partial Settlement**	Nil
11.	**Amount of relief sought**	Death Claim payment
12.	**Complaint registered under IOB rules**	Yes
13.	**Date of hearing/place**	6-12-2019/ NOIDA
14.	**Representation at the hearing**	
	a) For the Complainant	Mr. Simranjeet Singh
	b) For the insurer	Ms. Swati Seth
15	**Complaint how disposed**	Award
16	**Date of Award/Order**	31.12.2019

17 . <u>Brief Facts of the case</u> : The life assured Mr. Pragat Singh purchased above mentioned policy from Bajaj Allianz Life Insurance Company on 18-05-2017. The life assured expired on 15-06-2017 due to sudden heart attack. The nominee Mr. Simranjeet Singh had submitted the papers for payment of death claim. The insurer has rejected the claim stating that identity of the life assured is not established. The complainant has approached the Ombudsman Office on 13-05-2019 for settlement of the claim payment.

18. <u>Cause of the complaint</u>:

<u>Complainant's argument</u> : The father of the complainant purchased the life insurance policy from Bajaj Allianz Insurance Company. The policy bond was issued to him on 18-05-2017. The life assured died on 15-6-2017 due to sudden heart attack. The complainant submitted claim forms to the insurer for settlement of claim. The insurer has rejected the claim, stating that the identity of the life assured is not established. The complainant urged that while

purchasing the policy the assured had submitted his identification proofs such as Aadhar Card, Pan card and photograph. Insurer issued him the policy after verifications at their end, now at the time of claim payment the insurer has doubt about the existence of the assured before his death. The complainant has also submitted the voter information slip of Mr. Pragat Singh, as an additional proof of his existence. Now complainant has approached the Ombudsman Office for settlement.

Insurer's argument : In this case the insurer alleged that the complainant along with other accomplice had managed to conceal the identity of actual Life Assured and submitted duly signed proposal form to avail the benefit of the above policy. Insurer got the case investigated. During investigation of the case , investigating Officer did not find any person with this name and no one could identify Pragat Singh by his picture. The Investigator met the "Pradhan" of the village, and the Pradhan also could not tell about Pragat Singh's identity, and has given a statement in writing that no such person was staying in the village. As per insurer complainant has leveled false accusation without an iota of evidence just to derive illegal financial gain and rejected the claim.

19. Reason for Registration of Complaint:

Repudiation of Death claim.

20. Following documents were placed for perusal:

1. Complaint letter.

2. Copy of proposal forms and IDs

3. SCN

21. Observation and conclusion :

Personal hearing in the case was fixed on 6-12-2019 . Both the parties appeared and reiterated their submissions. The complainant said that his father Late Shri Pragat Singh purchased the policy from the resplondent company on 18-05-2017. His father expired on 15-06-2017. The complainant being the nominee under the policy filed the death claim before the insurer which was denied by the insurer on 9-05-2018. The appeal to the review committee was also rejected. The insurer submitted that the case was a very early death claim and as per norms it was investigated. The investigator submitted his report that on visit to the given address of the deceased, it was revealed that there was no person by the name of Late Shri Pragat Singh. The persons in the vicinity were not knowing any person with name of Pragat Singh. They repudiated the claim because "Life assured identity could not established".

It is observed from the available records that the policy was completed after due verification of Aadhar Card and Pan Card which must have been verified by the company's representative. During the hearing , the insurer sought two weeks time to produce more credible evidence to support their argument of repudiating the claim. We have not received any document to undermine the validity of Pan Card , Aadhar Card or the Death certificate from the insurer till date. This means that they have nothing to say in this matter. On the basis of above the action of the insurance company to repudiate the claim is not justified and therefore, it is set aside.

AWARD

Taking into account the facts and circumstances of the case and the submissions made by both the parties during the course of hearing, the Insurance company is directed to pay the claim amount Rs. 1,77,100/- to the complainant.

The complaint is treated as closed accordingly.

22. The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a) According to Rule 17(6) of Insurance Ombudsman Rules,2017, the insurer shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman.

Place: Noida. **C.S. PRASAD**
Dated: 31.12.2019 **INSURANCE OMBUDSMAN**
(WESTERN U.P. & UTTARAKHAND)

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(UNDER RULE NO: 17(1) OF THE INSURANCE OMBUDSMAN RULES, 2017)
OMBUDSMAN – SHRI M.VASANTHA KRISHNA
CASE OF: Shri T.Manikandan Vs Kotak Mahindra Life Insurance Company Ltd
REF: NO: CHN-L-026-1920-0293

AWARD NO: IO/CHN/A/LI/0091 /2019-20

1.	**Name & Address of the Complainant**	**Shri T.Manikandan** **No 13-19** **Gurunathan Swamy Koil Street** **Thevankurichi 625702**
2.	**Policy No /Certificate of Insurance(COI)** **Date of Commencement (DOC) of risk** **Plan** **Sum Assured (SA)** **Instalment Premium/Mode**	**CC000038_N06800138** **19.09.2018** **Kotak Complete Cover Group Plan** **Rs 4,50,000 (Reducing cover)** **Rs. 12,037.10**
3.	**Name of the Proposer/Life assured (LA)**	**K. Thangavel**
4.	**Name of the Insurer**	**Kotak Mahindra Life Insurance Company Ltd**
5.	**Date of repudiation of claim**	**26.03.2019**
6.	**Reason for repudiation of claim**	**Non-disclosure of material facts by the member in the DOGH i.e. Declaration of Good Health.**
7.	**Date of receipt of the complaint**	**02.08.2019**
8.	**Nature of complaint**	**Repudiation of death claim**
9	**Amount of (admissible) Claim**	**Rs. 4,14,073 (outstanding vehicle loan on date of death)**
10	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Rs. 4,14,073**

12.	**Complaint registered under**	**Rule No. 13(1) (b) of the Insurance Ombudsman Rules, 2017.**
13.	**Date of calling Self-contained Note (SCN)** **Date of receipt of SCN**	**06.08.2019** **10.09.2019**
14	**Date of hearing & Place of hearing**	**19/09/2019 / Chennai**
15.	**Representation at the hearing**	
	a) For the complainant	**Mr. T. Manikandan**
	b) For the Insurer	**Mr Mohammed Azad**
16.	**Complaint how disposed**	**By Award**
17.	**Date of Award**	**20.11.2019**

18. Brief Facts of the Complaint:

In September 2018, the Deceased Life Assured (DLA), Shri K. Thangavel, the complainant's father, had availed a vehicle loan from Sundaram Finance Ltd for Rs 4,50,000. He had subscribed for a group insurance life cover of Sundaram Finance Ltd (the master policy holder) for a Sum Assured of Rs 4,50,000 with single premium of Rs12,037.10 from Kotak Mahindra Life Insurance Company Ltd. hereinafter – the Insurer. The life assured (LA) expired on 18.12.2018. Thereupon, Shri T. Manikandan- herein after - the complainant who is the son of the LA and also the nominee under the subject policy staked his claim vide application dated 15.02.2019.

The DOC of the policy was 19.09.2018 and the LA expired within 3 months of issue of policy. The claim for outstanding vehicle loan of Rs. 4,14,073 as on the date of death of the LA on reducing SA basis was repudiated by the Insurer vide their letter dated 26.03.2019 on the grounds of non-disclosure of material facts by the LA in the proposal form. It was the contention of the insurer that the LA suffered from pre-existing diseases at the time of availing the life cover which were not disclosed.

On escalation of the grievance, the Insurer's Claims department at Mumbai upheld the repudiation decision vide their letter dated 16.07.2019 addressed to the complainant.

In the complaint letter addressed to this Forum, the complainant has submitted that the Insurer had promised that on the death of the LA the outstanding loan would be cleared by them. The complainant has stated that he is unable to pay the EMI on the vehicle loan and is afraid that the vehicle will be taken away.

19. Insurer's version:

In their SCN dated 29.08.2019, the Insurer has denied all the allegations made by the complainant. They state that the subject 'Certificate of Insurance' (COI) was issued to the

DLA based on submission of 'Membership form cum Declaration of Good Health' (DOGH) by him.

On receipt of the claim intimation along with the supporting medical records from the complainant, it was observed that the DLA had a history of diabetes since 10 years and systemic hypertension since 6 years. According to the insurer, this by itself is an admission on the part of the complainant that the deceased DLA was well aware of his health condition and he had deliberately concealed the fact. Subsequently, the Insurer conducted a claim investigation and during the investigation process confirmed that the DLA was suffering from critical medical ailments having significant impact on mortality. The Insurer has also stated in the SCN that they would not have issued the cover at the existing Terms & Conditions had such information been disclosed at the time of proposal. Since it was clear that the DLA had suppressed his health status at the time of joining the insurance scheme, which amounted to material non-disclosure as per section 45 of the Insurance Act, the claim was rejected by the Company.

20) Reason for Registration of Complaint: This is a case of repudiation of death claim and hence comes within the scope of Rule 13 (1) (b) of the Insurance Ombudsman Rules, 2017.

21) The following documents were submitted to the Forum for perusal.

a) Complaint letter addressed to the Forum received on 02.08.2019.
b) Annexure VI-A (consent) dated Nil submitted by the complainant
c) Self Contained Note (SCN) dated 29.08.2019 of the insurer.
d) Membership Form cum Declaration of Good Health dated 19.09.2018.
e) Copy of Certificate of Insurance (COI) number CC000038_N068000138 (Loan ID N068000138) of Kotak Life.
f) Copy of Death certificate of Shri K.Thangavel- Date of Death 18.12.2018.
g) Insurer's repudiation letters dated 26.03.2019 and 16.07.2019.
h) Copy of complainant's appeal dated 22.04.2019 to the Insurer's 'Claims Grievance Cell'.
i) Copy of discharge summary of Shri Venkateswara Hospital, Madurai.
j) Medical Information from consulting doctor.
k) Copy of Medical records from Apollo Hospital.
l) Copy of COI with Terms & Conditions submitted vide email dated 18.09.2019, post hearing.

22) Result of hearing with both parties (Observations & Conclusion): Based on the submissions of both the parties made during the hearing and the documents submitted, it is observed as under:

I. The DLA, Mr K. Thangavel had availed a vehicle loan of Rs 4,50,000 from Sundaram Finance Ltd and had opted for a group life cover Scheme from Kotak Mahindra Life Insurance Company Ltd. after duly completing the 'Membership Form cum Declaration of Good Health' dated 19.09.2018.The life assured expired on 18.12.2018 about three months after joining the scheme.

II. The case of the insurer, as per the repudiation letter dated 26.03.2019, is that the cover for insurance was issued to the life assured vide 'Certificate of Insurance' number CC000038_N068000138 based on the 'Membership Form cum Declaration of Good Health' submitted by him. The subject policy resulted into claim within three years from the date of commencement of the policy.

III. In the membership form mentioned above, the DLA had declared under question 4(a) and 4 (c) :

(4) I have never suffered and am not currently suffering from -

a) High blood pressure, heart attack or any other heart diseases.

c) Diabetes or any other endocrinal diseases, kidney diseases.

IV. However, the medical records that were submitted by the complainant himself, indicated diseases prior to issuance of life cover. The discharge summary issued by Shri Venkateswara Hospital where the DLA had last undergone treatment indicates that the DLA had diabetes for 10 years and was on treatment for hypertension since 6 years.

V. In addition, on subsequent investigation and assessment of the death claim the Insurer received documents that proved that the DLA was suffering from Type II diabetes mellitus, systemic Hypertension etc prior to the date of signing the DOGH. The Insurer was able to procure two sets of past medical records from Apollo Hospital which revealed that the policyholder had undergone treatment in the hospital in 2012 and in 2017. In 2012 there was a diagnosis of Type II diabetes, systemic hypertension, coronary artery disease. Further the DLA had undergone coronary angiography on 9.07.2012. In 2017, the DLA was taking treatment in the cardiology department and was diagnosed with Anemia, intermittent malena,

anteal gastritis, possible Angiodysplasia ,unstable angina, diabetes type II and systemic hypertension.

VI. The repudiation of the claim (letter dated 26.03.2019) is based on the medical records – i.e. the discharge summary from Apollo Hospitals for the hospital admissions made in 2012 and 2017 and obtained during Claim Investigation and the discharge summary from Shri Venkateswara Hospital which was submitted by the claimant to the Insurer. From the above records it was evident that the DLA was suffering from Type II diabetes mellitus, systemic Hypertension etc prior to the date of signing the DOGH.

VII. Hence it is conclusively proved that the DLA was having medical ailments for many years prior to availing the subject life insurance which he failed to disclose at the time of availing the insurance. In view of what has been submitted in the preceding paragraphs, it appears that this is a clear case of suppression of material fact while proposing for insurance.

VIII. Principle of utmost good faith (Uberrimae fidei) is a very basic and first primary principle of insurance. According to this principle, the insurance contract must be signed by both parties (i.e. insurer and insured) in absolute good faith or belief or trust. The person getting insured must willingly disclose to the insurer his/her complete true information regarding the subject matter of insurance. As a corollary, the insurer's liability gets void if any facts, about the subject matter of insurance are either omitted, hidden, falsified or presented in a wrong manner by the insured.

IX. The complainant, nominee under the above policy has not disputed the suppression of the medical history of the DLA. The medical history and hospital discharge forms were submitted to the Insurer by the claimant himself. The complainant’s sole argument is that the agent Mr Santosh had informed them that the vehicle loan will be cleared by the Insurer in case of death of the life assured.

X. It is observed that the Insurer did not specify the Section of the Insurance Act 1938, under which they repudiated the claim. The policy resulted into (death) claim on 18.12.2018 which was subsequent to the amendment made to Section 45 of the Insurance Act, 1938 and hence, the subject policy will be governed by the provisions contained in the Section 45 of the Insurance Act, as amended on 26/12/14.

XI. Consequent to the hearing the Insurer has submitted the requirements called by us i.e. Copy of the certificate of Insurance (COI) with the Terms & Conditions of the policy.

a. On perusal of the COI it is observed that S. No (10) of the T&C reads as : **Fraud/Misrepresentation:** In case of Fraud or misrepresentation by the member, the COI shall be cancelled immediately by paying the surrender value, subject to the fraud or misrepresentation being established by the Insurer in accordance with the section 45 of the Insurance Act, 1938.

The Insurer's comment on the above mentioned condition is that "*if the fraud is within 3 years, the claim shall be repudiated and the premiums payable therein is liable to be repudiated. Under the Act only in event of repudiation on grounds of misrepresentation other than fraud the amount is payable to the customer".*

XII. The above case was repudiated due to 'non-disclosure of material facts' by the member in the DOGH. The repudiation letter does not allege "fraud" (intention to deceive the Insurer) on the part of the DLA.

Section 45(4) of the Insurance Act, 1938 states that *'in case of repudiation of the policy on the ground of misstatement or suppression of a material fact, and not on the ground of fraud, the premiums collected on the policy till the date of repudiation shall be paid to the insured or the legal representatives or the nominees or assignees of the insured within a period of ninety days from the date of such repudiation'.* Although the claim was repudiated on 26.03.2019,the premium has not been refunded to the nominee/complainant within the stipulated 90 days from the date of repudiation.

AWARD

Taking into account the facts and circumstances of the case & the submissions made by both the parties during the course of hearing, this Forum is of the view that the Insurer's decision to repudiate the liability

In the event of the Complainant disagreeing with the Award, he may, if deemed fit and proper, move a fresh application at any other Forum/Court that may be considered by him as appropriate against the Insurance Company.

Furthermore, the attention of the complainant and Insurer is hereby invited to the following provisions of the Insurance Ombudsman Rules, 2017.

a) According to Rule 17 (6) of the Insurance Ombudsman Rules, 2017, the Insurer shall comply with the Award within 30 days of the receipt of the Award and shall intimate the compliance to the Ombudsman.
b) According to Rule 17 (7) of the Insurance Ombudsman Rules, 2017, the complainant shall be entitled to such interest at a rate per annum as specified in the Regulations, framed under the IRDAI Act, 1999, from the date the claim ought to have been settled under the Regulations till the date of payment of the amount awarded by the Ombudsman.
c) According to Rule 17 (8) of the Insurance Ombudsman Rules, 2017, the Award of the Insurance Ombudsman shall be binding on the Insurer.

Dated at Chennai on this 20 day of November, 2019.

(M.VASANTHA KRISHNA)
INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDUCHERY

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(Under Rule No.17 (1) of the Insurance Ombudsman Rules, 2017)
COMPLAINT REF: NO: CHN-L-019-1920-0303
Sri G.R.Ramdoss Vs HDFC Life Insurance Company Ltd
AWARD NO: IO/CHN/A/LI/0095/2019-20

1.	**Name & Address of the Complainant**	**Shri G.R.Ramdoss,** **Panjaliamman Kovil Backside,**

		Guruvappa Nagar, Srirangapuram Post, Veerapandi via. Theni District.
2.	**Master Policy No.** **Master Policyholder** **Member Certificate No.** **Sum Assured (SA)** **Date of Commencement (DOC)** **Term** **Premium paid/Mode** **Type of Policy** **Date of Death** **Duration of the Policy**	**PP000053** **Cholamandalam Investment and Finance Company Ltd.** **XOHLTHN00002127816** **INR 10,13,260** **26.10.2017** **10 years** **INR 11237.05/Single** **HDFC LIFE – Group Credit Protect plus** **09.01.2019** **1 years 2 months 13 days**
3.	**Name of the Life Assured**	**R.Sathish Kumar**
4.	**Name of the insurer**	**HDFC Life Insurance Company Ltd**
5.	**Date of Repudiation**	**22.03.2019**
6.	**Reason for Rejection**	**Suppression of material fact of medical history**
7.	**Date of receipt of the Complaint**	**25.06.2019**
8.	**Nature of complaint**	**Non-settlement of death claim**
9.	**Amount of Claim**	**INR 10,13,260**
10.	**Date of Partial Settlement**	**Not applicable**
11.	**Amount of relief sought**	**INR 10,13,260**
12.	**Complaint registered under**	**Rule no: 13(1) (b) of the Insurance Ombudsman Rules, 2017.**
13	**Date of calling SCN** **SCN submitted by the insurer on**	**27.08.2019** **03.10.2019**
14.	**Date of hearing/place**	**10.10.2019/Chennai**
15.	**Representation at the hearing**	
	For the Complainant	**Shri G.R.Ramadoss**
	For the insurer	**Shri G.Vinay Prakash**
15.	**How the case disposed off**	**Award**
16.	**Date of Award**	**26.11.2019**

17. Brief Facts of the Case: - The Complainant Shri G.R.Ramdoss, the nominee under the above policy stated in his complaint letter that his son Sri R.Sathish Kumar, the Deceased Life

Assured (DLA) had enrolled himself under a Group Insurance policy, “HDFC Life - Group Credit Protect Plus” ” from the HDFC Life insurance company with Date of commencement (DOC) of risk on 26.10.2017 for a Death Sum Assured (SA) of INR 10,13,260 at an Single premium of INR 11,237.05 for a term of ten years. This was while availing housing loan from Cholamandalam Investment and Finance Company Ltd. He further informed that his son was admitted in the Velammal Medical College Hospital and Research institute due to severe cold, cough and fever and subsequently he died on 07.01.2019.

When the complainant claimed the Policy money from the Insurer as the nominee, his claim was rejected by the Insurer vide its letter dated 22.03.2019 stating that his son had suppressed his pre-illness of Type II Diabetes Mellitus (DM) and not disclosed the same at the time of submitting the proposal.

He made a representation to the Claims Review Committee (CRC) of the insurer, requesting them to reconsider the claim, but the CRC repudiated his claim by stating the DLA had not disclosed the vital information of his Diabetics Mellitus at the time of proposal. Hence the complainant has requested the Forum to order the Insurer to settle the claim.

Insurer’s Version: -

In their Self Contained Note (SCN) dated 30.09.2019, the Insurer stated that the Deceased Life Assured (DLA) Shri R.Sathish kumar had enrolled under a Group Policy (Group Credit Protect policy) on 26.10.2017 for a SA of INR 10,13,260 for a 10 year term with the membership Certificate No. of 01217816. The nominee under the policy is Shri G.R.Ramdoss – his father. The Life Assured died on 09.01.2019 and the insurer received death claim intimation from the complainant. Since the above claim is an early claim with the duration of 1 year, 2 months and 13 days from DOC, the insurer conducted an investigation and it was found that the DLA is a known case of Type II DM for the past 5 years. The insurer informed that the above medical fact was not disclosed in the proposal form while taking the policy. If the fact was disclosed, they would not have issued the cover to the DLA. The fact of the illness was confirmed through the death summary issued by VMC Speciality Hospital, Madurai.

The Insurer alleged that there was an intentional non-disclosure of a fact which was material to be disclosed by the DLA at the time of proposal. Hence the insurer had repudiated the claim as per the terms and conditions of the policy and duly conveyed their decision to the Complainant. The insurer has therefore requested this Forum to dismiss the complaint.

15. Reason for Registration of Complaint: This is a case of non-settlement of death claim which comes within the scope of Rule 13(1) (b) of the Insurance Ombudsman Rules, 2017.

16. The following documents were submitted to the Forum for perusal.

- ✓ Complainant's letter to the Forum dated 25.06.2019.
- ✓ Copy of the Proposal (Member Enrolment Form) and Certificate of Insurance.
- ✓ Copy of the death certificate dated 21.1.2019.
- ✓ Copy of the claim rejection letter of insurer dated 22.03.2019.
- ✓ Copies of Discharge Summary and Death Summary of VMC Specialty Hospital, Madurai
- ✓ Annexure VI A and consent dated 27.08.19 submitted by the complainant
- ✓ Insurer's Self Contained Note (SCN) dated 30.09.2019.

17. Result of hearing with both parties (Observations & Conclusion): Based on the submissions of both the parties made during the hearing and documents submitted, it is observed as under:

1) The DLA enrolled himself under subject Policy through Cholamandalam investment and Finance Company Limited, and the proposal (enrolment form) was duly signed by him. The DLA has given negative reply to the question nos. 1 and 6 of the proposal, reading as follows:-

   Question No.1: Have you ever suffered or are currently suffering from: (a) Chest Pain or heart attack or any other heart disease (b) Cancer tumor growth or cyst of any kind (c) Stroke, paralysis, Epilepsy, any psychiatric/mental disorder, disorder of brain/nervous system or any kind of physical disabilities (d) Asthma, tuber culosis or lung disorder (e) Disease or disorder of muscles, bones or joint, arthritis or blood disorder (anemia) or any endocrine disorder (f) Disease of the kidney, digestive system (stomach, pancreas, gall bladder, intestine)

   Question No.6: Are you taking any medication or has a doctor ever attended to you for any conditions, diseases or impairment not mentioned above (except for cough or cold)?

   But the death summary of the treating hospital established that the DLA was suffering from Type II DM for the past 5 years.

2) The DLA was admitted on 19.12.2018 due to the severe cold, cough and fever at Velammal Speciality Hospital at Madurai. Again he was admitted in the same hospital on 07.01.2019 and died on 09.01.2019 and the diagnosis was B/L Pneumonitis, Viral, Type II DM, DKA for which he was treated and as per the death summary the DLA was a known case of TYPE II DM for the past 5 years.
3) While repudiation of claim by the insurer is in order, the Forum has observed certain deficiencies in the handling of the claim by the insurer. In the repudiation letter dated

22.03.2019, the insurer have not disclosed the details of the evidence, which they obtained to prove the non-disclosure. The insurer is, therefore, advised to ensure that in future the contents of the repudiation letter do conform to the provisions contained in Section 45 of the Insurance Act, 1938.

4) During the hearing, the insurer confirmed that they have refunded the premium to the master policyholder, as per the provisions of Section 45(4) of the Insurance Act, 1938.

5) The Forum places on record its strong displeasure over the delay in submitting the SCN by insurer.

AWARD

Taking into account the facts and circumstances of the case & the submissions made by both the parties during the course of the hearing, this Forum is of the opinion that Insurer's decision to repudiate the death claim under Policy no. PP000053 is justified and does not warrant any intervention by the Forum.

The complaint is disposed off accordingly.

In case the decision of this Forum is not acceptable to the complainant, he is at liberty to approach any other Forum/Court as he may deem fit, against the respondent insurer.

Dated at Chennai on this day of 26th November, 2019.

(M.VASANTHA KRISHNA)
INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDICHERY

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(Under Rule No.17 (1) of the Insurance Ombudsman Rules, 2017)
COMPLAINT REF: NO: CHN-L-019-1920-0306
Smt. Parimala Vs HDFC Life Insurance Company Ltd
AWARD NO: IO/CHN/A/LI/0097/2019-20

1.	**Name & Address of the Complainant**	**Smt. S.Parimala,**

		W/o Late R.Selvamani, **Prestige Bella Vista, T-16B,** **D.No. 16147, 12th Floor,** **Ayyappanthangal,** **CHENNAI-600056**
2.	**Policy No.** **Sum Assured (SA)** **Date of Commencement (DOC)** **Term/Premium paying Term** **Premium paid/Mode** **Type of Policy** **Date of Death** **Duration of the Policy**	**19873317** **Rs. 50 Lacs** **18.12.2017** **10 years/10 years** **Rs. 5,00,000/Yearly mode** **Pro Growth – Flexi Policy-ULIP** **07.01.2019** **1yr 0m 19 days**
3.	**Name of the insured**	**Shri R.Selvamani**
4.	**Name of the insurer**	**HDFC Life Insurance Company Ltd**
5.	**Date of Repudiation**	**27.2.2019 and 17.07.2019**
6.	**Reason for Rejection**	**Non-disclosure of material fact**
7.	**Date of receipt of the Complaint**	**13.08.2019**
8.	**Nature of complaint**	**Non-settlement of death claim**
9.	**Amount of Claim**	**Rs. 50,00,000**
10.	**Amount of Partial Settlement**	**Rs. 8,05,726.54 – accumulated fund value**
11.	**Amount of relief sought**	**Rs. 50,00,000**
12.	**Complaint registered under**	**Rule no: 13(1) (b) of the Insurance Ombudsman Rules, 2017.**
13	**Date of calling Self-contained Note (SCN)** **Date of SCN sent by the insurer**	**14.08.2019** **03.10.2019**
14.	**Date of hearing/place**	**10.10.2019/Chennai**
15.	**Representation at the hearing**	
	For the Complainant	**Smt. S.Parimala**
	For the insurer	**Shri G.Vinay Prakash**

16.	**How the case disposed off**	**Award**
17.	**Date of Award**	**27.11.2019**

18. Brief Facts of the Case: - The Complainant Smt.Parimala, the nominee under the above policy stated in her complaint that her husband Shri R.Selvamani, the Deceased Life Assured (DLA) had taken the "Pro Growth Flexi (ULIP) Policy" of the respondent insurer on 18.12.2017 for a Death Sum Assured of Rs. 50,00,000 at an annual premium of Rs.5,00,000 for a term and premium paying term of 10 years. Her husband died on 07.01.2019 and she claimed the Policy money from the Insurer's Branch office at T.Nagar. She further stated that her claim was repudiated by the insurer on the ground that the vital information of his medical illness of hypertension for the past 5 years was not disclosed at the time of proposal. She submitted several representations to the insurer requesting them to reconsider her claim. But the Claims Review Committee of the insurer also rejected the claim. Hence she has requested the Forum to order the Insurer to settle the claim.

19. Insurer's Version: -

The insurer confirmed the issuance of the Policy as per details given above, in their SCN dated 30.09.2019. The cover was given to the DLA on the basis of the information given by him in the proposal. They received intimation of the death of the life assured on 07.01.2019 due to Systemic Hypertension and Chronic Kidney Disease and also the claim of the complainant for settlement of the death claim. Since the claim was an early claim within a short duration of 1 year and 19 days from the DOC, the insurer investigated the claim through a private investigator and found that the LA was having a history of Hypertension for the past 5 years and was treated as a case of acute renal failure on out-patient (OPD) basis on various dates at Sri Ramachandra Medical Centre, Chennai.

The insurer further stated that the LA had not disclosed his previous ailment of Hypertension in the proposal form. If the above fact was disclosed, the insurer would not have issued the Policy to LA. They have cited the decision given by the Hon'ble Supreme Court in the case of Reliance Life Insurance Co. Ltd Vs Rekhaben Nareshbhai Rathod (Civil Appeal no. 4261 of 2019) to argue that an inaccurate answer in the proposal form will entitle the insurer to repudiate the claim because there is presumption that information sought in the proposal form is material for the purpose of entering in to a contract of insurance. So, they have repudiated the death claim and refunded a sum of Rs. 8,05,726.54 to the complainant being the fund value available under the policy.

The insurer also extended the argument that since complainant's claim is for an amount of Rs. 50 lakhs, the same is not within the pecuniary jurisdiction of the Ombudsman who cannot award any

compensation exceeding Rs. 30 lakhs as per proviso to Rule 17 of the Insurance Ombudsman Rules, 2017.

Hence the insurer has requested the Forum to dismiss the complaint.

20. Reason for Registration of Complaint: This is a case of non-settlement of death claim which comes within the scope of Rule 13(1) (b) of the Insurance Ombudsman Rules, 2017.

21. The following documents were submitted to the Forum for perusal.

- ✓ Complainant's letter to the Forum dated 13.08.2019
- ✓ Annexure VI A and consent submitted by the complainant
- ✓ Insurer's Self Contained Note (SCN) dated 30.09.2019
- ✓ E-proposal and CCD dated 14.12.2017.
- ✓ Copy of the Policy Schedule and Terms and Conditions
- ✓ Investigation report dated 4.3.2019.
- ✓ Sri Ramachandra Medical Centre's consultation records (3 nos.) dated 4.8.2018 (consultation with Dr. Preetam Arthur, Dr. Suhas Prabhakar and Dr Jayakumar).
- ✓ Death report dated 07.01.2019 of Sri Ramachandra Medical College & Research Institute
- ✓ Claim repudiation letter of the insurer dated 27.02.2019.
- ✓ Complainant's representations to the insurer dated 5.3.2019, 08.04.2019 and 25.5.2019 .
- ✓ Complainant's e mail correspondence with the Customer Service Officer of the insurer
- ✓ Insurer's Claim Review Committee's reply dated 17.07.2019.
- ✓ Copy of the Death certificate dated 22.01.2019.

22. **Result of hearing with both parties (Observations & Conclusion):** Based on the submissions of both the parties made during the hearing and documents submitted, it is observed as under:

6) As per investigation report and medical records submitted by the insurer, the DLA Shri R.Selvamani had treatment at Ramachandra Medical Centre, Chennai on 4.8.18, 6.8.18, 8.8.18, 22.8.18, 29.8.18, 17.10.18 and 10.11.18 and subsequently he died on 07.01.2019 at the same hospital. As per Death Report issued by the hospital, the diagnosis and cause of death was intracranial bleed(?),systemic hypertension, chronic kidney disease and hypertensive retinopathy.

7) The investigator appointed by the insurer procured the OP consultation record of the DLA from Sri Ramachandra Medical Centre and the consultation records of 4.8.2018 (first of the consultations) reveal the following facts.

A) Dr. Suhas Prabhakar, ophthalmologist has noted that the DLA was a known case of Hypertension for 5 years and on medication.

B) Dr. M. Jayakumar,Neurologist has also recorded that the DLA was having Hypertension for 5 years and the diagnosis was Renal Failure/HTN (Hypertension)/HTNR(Hypertensive Retinopathy) Grade II.

C) Dr. Preetam Arthur, General physician also recorded clinical history of Hypertension, Renal Failure (RF) (?), AKI (Acute Kidney Injury) (?) and CKD (Chronic Kidney Disease) without mentioning the duration. He has further recorded that the ECG shows LVH (Left Ventricular Hypertrophy) & strain.

The above records clearly establish the fact that the DLA was suffering from Hypertension for 5 years, which is prior to the inception of the Policy. Further the finding of LVH in the ECG is also indicative of long standing Hypertension.

8) It is observed that the insurer rejected the claim on the ground that the DLA had not disclosed his medical illness in the proposal form by answering "NO" to all the health related questions 13, 19, 22 and 24 of the "Personal Details of Life to be assured" Section of the proposal form. Specifically, question no. 13 relates to High Blood Pressure and Hypertension, which too has been replied in the negative, notwithstanding the previous history of the disease. Thus the non-disclosure of the material fact of medical illness by the DLA was conclusively established by the insurer through the documents cited above.

9) The complainant informed the Forum during the hearing that the insurer had settled the death claim of DLA under another policy availed in connection with a loan taken from Capital First and submitted evidence of the settlement of the claim for an amount of Rs. 3,98,370, post hearing. However, no inference can be made in favour of the complainant based on the said settlement, since the present claim has been rejected due to non-disclosure of material fact, conclusively established. It is possible that there was no issue of non-disclosure in the case of the settled claim or the settlement might have been made in the absence of evidence of pre-existing illness, as available in the present case.

10) Based on the above facts and circumstances, the Forum is satisfied that the repudiation of the claim by the insurer is in order.

11) However, the Forum has observed certain deficiencies in the handling of the claim by the insurer. In the Repudiation letter dated 27.02.2019, the insurer have not disclosed the details of the evidence, which they obtained to prove the non-disclosure. The insurer is, therefore, advised to ensure that in future, the contents of the repudiation letter do conform to the provisions contained in Section 45 of the Insurance Act, 1938.

12) The insurer refunded the accumulated fund value of Rs. 8,05,726.54 to the complainant while rejecting the claim, as against the amount of Rs. 10 lakhs (two instalments) paid as premium under the Policy. The Forum is of the opinion that the insurer should have

refunded the premium collected under the Policy as per Section 45(4) of the Act and not the fund value.

13) As regards the insurer's argument that the Forum lacks jurisdiction for this complaint, due to the complaint being for an amount of Rs. 50 lakhs, the Forum wishes to place on record the fact that pecuniary jurisdiction of the Forum is based on the amount of award and not the amount claimed in the complaint.

AWARD

Taking into account the facts and circumstances of the case & the submissions made by both the parties during the course of the hearing, this Forum is of the opinion that Insurer's decision to repudiate the death claim under Policy no. 19873317 is justified. However, insurer is directed to refund the premium of INR 10,00,000 collected under the Policy less INR 8,05,726.54 already paid to the complainant together with interest under Rule 17(7) of the Insurance Ombudsman Rules, 2017.
The complaint is disposed off accordingly.

23) In case the decision of this Forum is not acceptable to the complainant, she is at liberty to approach any other Forum/Court as she may deem fit, against the respondent insurer.

The attention of the complainant and the insurer is invited to the following provisions of the Insurance Ombudsman Rules, 2017.

a. As per Rule 17(6) of the Insurance Ombudsman Rules, 2017 the Insurer shall comply with the Award within 30 days of the receipt of the award and intimate the compliance of the same to the Ombudsman.
b. As per Rule 17(7) of the said rules the complainant shall be entitled to such interest at the rate per annum as specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999, from the date the claim ought to have been

settled under the regulations, till the date of payment of the amount awarded by the Ombudsman.

c. As per Rule 17(8) of the said rules, the award of Insurance Ombudsman shall be binding on the insurers.

Dated at Chennai on this day of 27th November, 2019.

(M.VASANTHA KRISHNA)
INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDICHERY

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(Under Rule No.17 (1) of the Insurance Ombudsman Rules, 2017)
COMPLAINT REF: NO: CHN-L-019-1920-0307
Smt. S.Parimala Vs HDFC Life Insurance Company Ltd
AWARD NO: IO/CHN/A/LI/0098/2019-20

1.	**Name & Address of the Complainant**	**Smt. S.Parimala,** **W/o Late R.Selvamani,** **Prestige Bella Vista, T-16B,** **D.No. 16147, 12th Floor,** **Ayyappanthangal,** **CHENNAI-600056**
2.	**Master Policy No.** **Master Policyholder** **Member No.** **SA /DOC** **Term/Premium paying Term** **Premium paid/Mode** **Type of Policy** **Date of Death** **Duration of the Policy**	**IF000114** **Indiabulls Consumer Finance Ltd** **0288300** **Rs. 7,49,230/26.04.2018** **1 year/1 year** **Rs. 6473.79/single** **Group Term Insurance Plan** **07.01.2019** **0years 8 months 11 days**
3.	**Name of the insured**	**Shri R.Selvamani**
4.	**Name of the insurer**	**HDFC Life Insurance Company Ltd**
5.	**Date of Repudiation**	**25.03.2019 and 08.07.2019**
6.	**Reason for Rejection**	**Non-disclosure of material fact of medical records.**
7.	**Date of receipt of the Complaint**	**13.08.2019**

8.	**Nature of complaint**	**Non-settlement of death claim**
9.	**Amount of Claim**	**Rs. 7,50,000**
10.	**Date of Partial Settlement**	**Not applicable**
11.	**Amount of relief sought**	**Rs. 7,50,000**
12.	**Complaint registered under**	**Rule no: 13(1) (b) of the Insurance Ombudsman Rules, 2017.**
13	**Date of calling Self-contained Note (SCN)** **Date of SCN sent by the insurer**	**14.08.2019** **03.10.2019**
14.	**Date of hearing/place**	**10.10.2019/Chennai**
15.	**Representation at the hearing**	
	For the Complainant	**Smt. S.Parimala**
	For the insurer	**Shri G.Vinay Prakash**
16.	**How the case disposed off**	**Award**
17.	**Date of Award**	**27.11.2019**

18. Brief Facts of the Case: - The Complainant Smt.Parimala, the nominee under the above policy stated in her complaint letter that her husband Sri R.Selvamani, the Deceased Life Assured (DLA) had covered himself under a Group Insurance policy, "HDFC Life Group Term Insurance Plan - Group Credit Protect Plus" of the respondent insurer on 26.04.2018 for a Death Sum Assured of Rs. 7,49,230 at an Single premium of Rs. 6,473.79 for a term of one year from 26.04.2018 to 25.04.2019 while availing loan from the India Bulls Consumer Finance Ltd. Her husband died on 07.01.2019 and she claimed the Policy money from the Insurer. She further stated that her claim was rejected by the Insurer vide their letter dated 25.03.19 on the ground that the vital information of his medical illness of hypertension for the past 5 years was not disclosed at the time of proposal. She submitted several representations to the insurer requesting them to reconsider her claim. But the Claims Review Committee of the insurer also rejected the claim. Hence she has requested the Forum to order the Insurer to settle the claim.

19. Insurer's Version: -

The insurer confirmed the issuance of the Policy as per details given above, in their SCN dated 30.09.2019. The cover was given to the DLA on the basis of the information given by him in the Member enrolment form dated 31.3.2018. They received intimation of the death of the life assured on 07.01.2019 due to Systemic Hypertension and Chronic Kidney Disease and also the claim of the complainant for settlement of the death claim. Since the claim was an early claim

within a short duration of 8 months and 11 days from the DOC, the insurer investigated the claim through a private investigator and found that the LA was having a history of Hypertension for the past 5 years and was treated as a case of acute renal failure on out-patient (OPD) basis on various dates at Sri Ramachandra Medical Centre, Chennai.

The insurer further stated that the LA had not disclosed his previous ailment of Hypertension in the Member enrolment form. If the above fact was disclosed, the insurer would not have issued the Policy to LA. They have cited the decision given by the Hon'ble Supreme Court in the case of Reliance Life Insurance Co. Ltd Vs Rekhaben Nareshbhai Rathod (Civil Appeal no. 4261 of 2019) to argue that an inaccurate answer in the proposal form will entitle the insurer to repudiate the claim because there is presumption that information sought in the proposal form is material for the purpose of entering in to a contract of insurance. So, they have repudiated the death claim under the policy.

Hence the insurer has requested the Forum to dismiss the complaint.

20. Reason for Registration of Complaint: This is a case of non-settlement of death claim which comes within the scope of Rule 13(1) (b) of the Insurance Ombudsman Rules, 2017.

21. The following documents were submitted to the Forum for perusal.

- ✓ Complainant's letter to the Forum dated 13.08.2019
- ✓ Annexure VI A and consent submitted by the complainant
- ✓ Insurer's Self Contained Note (SCN) dated 30.09.2019
- ✓ Copy of the Proposal (Member Enrolment Form)
- ✓ Copy of the Certificate of Insurance.
- ✓ Investigation report dated 4.3.2019.
- ✓ Sri Ramachandra Medical Centre's consultation records (3 nos.) dated 4.8.2018 (consultation with Dr. Preetam Arthur, Dr. Suhas Prabhakar and Dr Jayakumar).
- ✓ Death report dated 07.01.2019 of Sri Ramachandra Medical College & Research Institute
- ✓ Claim repudiation letter of the insurer dated 25.03.2019.
- ✓ Complainant's representation to the insurer dated 08.04.2019.
- ✓ Insurer's Claim Review Committee's reply dated 11.07.2019.
- ✓ Copy of the Death certificate dated 22.01.2019.

20. Result of hearing with both parties (Observations & Conclusion): Based on the submissions of both the parties made during the hearing and documents submitted, it is observed as under:

14) As per investigation report and medical records submitted by the insurer, the DLA Shri R.Selvamani had treatment at Ramachandra Medical Centre, Chennai on 4.8.18, 6.8.18, 8.8.18, 22.8.18, 29.8.18, 17.10.18 and 10.11.18 and subsequently he died on 07.01.2019 at the same hospital. As per Death Report issued by the hospital, the diagnosis and cause of death was intracranial bleed(?),systemic hypertension, chronic kidney disease and hypertensive retinopathy.

15) The investigator appointed by the insurer procured the OP consultation record of the DLA from Sri Ramachandra Medical Centre and the consultation records of 4.8.2018 (first of the consultations) reveal the following facts.

D) Dr. Suhas Prabhakar, ophthalmologist has noted that the DLA was a known case of Hypertension for 5 years and on medication.

E) Dr. M. Jayakumar, Neurologist has also recorded that the DLA was having Hypertension for 5 years and the diagnosis was Renal Failure/HTN (Hypertension)/HTNR(Hypertensive Retinopathy) Grade II.

F) Dr. Preetam Arthur, General physician also recorded clinical history of Hypertension, Renal Failure (RF) (?), AKI (Acute Kidney Injury) (?) and CKD (Chronic Kidney Disease) without mentioning the duration. He has further recorded that the ECG shows LVH (Left Ventricular Hypertrophy) & strain.

The above records clearly establish the fact that the DLA was suffering from Hypertension for 5 years, which is prior to the inception of the Policy. Further the finding of LVH in the ECG is also indicative of long standing Hypertension.

16) It is observed that the insurer rejected the claim on the ground that the DLA had not disclosed his medical illness in the Member enrollment form by answering “NO” to all the health related questions 1 and 6 of the “Health Details of Life to be assured” Section of the enrollment form. Specifically, question no. 1 relates to High Blood Pressure and Hypertension, which too has been replied in the negative, notwithstanding the previous history of the disease. Thus the non-disclosure of the material fact of medical illness by the DLA was conclusively established by the insurer through the documents cited above.

17) The complainant informed the Forum during the hearing that the insurer had settled the death claim of DLA under another policy availed in connection with a loan taken from Capital First and submitted evidence of the settlement of the claim for an amount of Rs. 3,98,370, post hearing. However, no inference can be made in favour of the complainant based on the said settlement, since the present claim has been rejected due to non-disclosure of material fact, conclusively established. It is possible that there was no issue of non-disclosure in the case of the settled claim or the settlement might have been made in the absence of evidence of pre-existing illness, as available in the present case. The insurer has also informed the complainant through the repudiation letter dated 25.03.2019

that “if the insured member had multiple insurance covers under the same or different products, final claim decision in other claims may vary according to policy specifications and availability of supporting documents at the time of claim decision”.

18) Based on the above facts and circumstances, the Forum is satisfied that the repudiation of the claim by the insurer is in order.

19) However, the Forum has observed certain deficiencies in the handling of the claim by the insurer. In the Repudiation letter dated 25.03.2019, the insurer have not disclosed the details of the evidence, which they obtained to prove the non-disclosure. The insurer is, therefore, advised to ensure that in future, the contents of the repudiation letter do conform to the provisions contained in Section 45 of the Insurance Act, 1938.

20) In this case, there was an active concealment of the material fact that the DLA is suffering from hypertension for the past 5 years, which is prior to policy issue. The Forum is of the opinion that the insurer should have refunded the premium collected under the Policy as per Section 45(4) of the Act.

AWARD

Taking into account the facts and circumstances of the case & the submissions made by both the parties during the course of the hearing, this Forum is of the opinion that Insurer’s decision to repudiate the death claim under Policy no. IF000114 is justified. However, insurer is directed to refund the premium of INR 6,473.79 collected under the Policy together with interest under Rule 17(7) of the Insurance Ombudsman Rules, 2017.
The complaint is disposed off accordingly.

In case the decision of this Forum is not acceptable to the complainant, she is at liberty to approach any other Forum/Court as she may deem fit, against the respondent insurer.

The attention of the complainant and the insurer is invited to the following provisions of the Insurance Ombudsman Rules, 2017.

d. As per Rule 17(6) of the Insurance Ombudsman Rules, 2017 the Insurer shall comply with the Award within 30 days of the receipt of the award and intimate the compliance of the same to the Ombudsman.

e. As per Rule 17(7) of the said rules the complainant shall be entitled to such interest at the rate per annum as specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman.

f. As per Rule 17(8) of the said rules, the award of Insurance Ombudsman shall be binding on the insurers.

Dated at Chennai on this day of 27th November, 2019.

(M.VASANTHA KRISHNA)
INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDICHERY

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(UNDER RULE NO: 17 (1) OF THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SHRI M.VASANTHA KRISHNA

CASE OF: Ms G.RAMAL Vs LIFE INSURANCE CORPORATION OF INDIA
REF: NO: CHN-L-029-1920-0298

AWARD NO: IO/CHN/A/LI/0086/2019-20

1.	**Name & Address of the Complainant**	**Ms G Ramal,** **W/o (late) K.Thanumoorthy,** **No. 218/15, Arunachalam colony,** **Asambu Road,** **Vadasery, Nagercoil-629 001**
2.	**Policy No.** **Name of the product** **Basic Sum Assured** **Date of Commencement (DOC) of policy** **DOC of risk** **Mode of payment** **Instalment Premium** **Policy Term/Prem. Paying term** **Date of death of Life Assued(LA)** **Duration of the policy from DOC** **Status of the policy** **First unpaid premium** **Duration of the policy up to the date of repudiation (from DOC of policy/risk)**	**324358161** **Bima Diamond** **Rs. 5,00,000** **24/10/16** **28/10/16** **Yearly** **Rs.48,175.00** **16/10 years** **21/07/18** **1Y 8M & 27 D** **In-force** **24/10/ 2018** **2Y 2M & 5D**
3.	**Name of the Life Assured**	**K.THANUMOORTHY**

4.	**Name of the insurer**	**Life Insurance Corporation of India, DO, Tirunelveli**
5.	**Date of repudiation**	**By DO: 29/12/18** **By ZO: 12/04/19**
6.	**Reason for repudiation**	**Suppression of material facts in the Proposal form**
7.	**Date of registration of the Complaint**	**07/08/19**
8.	**Date of receipt of Annexure VI-A (consent)**	**16/08/19**
9.	**Nature of complaint**	**Non-payment of death claim**
10.	**Amount of Claim**	**Sum Assured on death (highest of 10 times of the annualized premium or Sum Assured on maturity or Absolute amount assured to be paid on death, viz. Basic Sum Assured)**
11.	**Date of Partial Settlement**	**26/12/18 (Rs. 96,350/- towards refund of premiums paid under the policy)**
12.	**Amount of relief sought**	**Rs. 5,00,000 less refund of premiums already received**
13.	**Complaint registered under**	**Rule No. 13 (1) (b) of the Insurance Ombudsman Rules 2017**
14.	**Date of hearing & Place of hearing**	**19/09/19 & Chennai**
15.	**Representation at the hearing**	
	a) For the complainant	**Shri A.Ganesan (Complainant's father)**
	b) For the insurer	**Shri T.Rajendran, Manager (Claims), LIC of India, DO, Tirunelveli**
16.	**Complaint how disposed**	**By Award**
17.	**Date of Award**	**18/11/2019**

18) Brief Facts of the Case:

During the year 2016, the Deceased Life Assured (DLA), (late) K.Thanumoorthy, herein the complainant's husband, took a policy (No. 324358161) on his own life from Life Insurance Corporation of India, herein the Insurer. The policy resulted into death claim on 21/07/18. Thereupon, Ms G.Ramal, the complainant herein, who is the nominee under the policy, staked her claim. After processing the claim, the insurer informed the complainant that the DLA while taking the policy suppressed material facts regarding his health (which have had a bearing on granting of risk), with intent to mis-lead the insurer. The insurer's stand is that the DLA was a known case of Diabetes Mellitus and Hypertension for which he took treatment since the year 2013. The insurer, therefore, repudiated the liability under the policy in terms of provisions of Section 45 of the Insurance Act, 1938 and communicated the same to the complainant, vide its letter dated 29/12/18. Notwithstanding, the insurer refunded a sum of Rs. 96,350/- towards premiums collected under the subject policy. Aggrieved by the decision, the complainant made a representation to the Zonal Office Claims Review Committee (ZOCRC) of the insurer. As the ZOCRC upheld the repudiation decision, the complainant has filed this complaint.

19) Cause of Complaint:

a) Complainant's argument:

In her complaint, the complainant reiterated that death took place only due to cardiac arrest. She further added that the DLA had no intention to suppress the material facts and if at all, any such intention was there, the DLA would have taken a policy for a large Sum Assured. He was a frequent visitor to foreign countries and all medical records vouchsafe that the DLA had good health. Prior to taking the policy, he underwent medical examination by one of the authorized medical examiners of the insurer. During hearing, the complainant's father informed the Forum that the DLA was leading a very normal and healthy life.

b) Insurers' argument:

The claim was repudiated as the DLA concealed material facts regarding his health in the proposal form. As per Claim Form-B (Certificate of Hospital treatment), the primary cause of death was cardiac arrest whilst Hypertension (HT) & Diabetes Mellitus (DM) were the secondary causes of death. It was found that the DLA took treatment for DM & HT at Ramachandra Hospital, Nagercoil since 07/08/13 and was in continuous treatment up to 22/06/18. While taking the policy, the DLA, however, didn't disclose these material facts in the proposal form.

Had the DLA truthfully disclosed the same in the proposal form, special reports would have been called for and the proposal with the special reports, etc. would have been referred to the Zonal Underwriting Section (ZUS) for its decision.

20) Reason for Registration of Complaint: This is a case of repudiation of death claim and hence, comes within the scope of Rule 13 (1) (b) of the Insurance Ombudsman Rules, 2017.

21) The following documents were submitted to the Forum for perusal.

- ✓ Proposal form dated 15/10/16
- ✓ Medical Examiner's Confidential Report dated 17/10/16
- ✓ Policy document dated 02/11/16
- ✓ Claimant's statement dated 16/08/18
- ✓ Certificate of Hospital Treatment by Dr.M.RanachandranPillai.
- ✓ Claim Enquiry Report dated 26/11/18
- ✓ Hospital (Out-patient) record of Ramachandra Hospital Pvt, Nagercoil
- ✓ Certificate dated 17/09/18 of Dr.M.Ramachandran Pillai
- ✓ Repudiation letters (2 Nos.) dated 29/12/18 & 12/04/19
- ✓ Complaint dated 25/02/19 to the Forum
- ✓ Annexure VI-A dated Nil and consent submitted by the complainant
- ✓ Self Contained Note (SCN) of the insurer dated 17/08/19
- ✓ Written statement of the complainant dated 18/09/19
- ✓ Complainant's representation dated 22/02/19 to the insurer

22) Result of hearing with both parties (Observations & Conclusion): Based on the submissions made by the insurer during the hearing and the documents submitted by both the parties, it is observed as under:

a) The case of the insurer, as per the repudiation letter dated 29/12/18, is that the answers given by the DLA to Qn. no. 11 (a), 11 (e) & 11 (i) of the Proposal form dated 15/10/16 were false. Although the insurer provided details of the "materials", viz hospital records which enabled the insurer to decide on the claim, in the repudiation letter dated 29/12/18, the insurer didn't mention the material facts which were suppressed by the DLA in the proposal form.

b) The relevant questions where-under the DLA made mis statements and the replies given by the DLA, as per the repudiation letter dated 29/12/18, are as under:

> 11(a): During the last five years did you consult a Medical Practitioner for any ailment requiring treatment for more than a week? **No**
> 11(e): Are you suffering from or have you ever suffered from Diabetes, Tuberculosis, High Blood Pressure, Low Blood Pressure, Cancer, Epilepsy, Hernia, Hydrocele, Leprosy or any other disease? **No**
> 11 (i): What has been your usual state of health? **Good**
>
> _____

c) In repudiating liability under the policy, the insurer relied upon 1) Form B-1 (Certificate of Hospital Treatment), 2) Hospital (Out Patient) Records of Ramachandra Hospital Pvt. Limited, Nagercoil, & 3) Claim Enquiry Report. The said records were perused and following are our observations:

i) In reply to Q no. 7 of "Certificate of hospital treatment (Form B-1)" issued by Dr.M.Ramachandran Pillai, the physician stated that Hypertension and Diabetes Mellitus (DM) were first observed by the patient, herein the DLA, on 07/08/13 and the same was reported to him by the DLA himself.

ii) The insurer produced hospital records of Ramachandra Hospital Private Limited, Nagercoil in respect of DLA's treatment from 07/08/13 to 21/07/18. Perusal of the said records reveals that the DLA took treatment in the said hospital as an Out-Patient since 07/08/13 for DM and HT. It is found that the DLA was treated in the said hospital as an out-patient on more than 30 occasions during the period from 07/08/13 to 15/10/16, viz. date of the proposal. Shri Dr.M.Ramachandran Pillai who was the usual medical attendant of the DLA, has given a certificate also (dated 17/09/18) wherein he certified that the DLA was under his care from 07/08/13 to 21/07/18 for HT and DM.

iii) In his report dated 26/11/18, the Claim Enquiry officer stated that the DLA was under treatment for more than 5 years (from 07/08/13) for DM, HT and Kidney failure and as such, concluded that the claim may not be considered favourably.

iv) All these documents clearly prove that the DLA, prior to his taking the subject policy, was suffering from HT and DM for which he took treatment as an outpatient in a hospital since 07/08/13.

v) Nevertheless, while proposing for the subject policy, the DLA didn't truthfully disclose this material information, viz. viz. "suffering from DM and HT and consulting a medical practitioner", while replying to Q nos. 11 (a) and 11 (e) of the proposal form dated 15/10/2016 and instead gave mis-statements. Apart from this, the DLA falsely claimed that he was in a good state of health. While so, the insurer's action of repudiating the claim under the policy is in accordance with clause no. 2 (Forfeiture in certain events) of the terms and conditions of the policies.

vi) It is settled law that when information on a specific aspect is asked for in the proposal form, the proposer is under a solemn obligation to make a true and full disclosure of the same which is within his knowledge. It is not for the proposer to determine whether the information sought is material for the purpose of the policy or not.

vii) Contracts of Insurance are governed by Principle of utmost good faith (Uberrimae fidei). In a contract of insurance, the insured is in possession of material information regarding the risk to be covered. This imposes a duty of disclosure on the insured, of such information. Proposal form is a significant part of the disclosure procedure and warrants accuracy of the statements therein. In a proposal form, the applicant declares that he/she warrants truth. The contractual duty so imposed is such that any suppression or untruth or inaccuracy in the statement in the proposal form will be considered as breach of the duty of good faith and will render the policy voidable by the insurer.

d) The policy resulted into claim on 21/07/18 which was subsequent to the amendment made to Section 45 of the Insurance Act, 1938. The insurer called the policy into question within the three year window. It is the insurer's contention that the DLA suppressed the material facts which had a bearing on the granting of risk, with intent to mislead the insurer. While so, provisions contained in Section 45 (4) of the Insurance Act, 1938 which, "inter alia", provide for repudiation of claim on the ground of suppression of a fact material to the expectancy of the life of the insured incorrectly made in the proposal form, do apply to this case.

e) Since the insurer repudiated the claim on the ground of "suppression of material facts", the guidelines contained in the letter dated 28/10/15 of IRDAI (ref: IRDA /Life /GDL /MISC/186/ 10/2015) regarding refund of premiums vis-à-vis repudiation of claim, do apply to this case. According to the insurer, it received two instalments of premiums amounting to Rs.96,350 under

the subject policy since its inception. Hence, the complainant is entitled to receive Rs. 96,350 by way of refund of premiums. The same was received by the complainant on 26/12/18.

f) i) The claim arose within three year window period and the insurer established pre-proposal illness of the DLA with hospital records. The complainant's contention is that the subject policy was issued only on the basis of medical report which declared her husband's health as fit for insurance and hence, concluded that her husband was in good health when contract of insurance was concluded.

ii) This Forum is of the considered opinion that this contention has no force at all in view of the decisions rendered by the various Courts that the proposer has the foremost duty to disclose truthful information regarding his health in the proposal form notwithstanding the medical examiner certifying the proponent as fit for insurance.

iii) In the written statement too, the complainant harped on the medical examination undergone by her deceased husband. She vehemently contended that the subject policy was issued only on the basis of Medical report which declared her husband's health as "Fit for insurance and his life is insurable". Perusal of the said medical Examiner's Confidential Report reveals that the medical examiner merely concluded that the DLA, on examination, appeared physically and mentally healthy. The complainant's contention that the subject policy was issued only on the basis of medical report is untenable. Preamble to the policy document clearly recite that the Proposal and Declaration with the statements contained (in the Proposal) are the basis of insurance. Moreover, in the proposal form, the DLA declared that the statements (contained in the proposal form) and the declaration shall be the basis of the contract of assurance between him and the insurer and that if any untrue averments be contained therein, the said contract shall be absolutely null and void and all moneys which shall have been paid in respect thereof shall stand forfeited to the insurer. This being so, the complainant's contentions are unfounded.

23)

AWARD

Taking into account the facts and circumstances of the case & the submissions made by the insurer and the complainant's representative during the course of hearing, this Forum is of the view that the Insurer's decision to repudiate the liability under Policy no. 324358161 is justified and does not warrant interference.

In ap

The complaint is, therefore, not allowed.

Dated at Chennai on this 18th day of November 2019.

(M.VASANTHA KRISHNA)

INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDUCHERY

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(UNDER RULE NO: 17 (1) OF THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SHRI M.VASANTHA KRISHNA

CASE OF: Ms P.SAROJA Vs LIFE INSURANCE CORPORATION OF INDIA
REF: NO: CHN-L-029-1920-0302

AWARD NO: IO/CHN/A/LI/0088/2019-20

1.	Name & Address of the Complainant	Ms P.Saroja M/o (late) P.Sivaraman Aiyyanthangal Kandigai village, Khizhavanam Post, Arakonam Taluk-631 101	
2.	Policy No. Sum Assured (SA) Date Of Commencement (DOC) of risk & DOC of Policy Mode of payment of premium Instalment Premium Premium Paying term Date of death of Life Assured (LA) Duration of policy @ 26/04/18 First Unpaid Premium (FUP) Status of the policy @ 26/04/18 Gap premium, if any	719241963 Rs. 2,00,000 23/07/15 Monthly (SSS) Rs. 820.00 21 years 26/04/18 2 Years 9 Months 3 Days March 18 Lapse January 16 & March 18	708546527 Rs. 3,50,000 28/07/16 Monthly (SSS) Rs. 1442.00 21 years 26/04/18 1 Year 8 Months 28 Days March 18 Lapse July 17 & March 18
3.	Name of the Life Assured	P.SIVARAMAN	
4.	Name of the insurer	Life Insurance Corporation of India, DO-2, Chennai	
5.	Date of Repudiation	By BO: 28/03/19 No response to Appeal dated 20/03/19 submitted to RM (CRM), ZO, Chennai against rejection of claim	
6.	Reason for repudiation	As there existed two gap premiums (under each policy) at the time of death, nothing is payable	
7.	Date of registration of the Complaint	14/08/19	
8.	Date of receipt of Annexure VI-A	27/08/19	
9.	Nature of complaint	Non-payment of death claim	
10.	Amount of Claim (Insurer has not produced copies of the policy documents. This information has been taken from the insurer's official website)	1) Death benefit, defined as sum of Sum Assured on Death and vested Simple Reversionary Bonuses and Final Additional bonus, if any, shall be payable. Where, Sum Assured on Death is defined as higher of Basic Sum Assured or 10 times of annualized premium. This death benefit shall not be less than 105% of all the premiums paid as on date of death.	
11.	Date of Partial Settlement	Not applicable. Entire claim rejected	
12.	Amount of relief sought	Sum Assured plus Bonuses	
13.	Complaint registered under	Rule No. 13 (1) (b) of the Insurance Ombudsman Rules, 2017	

14.	**Date of hearing & Place of hearing**	**19/10/19 & Chennai**
15.	**Representation at the hearing**	
	a) For the complainant	**Ms P.Saroja (Complainant)**
	b) For the insurer	**Shri S.Vasu** **Manager (Claims), LIC of India, DO-II, Chennai**
16.	**Complaint how disposed**	**By Award**
17.	**Date of Award**	**18/11/2019**

18) Brief Facts of the Case:

In the years 2015 & 2016, the Deceased Life Assured (DLA), (late) P.Sivaraman, the complainant's son, took two policies (No. 719241963 & 708546527) on his own life from LIC of India, herein the insurer. The instalment premium under both the policies was payable at monthly rests under Salary Savings Scheme (SSS). The policies resulted in to claim on 26/04/18 upon death of the Life Assured. The nominee, herein the complainant, staked her claim under both the policies. The insurer's Branch office which serviced the policies, vide its letter dated 28/03/19, informed the complainant that her claim was rejected as the policies were in lapsed condition due to intermittent and also, terminal gaps. Thereupon, the complainant, vide her letter dated 20/05/19, requested the Regional Manager (CRM), SZO, Chennai who is the Grievance Redressal Officer (GRO) of the insurer, for re-consideration of the decision to reject her claims. As there was no response from the insurer, she has filed this complaint.

19) Cause of Complaint:

a) Complainant's argument:

In her complaint, she mentioned that claim under 4 other policies taken by her deceased son was already settled. Her stand is that the insurer and the employer happen to be the same entity. Since the premiums were recovered from the DLA's commission earnings, it is the responsibility of the insurer to ensure deduction of premium without any default. Her case is that unpaid premium, if any, should have been deducted from commission earned in subsequent months, including gap premiums.

b) Insurers' argument:

The DLA was working as an agent under Tiruttani Branch of the insurer. Due to non-payment of premium due on 23/01/16 & 23/03/18, policy no. 719241963 was in lapsed state. Likewise, premiums due on 28/07/17 & 28/03/18 under policy no. 708546527 were not paid and hence, policy no. 708546527 was also in lapsed state. Since SSS Ex-gratia/Chairman's Relaxations/Claim Concession are not applicable for the policies issued from the year 2014,

nothing was payable under both the policies. The representation made by the complainant for reviewing the decision regarding rejection of the claim is yet to be disposed off.

20) Reason for Registration of Complaint: This is a case of rejection of death claim and hence, comes within the scope of Rule 13 (1) (b) of the Insurance Ombudsman Rules, 2017.

21) The following documents were submitted to the Forum for perusal.

- ✓ Policy Status Reports (2 Nos.)
- ✓ Premium History (2 Nos.)
- ✓ Claim Rejection letter dated 28/03/19 of the insurer
- ✓ Representation dated 20/05/19 submitted to the insurer
- ✓ Gap Intimation letters-(2 Nos.)
- ✓ E-mail dated 12/03/19 of the insurer
- ✓ Despatch register (3 pages)
- ✓ Complaint dated 29/07/19 to the Forum
- ✓ Annexure VI-A (consent) dated Nil submitted by the complainant
- ✓ Self Contained Note (SCN) dated 31/08/19 of the insurer

22) Result of hearing with both parties (Observations & Conclusion): Based on the submissions made by both the parties during the hearing and the documents submitted, it is observed as under:

a) The case of the insurer, as per the letter dated 28/03/19 is that two instalments of premiums (each) under both the policies was not paid and remained as “gap” & hence, the policies were in lapsed state on the date of death of the LA, herein the complainant’s deceased son. As such, nothing was payable under the policies, the insurer concluded.

b) i) The insurer has not shared with this Forum copies of the policy documents and instead, submitted policy status report for both the policies. The policy document being the evidence of contract, it is *sine qua non* for the insurer to produce the same for the perusal of this Forum. The SCN is silent as to why the same was not produced. This Forum records its displeasure over non-submission of the policy documents.

ii) Since the policies were issued under Salary savings Scheme, the employer of the DLA is responsible for deducting the premium from the DLA’s earningsand remit the same to the insurerin time. As the DLA was working as an agent of the insurer, the branch where he worked/attached is the Paying Authority (PA) which was responsible for deduction of premium from his commission earnings and remittance of the same to its section/department concerned for further action.

iii) To facilitate deduction/recovery of premium from the salary/pay of the policyholders, the insurer is required to send “Demand Invoice” (both for new and existing policies) to the Paying Authority (PA) by the second week of the relevant month, as per its Manual provisions. The insurer has not

shared with this Forum copy of the Demand Invoices in respect of the dues January 16, July 17 and March 18.

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c) i) The insurer's contention being non-payment of premium, it is expedient to look into the provisions concerning "gap premium". "Conditions & Privileges" of the subject policies are silent about aspects concerning "SSS gaps vis-à-vis its impact on settlement of death claim".

ii) Manual No. 14 (Policy Servicing Department-Salary Savings Scheme) deals with administrative functions in respect of the SSS policies serviced by the various offices of the insurer. *S no. 19, captioned, "Premium default intimation (gap intimation)" of the said Manual stipulates that premium default intimation to the policyholders for stray defaults should be sent immediately as individual premium notices are not sent to the individual policyholders under SSS. It further states that, "prompt intimation would serve to remind the policyholder for paying the overdue premium or result in prompt action to trace the amount if already paid through the employer".*

iii) There is no information in the SCN as to whether any "Premium default intimation (Gap intimation)", as envisaged in its Manual, was ever sent to the policyholder (during his life time) regarding the alleged "gaps" other than the terminal gap. However, during hearing, the insurer's representative informed the Forum that the servicing branch sent "premium default intimation (gap intimation)" letters in respect of July 17 gap under policy no. 708546527 & January 16 gap under policy no. 719241963. Post hearing, the insurer submitted copies of "gap intimation letters" for both the policies. Apart this, the insurer produced copies of despatch register for three dates, viz. 15/09/17, 20/09/17 & 24/02/18.

iv) Upon perusal of the same, it is noted that for the gap premium due on 28/07/17 under policy no. 708546527, gap intimation letter was generated on 07/12/17 which was dispatched on 24/02/18. With regard to gap premium due on 23/01/16 under policy no. 719241963, gap intimation letter dated 05/07/17 was dispatched on 20/09/17.

d) The insurer has submitted copy of e-mail dated 12/03/19 of its servicing branch to prove the point that the terminal due premium (March 2018) under both the policies could not be recovered due to insufficient commission. The servicing branch informed the Divisional office claims department of the insurer that March 18 premium due under the subject policies was not recovered from the March 18 commission of the DLA since the commission was paid in three batches and as such, there was not enough commission to recover the premium. As per the e-mail, the total monthly recovery towards instalment premium under six policies issued on the life of the DLA was INR 7618 plus GST of INR 50.90 whereas nett. commission of INR 6,573, INR 416 & INR 5,050 was paid to the DLA through I/II and III batch respectively. It is, therefore, clear

that the nett. commission earnings for the month of March 18 was not sufficient to recover the total premium of INR 7,668.90 under six policies.

d) i) Based on the documents submitted, the following facts emerge: 1) For both the intermittent gaps, viz. January 16 under policy no. 719241963 and July 17 under policy no. 708546527, the insurer sent gap intimation letters to the DLA during his life time, although not immediately (as envisaged in its manual) but with inordinate delay. 2) As per the manual provisions, even for the terminal gap (March 18) too, the insurer is bound to send the gap intimation letter which the insurer failed to do. In-as-much as the LA died in the very next month (on 26/04/18), there is no reason to find fault with the insurer. 3) It is patent that the March commission earnings, disbursed in three batches, were not sufficient to cover the total premium of INR 7618, leave alone GST.

ii) With regard to non-deduction of instalment premium in respect of January 16 and July 17 dues from out of the respective commission earnings, the insurer didn't submit any explanation in its SCN. Even during the hearing, the insurer's representative didn't touch upon the same. While so, the insurer is at fault on this score.

iii) Nevertheless, the DLA was also at fault in not keeping the subject policies in force. The DLA was working as an agent of the insurer and enjoyed insurance cover to the tune of INR 17,50,000 under six policies. The insurer already settled claim under 4 (non-early claim) policies to the tune of Rs. 12,00,000 plus bonuses, if any. As an agent of the insurer, it was his foremost duty to keep all the six policies in force. In other words, he should have ensured sufficient commission earnings to facilitate due deduction of premium without any default. The DLA was not only the policyholder but also, an agent of the insurer who is called the primary under-writer of the insurer. That being the case, duty was cast on him to ensure that the policies taken by him were kept in-force. If for some reasons, the premium could not be recovered from his commission earnings, he was duty bound to pay the said due/s through "other means" so that the policies are always kept in force. The records submitted by the insurer, however, prove otherwise. During hearing, the insurer's representative informed the Forum that in the past, there were many instances of insufficient commission earnings but on all such occasions, the DLA managed to pay the premiums by other means.

After giving thoughtful consideration to the various facts and circumstances of the case, this Forum is of the considered view that the DLA failed to keep both the subject policies in force on the date of his death and hence, the insurer is not liable to make any payment under the policies.

e) During hearing, the complainant submitted "written submissions" wherein she enquired as to why the insurer didn't apply the rule of settling the claim for full sum assured after deducting the gap premiums, as was done for 4 other policies, in respect of the two subject policies. In response

thereto, the insurer replied that all those 4 policies, although not in force as on the date of death of the Life Assured, were treated as in-force because of applicability of "Claim Concession" clause. In other words, premiums under those 4 policies were paid for more than three years whereas death occurred within six months of the last unpaid premium and hence, full claim with accrued benefits, if any, was settled after deducting the unpaid premiums (gaps). However, the subject policies are not eligible for such "claim concession" as premiums were not paid for full three years and more so, both the policies were issued after 01/01/14 and hence not entitled for "SSS Ex-Gratia" & also, "Chairman's Relaxation Rules, 1987".

23)

AWARD

Taking into account the facts and circumstances of the case & the submissions made by both the parties during the course of hearing, this Forum is of the view that the Insurer's decision to reject death claim under Policy nos. 719241963 & 708546527 is justified and hence, does not warrant interference.

The complaint is, therefore, NOT allowed.

In case the decision of this Forum is not acceptable to the complainant, she is at liberty to approach any other Forum/Court as she may deem fit, against the respondent insurer.

Dated at Chennai on this 18th day of November 2019.

(M.VASANTHA KRISHNA)
INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDUCHERY

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(UNDER RULE NO: 17 (1) OF THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SHRI M.VASANTHA KRISHNA

CASE OF: Ms K.JEYANTHI Vs LIFE INSURANCE CORPORATION OF INDIA
REF: NO: CHN-L-029-1920-0328

AWARD NO: IO/CHN/A/LI/0092/2019-20

1.	**Name & Address of the Complainant**	**Ms K.Jeyanthi** **W/o (late) R.Kumanan** **No. 130/1, Keezh Irulampattu** **Chinna Kosappallam-606 105** **Thittakudi Taluk, Cuddalore District**

2.	**Policy No.** **Sum Assured** **Date of Commencement (DOC) of risk** **DOC of Policy** **Mode of payment** **Instalment Premium** **Term of the policy & Premium Paying term** **Date of death of Life Assured (LA)** **Duration of policy @ 22/12/17** **First Unpaid Premium (FUP)** **Status of the policy @ 22/12/17** **Gap premium, if any**	**732684306** **Rs. 5,00,000** **31/03/17** **/03/17** **Monthly (SSS)** **Rs. 4015.00** **16 years & 10 years** **22/12/17** **8 Months & 24 Days** **28/01/18** **Lapsed without acquiring Paid-up value** **3 Nos. (May 17, June 17 & July 17)**
3.	**Name of the Life Assured**	**P.KUMANAN**
4.	**Name of the insurer**	**Life Insurance Corporation of India, DO, Vellore**
5.	**Date of Repudiation**	**By BO: 28//0519** **Appeal dated 15/07/19, submitted to SDM, Vellore, was replied to on 31/07/19.**
6.	**Reason for repudiation**	**As there existed three gaps at the time of death, policy was in lapsed state and hence, nothing is payable**
7.	**Date of registration of the Complaint**	**21/08/19**
8.	**Date of receipt of Annexure VI-A**	**13/09/19**
9.	**Nature of complaint**	**Non-payment of death claim**
10.	**Amount of Claim** **(Insurer has not produced full set of the policy document. This information has been taken from the insurer's official website)**	**1) Sum Assured on Death shall be payable. Where, Sum Assured on Death is defined as the highest of 10 times of annualized premium or Sum Assured on Maturity or Basic Sum Assured. However, the death benefit shall not be less than 105% of all the premiums paid as on date of death (Sum Assured on Maturity is 55% of Basic Sum Assured)**
11.	**Date of Partial Settlement**	**Not applicable. Entire claim rejected**
12.	**Amount of relief sought** **(as per Annexure-VI-A)**	**Rs. 5,00,000 plus Bonus**
13.	**Complaint registered under**	**Rule No. 13 (1) (b) of the Insurance Ombudsman Rules, 2017**
14.	**Date of hearing & Place of hearing**	**10/10/19 & Chennai**
15.	**Representation at the hearing**	
	a) For the complainant	**Ms K.Jeyanthi (Complainant)**
	b) For the insurer	**Ms K.Srividya,** **Admn. Officer, LIC of India, DO, Vellore**
16.	**Complaint how disposed**	**By Award**
17.	**Date of Award**	**25/11/2019**

18) Brief Facts of the Case:

In March 2017, the Deceased Life Assured (DLA), P.Kumanan, the complainant's husband, took a policy (No. 732684306) on his own life from LIC of India, herein the insurer. The instalment premium of Rs. 4015, was payable at monthly rests under Salary Savings Scheme (SSS). The policy was issued under non-medical scheme of the insurer. Within 8 months of commencement of risk, the policy resulted in to claim on 22/12/17 upon death of the Life Assured. The nominee, herein the complainant, staked her claim under the policy. The insurer's Branch office which serviced the policy, vide its letter dated 28/05/19, informed the complainant that her claim was rejected as the policy was in lapsed condition on the date of death of the Life Assured (LA) on account of non-payment of May 17 to July 17 due premiums (Gaps). Thereupon, the complainant,

vide her letter dated 15/07/19, requested the insurer for re-consideration of the decision to reject her claim. The insurer, vide its reply dated 31/07/19, reiterated its earlier stand. Aggrieved, the complainant has filed this complaint.

19) Cause of Complaint:

a) Complainant's argument:

In her complaint, she pleaded for full payment of death claim citing her poor family situation. Her stand is that till his death, premium in respect of the subject policy taken by her deceased husband was regularly deducted from the DLA's salary.

b) Insurers' argument:

The subject policy resulted into claim due to death of the LA (due to Heart attack) on 22/12/17. The policy commenced on 28/03/17 and the SSS authorization letter for deducting the premium under the policy from May 17 salary of the LA was sent to the Paying Authority (PA) on 08/05/17 itself. But the PA started deducting the premium only from August 17 and hence, three instalments of premium dues, viz. May 17, June 17 and July 17, remained unpaid ("Gap"). The PA, viz. Tamilnadu State Transport Corporation, Villupuram, vide its letter dated 26/03/18, confirmed that it didn't recover the three instalments of premium. Since duration of the policy was less than 3 years, Ex-gratia claim under SSS is not permissible in terms of the internal circular, ref: CO/CRM/1023/23 of the insurer's Central Office. Hence, nothing is payable under the policy. The claimant, herein the complainant, was accordingly informed on 28/05/19.

20) Reason for Registration of Complaint: This is a case of rejection of death claim and hence, comes within the scope of Rule 13 (1) (b) of the Insurance Ombudsman Rules, 2017.

21) The following documents were submitted to the Forum for perusal.

- ✓ Policy document (cover page only) dated 13/04/17
- ✓ Salary Savings Scheme Authorization letter dated 30/03/17
- ✓ Policy Status Report
- ✓ Letter dated 26/03/18 of the Paying Authority (PA)
- ✓ Claim Rejection letter dated 28/05/19 of the insurer
- ✓ Representation dated 15/07/19 submitted to the insurer
- ✓ Reply dated 31/07/19 of the insurer to the complainant
- ✓ Letter dated 18/05/19 of the insurer furnishing despatch details of Form No. 28
- ✓ Complaint (2 Nos.) dated 11/07/19 & 19/08/19 to the Forum
- ✓ Annexure VI-A (consent) dated Nil submitted by the complainant
- ✓ Self Contained Note (SCN) dated 25/09/19 of the insurer

22) Result of hearing with both parties (Observations & Conclusion): Based on the submissions made by both the parties during the hearing and the documents submitted, it is observed as under:

a) The case of the insurer, as per letter dated 28/05/19, is that 3 instalments of premium, viz. May 17 to July 17 under the subject policy, were not paid and remained as "gap" & hence, the policy was in lapsed state on the date of death of the Life Assured (LA), herein the complainant's deceased husband. As such, nothing was payable under the policy, the insurer concluded.

b) i) The insurer has shared with this Forum only the cover page of the policy document dated 26/04/17 and not the full set containing the "Conditions and "Privileges" governing the subject policy. As per the cover page of the policy document, risk under the policy commenced on 28/03/17. Further, as per the Salary Savings Scheme (SSS) Authorization letter, deduction of instalment premium was to commence from May 17 salary of the DLA. In otherwords, the employer of the DLA is responsible for deducting the premium due from May 17 onwards and remit the same to the insurer then and there.

ii) To facilitate deduction of premium from the salary/pay of the policyholders, the insurer is required to send "Demand Invoice" (both for new and existing policies) to the Paying Authority (PA), viz. Employer, by the second week of the relevant month, as per its Manual provisions. In other words, for premiums due in the month of May 17 in respect of policies issued on the lives of the employees/officers of the PA concerned, the insurer shall have to send the Demand Invoice to the PA in the second week of May 17. There is no information in the SCN as to when such Demand Invoices for the months of May 17 to July 17 were sent to the employer of the DLA. During hearing, the insurer's representative informed the Forum that Demand invoices were sent well on time. The insurer, however, has not shared with this Forum copy of the Demand Invoices sent to the employer for the months of May 17 to July 17.

c) The insurer, however, shared with this Forum copy of SSS Authorization letter dated 30/03/17, completed by the DLA. In page no. 2 of the said authorization letter, the insurer's branch office furnished full details with regard to the subject policy taken by the DLA like agency code no., policy no., date of commencement of risk, plan and term of the policy, instalment premium, sum assured and deduction to commence (from salary of May 17). The insurer confirmed that this Authorization letter was dispatched to the PA on 08/05/17.

d) i) The insurer's contention being non-payment of premium due on 28/05/17, 28/06/17 & 28/07/17 which remained as "gaps" at the time of death of the life assured, it is expedient to look into the provisions concerning "gap premium".

ii) Manual No. 14 (Policy Servicing Department-Salary Savings Scheme) deals with administrative functions of the SSS policies serviced by the various offices of the insurer. *S no. 19, captioned, "Premium default intimation (gap intimation)" of the said Manual stipulates that premium default intimation to the policyholders for stray defaults should be sent immediately as individual premium*

notices are not sent to the individual policyholders under SSS. It further states that, "prompt intimation would serve to remind the policyholder for paying the overdue premium or result in prompt action to trace the amount if already paid through the employer".

iii) The SCN, however, is silent as to whether any "Premium default intimation (Gap intimation)", as envisaged in its Manual, was ever sent to the policyholder (during his life time) regarding the alleged "gaps" from May 17 to July 17.

e) The employer of the DLA, viz. TNSTC, Vellore, vide its letter dated 18/05/19, merely stated that the premium amount under policy no. 732684306 was not recovered (included) in its Recovery schedule. The PA's letter didn't specify the exact months for which recovery was not made. Since this reply was in response to the insurer's letter dated 17/10/17, enquiring the PA as to whether it recovered the three instalments of premium (May 17 to July 17) from the DLA's salary, it is likely that it referred to the said three gaps. The PA didn't specify the reason/s regarding its failure in not including the instalment premium under the subject policy in its "recovery schedule". The PA's reply is also silent as to when it received the SSS Authorization letter of the DLA, alleged to have been dispatched on 08/05/17. This Forum observes that through SSS authorization letter dated 30/03/17, the DLA not only requested his employer to deduct the instalment premium regularly from his pay but also requested for deduction of arrears of premium, if any, with interest.

f) Based on the documents submitted, it is observed that the employer of the DLA is at fault in not deducting the instalment premium from the salary of the DLA for three months commencing from May 17 despite receipt of SSS authorization letter from the insurer on time. The insurer too is at fault in not sending the "Premium Default intimation (Gap intimation)". Lastly, the DLA was also at fault in not keeping the subject policy in force.

g) i) Be that as it may, Life Insurance Corporation, herein the insurer, in the matter of non-payment of premium by the employer, had a duty cast on it to intimate the insured that premiums for such months under the subject policy were not remitted by his/her employer. In the instant case, no such intimation was given to the life assured about non-deduction of May 17 to July 17 premium dues and as such, the DLA was totally kept in dark about non-payment of the premium to the insurer.

ii) The employer, under such circumstance, is obligated to arrange payment of the premiums, at least in the interest of the employee, as the agent of the insurer. This solemn obligation has, however, not been complied with by the employer and the insurer has also not intimated the insured about non-payment of his monthly premiums. Had it been intimated by the Corporation to

the insured on time, there is every likelihood of the DLA making arrangements for payment direct to the Corporation.

iii) It is thus clear that the insurer has failed in its duty in-as-much as even after knowing that the employer or the insured was not remitting the premiums and the lapse of the policy would put the LA to peril, it remained silent and ultimately when the nominee claimed the assured amount under the policy, it has rejected the claim stating that the policy lapsed due to non-payment of premiums from May 17 to July 17. It is thus patent that the insurer defaulted in its bounden duty and ultimately attempted to escape from the liability by putting the blame on the employer, which can under no circumstance be entertained.

h) i) The insurer's stand is that ex-gratia under SSS is not permissible as per the provisions contained in its circular (ref: CO/CRM/1023/23), purported to have been issued by its Corporate office. Nevertheless, the insurer didn't share copy of the said circular for perusal of this Forum.

ii) "Conditions & Privileges" of the policy document was perused and it is observed that none of the clauses contained therein stipulate that the policy would lapse if intermittent premium due/s remain unpaid as "Gap/s". In fact, as per clause no. 2 of "Conditions and Privileges" of the policy document, if the premium is not paid before the expiry of the days of grace, then only the policy lapses. Furthermore, none of the clauses define what exactly the term "Gap" refers to and also, its impact on settlement of death claim.

iii) As a corollary, the insurer's contention that nothing was payable under the policy since May 17 to July 17 instalment premiums remained as "gap" at the time of death of the life assured" is backed by none of the "conditions and privileges" governing the policy. During hearing, the insurer's representative informed the Forum that Gap intimation letter was not sent to the DLA.

i) To sum up, the insurer's action of rejecting the claim is not in accordance with the "Conditions and Privileges" governing the subject policy and hence, calls for intervention by this Forum in view of the following findings. 1) Insurer didn't produce copies of the SSS Demand invoice for the months from May 17 to June 17, alleged to have been sent to the employer (Paying Authority) of the DLA. Leave alone copy of the Demand invoice, the insurer didn't furnish the date on which it was sent to the employer. 2) As envisaged in the Manual, the insurer failed to send default intimation (Gap intimation) in respect of three instalments of premium (Gap premiums) from May 17 to July 17.

j) i) Since the policy was issued under Salary Savings Scheme (SSS), and as per Clause no. 22 which is imposed on all fresh policies issued under SSS, the instalment premium will be deemed to fall due on 20th day of each month irrespective of the due date mentioned in the policy schedule.

According to the insurer, excepting May 17 to July 17 due premiums, all other instalments of premium that fell due up to the date of death of the deceased life assured remain paid and adjusted. As per the Status report of the policy, submitted by the complainant, even the instalment premium that fell due after the demise of the life assured, viz. December 17 due, also stand adjusted on 27/01/18.

ii) Clause no. 2 (Payment of Premiums) of "Conditions & Privileges" of the policy envisages that if the premium is not paid before the expiry of "Days of grace", the policy lapses. In the case on hand, death of the LA occurred after the due date of December 17 instalment but before expiry of days of grace. While so, this Forum is of the considered opinion that the policy was in full force on the date of death of the life assured.

23)

AWARD

Taking into account the facts and circumstances of the case & the submissions made by both the parties during the course of hearing, this Forum is of the view that the Insurer's decision to reject death claim under Policy no. 732684306 is not justified and hence, warrants interference.

The insurer is, therefore, directed to settle the claim of the complainant for Rs. 5,00,000 for the eligible amount as per the terms and conditions governing the policy, along with "interest", as envisaged in Rule No. 17(7) of the Insurance Ombudsman Rules, 2017.

The complaint is, therefore, allowed.

24) The attention of the complainant and Insurer is hereby invited to the following provisions of the Insurance Ombudsman Rules, 2017.

d) According to Rule 17 (6) of the Insurance Ombudsman Rules, 2017, the Insurer shall comply with the Award within 30 days of the receipt of the Award and shall intimate the compliance to the Ombudsman.
e) According to Rule 17 (7) of the Insurance Ombudsman Rules, 2017, the complainant shall be entitled to such interest at a rate per annum as specified in the Regulations, framed under the IRDAI Act, 1999, from the date the claim ought to have been settled under the Regulations till the date of payment of the amount awarded by the Ombudsman.
f) According to Rule 17 (8) of the Insurance Ombudsman Rules, 2017, the Award of the Insurance Ombudsman shall be binding on the Insurer.

Dated at Chennai on this 25th day of November 19

(M.VASANTHA KRISHNA)
INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDUCHERY

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, STATE OF TAMILNADU & PUDUCHERRY
(UNDER RULE NO: 17 (1) OF THE INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – SHRI M.VASANTHA KRISHNA

CASE OF: Shri M.SANKAR Vs LIFE INSURANCE CORPORATION OF INDIA
REF: NO: CHN-L-029-1920-0301

AWARD NO: IO/CHN/A/LI/0093/2019-20

1.	**Name & Address of the Complainant**	**Shri M.Sankar,** **No.75, Sai Ganesh Apartment,** **F-2, I Floor,** **Gangai Nagar Main Road,** **Near Main saraswathi School,** **Urapakkam-603 120**
2.	**Policy No.** **Plan name** **Death Sum Assured** **Date of Commencement (DOC) of policy & DOC of risk** **Mode of payment of premium** **Instalment Premium** **Policy Term/Prem. Paying term** **Date of death of LA** **Duration of the policy from DOC** **Status of the policy @ 03/08/15**	**705139271** **LIC's Jeevan Saral** **Rs. 1,25,000** **22/03/2010** **Annual** **Rs. 6005** **20 years** **03/08/2015** **5 Years 4 Months & 11 Days** **In-force**
3.	**Name of the Life Assured**	**S.NISHANTH**
4.	**Name of the insurer**	**Life Insurance Corporation of India,** **DO-I, Chennai**
5.	**Date of repudiation**	**04/03/19**
6.	**Reason for repudiation**	**Claim does not fall within the purview of Accident Benefit claim-Deceased Life Assured (DLA) was under the influence of alcohol.**
7.	**Date of registration of the complaint**	**13/08/19**
8.	**Date of receipt of Annexure VI-A**	**19/08/19**
9.	**Nature of complaint**	**Non-payment of Accident Benefit (AB) claim**
10.	**Amount of Claim payable as per policy**	**Rs. 1,25,000**
11.	**Date of Partial Settlement**	**AB claim repudiated in full**
12.	**Amount of relief sought (as per Annexure VI-A)**	**Rs. 1,00,000**

13.	**Complaint registered under**	**Rule No. 13 (1) (b) of the Insurance Ombudsman Rules, 2017**
14.	**Date of hearing & Place of hearing**	**10/10/19 & Chennai**
15.	**Representation at the hearing**	
	a) For the complainant	**Shri M.Sankar (Complainant's father)**
	b) For the insurer	**Shri K.V.Dehaleesan Administrative officer, LIC of India, DO-I, Chennai**
16.	**Complaint how disposed**	**By Award**
17.	**Date of Award**	**25/11/2019**

18) Brief Facts of the Case:

The Deceased Life Assured (DLA), S.Nishanth, the complainant's son, took an insurance policy (No. 705139271) on his own life from Life Insurance Corporation of India, herein the Insurer. The policy resulted into death claim on 03/08/15 due to murder of the Life Assured. Thereupon, Ms S.Revathy, the complainant's spouse and also, nominee under the subject policy, staked her claim under the policy. According to the complainant, the basic death claim under the subject policy was settled on 09/10/15. As the insurer repudiated the Accident Benefit (AB) claim, the complainant has filed this complaint.

19) Cause of Complaint:

a) Complainant's argument:

In his complaint, the complainant merely stated that his son died on 03/08/15 due to murder. Although the insurer settled the basic claim, it is refusing to settle the AB claim, he further added. In his representation dated 28/05/19 made to the insurer, he stated that the cause of death is unexpected accidental murder, as mentioned in the Police Inquest Report (PIR). He, however, admitted that his deceased son was in drunken state when the murder happened.

b) Insurers' argument:

Basic claim amount of Rs. 1,39,191 was paid on 09/10/15 after deducting the outstanding loan and unpaid interest thereon. Relying upon the judgment of Additional District Sessions Judge, Chengalpet, the insurer contended that the cause of death was murder due to prior enmity & hence, it was a provoked murder and while so, the case on hand didn't attract the provisions of Accident Benefit (AB). Its further stand is that the DLA was in drunken state when he was admitted at Chengalpet Government Hospital for first aid and this being so, no liability had arisen to pay the AB claim, in terms of the policy conditions. As per the judgment delivered by the Additional District Sessions Judge, it was not proved that death was due to murder.

20) Reason for Registration of Complaint: This is a case of repudiation of Accident Benefit (AB) claim and hence, comes within the scope of Rule 13 (1) (b) of the Insurance Ombudsman Rules, 2017.

21) The following documents were submitted to the Forum for perusal.

- Policy document dated 22/03/10
- First Information Report dated 27/07/15
- Post Mortem certificate dated 04/08/15
- Judgment dated 22/12/16 of Additional District Sessions Court, Chengalpattu in Case No. 47/2016
- Claim rejection letter dated 04/03/19 of the insurer
- Representation dated 28/05/19 of the complainant against rejection of claim
- Insurer's reply dated 26/04/19 on complainant's representation
- Complaint dated 08/08/19 to the Forum
- Annexure VI-A dated Nil and consent submitted by the complainant
- Self Contained Note (SCN) dated 26/08/19 of the insurer

22) Result of hearing with both parties (Observations & Conclusion): Based on the submissions of both the parties made during the hearing and the documents submitted, it is observed as under:

a) As per the policy document, Ms S Revathi who is the DLA's mother is the nominee under the policy and indeed, she only intimated the insurer about the demise of her son. Discharge form in respect of the basic claim was also executed by her. At the time of filing the complaint, the DLA's father, who is the complainant, submitted copy of the insurer's letter dated 04/03/19 which was addressed to him, rejecting the AB claim. When advised to submit a copy of the policy document also along with the complaint, he replied that the same is not available with him. Now, on receipt of the SCN along with relevant documents, it is found that the complainant is not the nominee under the policy. As Rule no. 14(1) of the Insurance Ombudsman Rules, 2017 provides for lodging of complaint even by the legal heir of the deceased policyholder, this complaint is being admitted and adjudicated upon.

b) It is specifically mentioned in the cover page of the document that para 11 of "Conditions & Privileges" of the subject policy will apply provided Accident Benefit is opted and AB premium is paid. As per the "Schedule" of the policy document, the instalment premium, payable annually, was Rs. 6,005 which included Rs. 125- towards Accident Benefit premium. It is, therefore, manifest that the policy was issued with AB rider and there is no dispute on this score.

c) The stand of the insurer, as per its letter dated 04/03/19, was that since the DLA was under the influence of alcohol (as evidenced by the Court judgment dated 23/12/16), the (AB) claim will not come under the purview of AB clause and hence, AB claim is not applicable for the subject policy.

d) i) Para nos. 11 & 11 (b) of "Conditions & Privileges" of the subject policy, dealing with "Accident Benefit", provides for payment of an Additional Sum Assured equal to the AB Sum Assured in

case the LA shall sustain any bodily injury resulting solely and directly from the accident caused by outward, violent and visible means and such injury shall within 180 days of its occurrence solely, directly and independently of all other causes result in the death of the LA.

ii) Sub-paras (i) to (v) of Para no. 11 (b) of "Conditions & Privileges" of the policy document deal with "Exclusions" which prohibit/bar grant of Additional sum assured, viz. AB claim. The exclusions are: 1) Death caused by intentional self injury, attempted suicide, insanity or immorality or whilst the LA is under influence of intoxicating liquor, drug or narcotic 2) Death take place while the LA is engaged in aviation or aeronautics 3) Death caused by injuries resulting from riots, civil commotion, rebellion, war, invasion, hunting, mountaineering, steeple chasing or racing of any kind 4) Death resulting from the LA committing any breach of law 5) Death arising from the employment of the LA in the armed forces or military services of any country at war or from being engaged in Police duty in any military, naval or police organization.

iii) In its SCN, the insurer contended that the death was by murder due to prior enmity and hence, termed it as a provoked murder. Its further stand is that the trial court acquitted all the accused on the context that the prosecution failed to establish beyond doubt that the death was due to accident. Nevertheless, in its claim rejection letter dated 04/03/19, the insurer stated that the DLA was under the influence of alcohol and hence, the AB claim will not come under the AB clause. Since the claim rejection letter/repudiation letter is the base document, the reason/s adduced for rejection/repudiation of the claim alone matter for examination by this Forum.

iv) In support of its stand, the insurer (in its SCN) referred to the observation (of the Hon'ble Court) contained in page no. 8 of the Judgment dated 22/12/16 of the Additional District Sessions Judge, Chengalpattu in case no. 47/2016. It is mentioned in the last paragraph of page no. 8 that Dr. Ravi of Chengalpet Government Hospital, during his deposition, stated that the DLA was brought to the hospital at 10.30 P M on 26/07/15 and upon examination it was found that the air breathed out by the DLA smelled of alcohol. Placing reliance on this observation, the insurer concluded that the DLA was under the influence of alcohol at the time of happening of the accident and rejected the claim.

v) As mentioned above, para 11(b)(1) of "Conditions & Privileges" specifically stipulates that the Corporation, herein the insurer, will not be liable to pay the AB Rider Sum Assured in case the death of the life assured be caused whilst the LA is under the influence of intoxicating liquor, drug or narcotic. In his representation dated 28/05/19, addressed to the insurer, the complainant stated that his deceased son was in drunken state. He enquired whether any rule is in existence which prohibits the policy holder from consuming alcohol during the term of the policy.

e) i) The moot point which requires examination by this Forum is that whether the action of the insurer in denying the AB claim on the context that the DLA was under the influence of intoxicating liquor, drug or narcotic is backed by any documentary evidence. As per the FIR dated 27/07/15, the DLA sustained head injuries after being hit by wooden sticks on the night of 26/07/15. While so, he was taken to nearby Government hospital for first aid and later shifted to a private hospital at Chennai where he breathed his last on 03/08/15. As such, post-mortem was done only on 04/08/15, after a gap of around 8 days following his sustaining injuries. Although the PMR mentions that the DLA died of head injuries, it stated that his viscera was preserved for chemical analysis. In-as-much as the insurer placed reliance only on the observation made in the judgment to drive home its point, there was no occasion for the insurer to peruse the chemical analysis report, if at all prepared.

ii) Since the insurer had contended that the DLA was under the influence of alcohol, it is absolutely necessary to examine whether the DLA was in an intoxicated state at the time of accident. The question whether a person is under the influence of intoxicating liquor or not has been examined in detail by the Hon'ble National Consumer Disputes Redressal Commission (NCDRF), New Delhi in Consumer Case no. 401/2014 (Baby Apoorva Rai Vs New India Assurance Company & Another), decided on 03/09/15. In the said Order, various opinions about the quantity of alcohol present in the body of a person that would qualify him to be under the influence of intoxicating liquor were examined in detail.

iii) After giving thoughtful consideration to the information contained in "Modi's Medical Jurisprudence and Toxicology", "Lyon's Medical Jurisprudence and Toxicology", "Manual for Physicians in National Drug Dependence Treatment Centre, All India Institute of Medical Sciences (AIIMS), New Delhi" including an article titled "where under the influence of Intoxicating Liquor" written by W.W.Thornton and published in Indiana Law Journal, the Hon'ble ***NCDRF opined that if a person is found to have consumed more than 103.14 mg of alcohol/100 ml of his blood, it would be reasonably to say that he was under the influence of intoxicating liquor at the time he got injured/died.***

iv) In the case on hand, there is no direct evidence to prove the insurer's stand that he was under the influence of intoxicating liquor when he was attacked with wooden sticks on his head that ultimately led to his death. The only evidence relied upon by the insurer is the deposition of Dr.Ravi of Chengalpattu Government Hospital, forming part of the judgment of Additional District Sessions Judge, Chengalpattu. It would be pertinent to mention that the insurer arrived at the conclusion that the DLA was under the influence of alcohol based only on the deposition of a Physician during trial of the case and not (based) on any laboratory report (Chemical analysis report).

When the Hon'ble NCDRF has laid down a law/dictum in the matter of "influence of intoxication liquor", this Forum do not comprehend the action of the insurer in denying the claim merely on the basis of deposition of a physician. There is no gainsaying the fact that the DLA was in drunken state when he was injured. Even the complainant has tacitly admitted this fact. However, it is not correct to conclude that a person who was in drunken state, was under the influence of intoxicating liquor. The proper course of action is to establish, by documentary evidence, that the level of (ethyl) alcohol found in the DLA's blood was high enough to consider him to be intoxicated. As the insurer has not produced any documentary proof to establish its contention that the DLA was under the influence of intoxicating alcohol, this Forum concludes that rejection of AB claim is not in order.

23)

AWARD

Taking into account the facts and circumstances of the case & the submissions made by both the parties during the course of hearing, the Insurer is directed to consider and settle (to the nominee under the policy) the Accident Benefit claim of the complainant for Rs. 1,25,000 under policy no. (No. 705139271) for the eligible amount as per the terms and conditions governing the policies, along with "Interest", as envisaged in Rule No. 17(7) of the Insurance Ombudsman Rules, 2017.

The complaint is, therefore, allowed.

24) The attention of the complainant and Insurer is hereby invited to the following provisions of the Insurance Ombudsman Rules, 2017.

g) According to Rule 17 (6) of the Insurance Ombudsman Rules, 2017, the Insurer shall comply with the Award within 30 days of the receipt of the Award and shall intimate the compliance to the Ombudsman.
h) According to Rule 17 (7) of the Insurance Ombudsman Rules, 2017, the complainant shall be entitled to such interest at a rate per annum as specified in the Regulations, framed under the IRDAI Act, 1999, from the date the claim ought to have been settled under the Regulations till the date of payment of the amount awarded by the Ombudsman.
i) According to Rule 17 (8) of the Insurance Ombudsman Rules, 2017, the Award of the Insurance Ombudsman shall be binding on the Insurer.

Dated at Chennai on this 25th day of November 2019

(M.VASANTHA KRISHNA)

INSURANCE OMBUDSMAN
STATE OF TAMIL NADU & PUDUCHERY

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, CHANDIGARH

(UNDER INSURANCE OMBUDSMAN RULES, 2017)

INSURANCE OMBUDSMAN-Dr. D.K. VERMA
Case of Mrs. Chander Pati Vs Bharti AXA Life Insurance Co. Ltd.
CASE NO-CHD-L-008-1819-0938

1.	**Name & Address of the Complainant**	**Mrs. Chander Pati W/o Sh. Ram Kumar House NO.- 43, VPO- Chandlana, Tehsil- Dhand, Near Bus Stand, Kaithal, Haryana- 136020 Mobile No.- 9053401944**
2.	**Policy No: DOC Type of Policy Duration of policy/Policy period**	**501-7341511 / 07-05-2018 Super Endowment Plan**
3.	**Name of the insured Name of the policyholder**	**Mr. Avtar Mr. Avtar**
4.	**Name of the insurer**	**Bharti AXA Life Insurance Co. Ltd.**
5.	**Date of Repudiation**	**01.10.2018**
6.	**Reason for repudiation**	**Non disclosure of material facts**
7.	**Date of receipt of the Complaint**	**03-12-2018**
8.	**Nature of complaint**	**Repudiation of death claim**
9.	**Amount of Claim**	**Payment of death claim**
10.	**Date of Partial Settlement**	**NIL**
11.	**Amount of relief sought**	**Payment of death claim**
12.	**Complaint registered under Rule no: Insurance Ombudsman Rules, 2017**	**13.1.(b)**
13.	**Date of hearing/place**	**08-08-2019 & 24.10.2019/ Chandigarh**
14.	**Representation at the hearing**	
	For the Complainant	**Self**
	For the insurer	**Mr. Rahul Gandhi (A.M.) & Mr. Raj Kumar (S.M.)**
15.	**Complaint how disposed**	**Award**
16.	**Date of Award/Order**	**24.10.2019**

17. Brief Facts of the case:

On 03-12-2018, Mrs. Chander Pati had filed a complaint against Bharti AXA Life Insurance Co. Ltd. in respect of policy bearing no. 501-7341511.She has alleged that her son has taken the above policy, who unfortunately died on 17.05.2018.When she lodged the death claim with the company it was repudiated taking the plea that the deceased life has not disclosed the fact that he was a State BPL card holder. The complainant has further stated that the said card was issued to her family for the last 10 years whereas his son was earning through farming, taking the land on lease. The company has denied the death claim payment, hence, feeling aggrieved, he approached this office to seek justice.

18) Cause of Complaint:

Complainant's argument:

Mrs. Chander Pati, the complainant reiterated the contents of the complaint and submitted that although his son was not much educated but was earning enough through farming. She requested for payment of death claim under the said policy.

Insurers' argument:

The Insurer's representative reiterated the contents of SCN and submitted that the above policy was issued after receipt of duly filled and signed proposal forms, from the complainant and the policy bond along with welcome letter were dispatched and duly delivered at the complainant's address on 09.05.2018. The policy holder had expired on 17.05.2018 and claim was filed by the complainant on 01.08.2018.During the investigation it was revealed that deceased life assured was holder of yellow ration card which is issued to a person who is State below poverty line and this fact was not disclosed by the deceased life assured at the time of taking above insurance policy. However representative could not submit copies of the proposal forms signed by the deceased life assured under the said policy because the earlier copies of the proposal forms submitted along with the SCN are typed and do not bear the signatures of the deceased life assured.

19) The following documents were placed for perusal:-

a) Complaint to the insurer. b) Reply of company c) copies of the proposal forms

20) Result of personal hearing with both parties (Observations & Conclusion)

On going through the various documents available in the file and also hearing both the complainant and the representative Insurance Company, it is observed that the above policy was issued on 07.05.2018 and unfortunately the life assured died on 17.05.2018. The death claim was repudiated by the company on the grounds that the deceased life assured has not disclosed his income correctly in the proposal forms and the family of the deceased life assured was holding a

yellow colored ration card. However the insurer has not submitted the copies of the proposal forms duly signed by the deceased life assured under the said policy, on the basis of which the death claim has been repudiated by the company. The complainant has reported that her son was not much educated and if the proposal forms were filled, it must have been filled and witnessed by the agent of the company after collecting all the relevant information from her son. The educational qualification of the deceased life assured has also been mentioned as below 10th in the copies of the proposal forms submitted by the company. The proposal forms are in English and all the information has been filled in English only, hence the company's plea of wrong information given in the proposal forms by the deceased life assured, is not justified as the copies of the actual proposal forms on the basis of which the claim has been repudiated were also not submitted by the representative of the Insurance Company. Moreover the company's another plea of repudiating the claim on the basis of holding BPL card by the family of deceased life assured is also not justified as the company has not contested that the premium was not paid by the deceased life assured and it is also not established by the company that the deceased life assured was not earning enough at the time of taking above said policy.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, an award is passed with a direction to the insurance company to settle the death claim under the policy bearing no 501-7341511 alongwith bonus/benefits payable as per terms and conditions of the said policy.

Hence, the complaint is treated as closed.

The attention of the Complainant and the Insurer is hereby invited to the following provisions of Insurance Ombudsman Rules, 2017:

a. **According to Rule 17(6) of the Insurance Ombudsman Rules, 2017, the insurer shall comply with the award within 30 days of the receipt of the award and intimate compliance of the same to the Ombudsman.**

Dated at Chandigarh on 01st day of November, 2019.

D.K.Verma

INSURANCE OMBUDSMAN

PROCEEDINGS BEFORE THE INSURANCE OMBUDSMAN, STATE OF CHANDIGARH

(UNDER INSURANCE OMBUDSMAN RULES, 2017)

OMBUDSMAN – Dr. D K Verma

Case of Shri Mandeep Singh V/S HDFC Standard Life Insurance Co. Ltd.

COMPLAINT REF: NO: CHD-L-019-1819-1275

1.	**Name & Address of the Complainant**	**Shri Mandeep Singh S/O Sh. Jagtar Singh, R/O Village- Burj, Tehsil- Khamano, Distt- Fatehgarh Sahib, Sirhind, Punjab**
2.	**Policy No: Type of Policy Duration of policy/Policy period**	**14861906 HDFC classic assure**
3.	**Name of the insured Name of the policyholder**	**Paramjit kaur**
4.	**Name of the insurer**	**HDFC Standard Life Insurance Co. Ltd.**
5.	**Date of Repudiation**	**18.09.2018**
6.	**Reason for repudiation**	**Pre existing condition**
7.	**Date of receipt of the Complaint**	**20.03.2019**
8.	**Nature of complaint**	**Death claim repudiation**
9.	**Amount of Claim**	**Rs 14,99,990/-**
10.	**Date of Partial Settlement**	**NA**
11.	**Amount of relief sought**	**Payment of death claim**
12.	**Complaint registered under Rule no:**	**13.1.(e)**
13.	**Representation at the hearing**	
	For the Complainant	**Self**
	For the insurer	**Shri Arpit Higgins, Manager(Legal&Comp) Shri Gurpreet Singh, Dy Manager(Legal)**
14	**Complaint how disposed**	**Dismissed**
15	**Date & Place of Hearing**	**13.11.2019/Chandigarh**

16) Brief Facts of the Case:

On 20.03.2019 Shri Mandeep Singh, had filed a complaint in this office against HDFC Standard Life Insurance Company. The complainant alleged that his mother had the policy and paid the premiums regularly. His mother passed away on 11.03.2013 at home. She was never hospitalized and never received any treatment for any disease. The sun assured under the policy was 1499990/- but they were paid only 206042/- as fund value. The reason of repudiation was given as thyroid which is very vague. Moreover there is no medical history of thyroid; neither did his mother die of any disease associated with thyroid. The nominee in the policy was his father who has also expired so, he has complained in this case.

17) On 13.11.2019, the complainant informed that he had approached District Consumer Forum, Chandigarh for redressal of his complaint.

18) Hence, in accordance with Rule 14.5 of Insurance Ombudsman Rules, 2017 which states that ***" No complaint before the Insurance Ombudsman shall be maintainable on the same subject matter on which proceedings are pending before or disposed of by any court or Consumer Forum or arbitrator"***, the complaint is dismissed and closed.

Dated at Chandigarh on 13th day of November, 2019

Dr. D K Verma
INSURANCE OMBUDSMAN

PROCEEDINGS BEFORE
THE INSURANCE OMBUDSMAN, CHANDIGARH
(UNDER INSURANCE OMBUDSMAN RULES, 2017)

INSURANCE OMBUDSMAN-Dr. D.K. VERMA
Case of Mr. Bakshish Singh Vs Future Generali India Life Insurance Co. Ltd.
CASE NO-CHD-L-017-1819-0709

1.	**Name & Address of the Complainant**	**Mr. Bakshish Singh** **Ward No.- 14, GTB Nagar Barmora,** **PO- Nath Morh, Kathua, Jammu and Kashmir-0** **Mobile No.- 9682572732**
2.	**Policy No: DOC** **Type of Policy** **Duration of policy/Policy period**	01273600, 01280815 DOC- 15.10.2015 & 2012.2015 Prem 36800 & 107331
3.	**Name of the insured** **Name of the policyholder**	**Sh. Paramjeet Singh**
4.	**Name of the insurer**	**Future Generali India Life Insurance Co. Ltd.**
5.	**Date of Repudiation**	NA
6.	**Reason for repudiation**	NA
7.	**Date of receipt of the Complaint**	**27-09-2018**
8.	**Nature of complaint**	Death claim not settled
9.	**Amount of Claim**	Sum assured under the policies
10.	**Date of Partial Settlement**	NA
11.	**Amount of relief sought**	Sum assured under the policies
12.	**Complaint registered under Rule no: Insurance Ombudsman Rules, 2017**	13 [1] [D]
13.	**Date of hearing/place**	09-08-2019,19.09.2019 & 20.11.2019 / Chandigarh
14.	**Representation at the hearing**	
	For the Complainant	Absent
	For the insurer	Mr. Sunil Kumar Bedi
15.	**Complaint how disposed**	Dismissed in default

16.	**Date of Award/Order**	20.11.2019

17. Brief Facts of the case:

On 27-09-2018, **Mr. Bakshish Singh** had filed a complaint about non settlement of death claim of his son against **Future Generali India Life Insurance Co. Ltd.** in respect of policy bearing no. 01273600 &, 01280815. The complainant alleged that insurer had rejected death claim on the ground that policy was in lapsed condition at the time of death. The complainant had also submitted that his late son had also submitted policies cancellation letter when he was alive and the insurance company had given him fake draft of Rs.4,55,600/- The insurance company has submitted detail SCN on 13.08.2019 after repeated mails.

18). Arguments **of Insurer**

In personal hearing & SCN Company submitted that on 20-01-2018 complainant who is nominee under the policies has submitted death claim in respect of stated policies, intimating that the Life Assured had passed away on 24-11-2017. The policy certificate clearly indicates the premium due date as 28th of December for policy bearing no 01280815 and for policy bearing no 01273600 due date as 16th October of every year. The life insurance policies under question in the present case were not in force at the time of death hence as per term & conditions of the policies nothing is payable.

19). Observations & Findings:

The complainant was given opportunity of personal hearing on09-08-2019,19.09.2019 & 20.11.2019. The complainant did not attend the hearing on either of dates fixed for personal hearing. Non appearance in personal hearing indicates that he has nothing to say in this matter. Since sufficient opportunities have been given to the complainant to present his case and the case cannot be kept pending indefinitely, the case is being dismissed in default.

Order

Taking into account the facts & circumstances of the case and the submissions made by insurance company during the course of personal hearing, the complaint in respect of policy nos. 01273600 & 01280815 **is dismissed. Hence, the complaint is treated as closed.**

Dated at Chandigarh on 20.11.2019

Dr. D. K. Verma

INSURANCE OMBUDSMAN