

AHMEDABAD OMBUDSMAN CENTER

Case No.21-002-0093-13

Shri Hasmukh G. Patel V/s. SBI Life Insurance Co. Ltd.

Award dated 3rd December 2012

Repudiation of Critical Illness Benefit claim

The Complainant treated from two hospitals and expenses incurred for Rs.1,54,772/-, out of which ESIC had sanctioned Rs.65,000/- and remaining amount claimed to the Insurer had repudiated by the Respondent stating that the disclosure of material facts in the proposal form.

Policy risk covered from 1-7-2011 and treatment taken in the month of September 2011, as per discharge card suffering HT since 2 years.

In view of this Respondent's decision upheld without any relief to the complainant.

-AHMEDABAD OMBUDSMAN CENTER

Case No.21-004-0010-13

Shri Mulshankarbhai B. Pandya V/s. ICICI Prudential Life Ins. Co. Ltd.

Award dated 21st January 2013

Non receipt of Maturity Amount

The Complainant was having Life Insurance Policy with the above Respondent which was matured on 1.4.2012 but request letter for full maturity was received by Respondent on 9.4.2012.

Complainant was suffering from heart problem and produced treatment papers and discharge summary for which he required money so the Forum recommended, to settle, full maturity amount as a special case.

In the result complaint succeeds.

AHMEDABAD OMBUDSMAN CENTER

-Case No.22-004-0012-13

Shri Gautam Pal V/s. ICICI Prudential Life Insurance Co. Ltd.

Award dated 22nd January 2013

Repudiation of decrease in premium for renewal Installment

Complainant purchased a policy for S.A. of Rs.5.00Lacs by paying early installment of Rs.1 Lakh from the Respondent. Complainant demanded to decrease the premium for renewal of policy as the provision mentioned in the policy documents and also confirmed by the Executive of the Respondent.

Respondent offered to refund the premium amount along with interest but the Complainant not accepted the offer. As per rules Respondent dismissed the case and Forum also denied the Complainant's requirement.
In the result complainant fails to succeed.

Bhubaneswar Ombudsman Centre
Complaint No. 22-013-1462 Miscellaneous
Narendra Nath Mohanty Vs Aviva Life Ins. Co Ltd.
Date of Award 10.10.2012

Fact: The complaint is for refund of premium with interest by the insurer. The Complainant had signed a proposal for taking a pension plus unit linked single premium policy from the OP in June,2008 by investing Rs 1,00,000/-.He received the policy bearing No APG2063773.He received a telephone call after one year to deposit next premium. He wanted to surrender the policy he was informed that no amount shall be paid as he did not pay the renewal premium. Being aggrieved thereby and alleging mis-sale of the policy to him, he has filed the complaint seeking the relief as aforementioned.

The O.P. stated that after fully understanding and knowing the key features, terms and conditions of the policy submitted the proposal for the policy of five-year term with payment of premium of Rs.1,00,000/- on annual mode. On the basis of Proposal filed by the Complainant, the policy was issued to the Complainant with the Policy Schedule, First Premium Receipt, Standard Terms and Conditions, copy of the Proposal Form, Premium Quotation and Illustration Statement and Right to Reconsider Notice . The complainant did not approach it within the Free-Look period for cancellation of the policy. The complainant through his letter dated 23.07.2011 alleged mis-sale of the policy to him and demanded refund of the premium amount. The complainant took a regular premium policy and he did not pay the renewal premium for which in terms of the policy conditions the policy changed to early lapsed status on 23.12.2009. Since the policy went into early lapsed category, as per the terms of the policy all risk cover under the policy ceased immediately. On such lapsed policy, it is stated by the O.P., refund of premium is not permissible.

Award: On the facts as arrived at above, it emerges that the Complainant took the policy of 5 year term with annual mode of deposit of premium and that he paid only the first premium and did not pay next premium when it became due. It further provides that if the regular premium due is not received within the grace period and the due date of first unpaid installment of regular premium is less than or equal to 12 months from the commencement date, the policy will lapse and no benefit shall be payable other than the fund value as it is on the date of notification of death of the insured at which time the policy shall automatically terminate. Only when death of the insured takes place or when top-up premium is paid on the policy where there is non-payment of instalment of regular premium which is payable at the duration of 12 months or less, then fund value would be paid. The matter at hand is not a case of death. It is not a case of the complainant that on the policy he paid any top-up premium. In such situation as per

above condition the policy would lapse and no benefit would be payable. In these circumstances, there being non-payment of the premium which was payable at the duration of 12 months, the complainant is not entitled to the benefit of refund of deposit as prayed for by him. Hence, the complaint is dismissed.

Bhubaneswar Ombudsman Centre
Complaint No. 22-013-1463 Miscellaneous
Mahendra Nath Mohanty Vs Aviva Life Ins. Co Ltd.
Date of Award 10.10.2012

Fact: The complaint is for refund of premium with interest by the insurer. The Complainant had signed a proposal for taking a pension plus unit linked single premium policy from the OP in June,2008 by investing Rs 50,000/-.He received the policy bearing No APG2037639.He received a telephone call after one year to deposit next premium. He wanted to surrender the policy he was informed that no amount shall be paid as he did not pay the renewal premium. Being aggrieved thereby and alleging mis-sale of the policy to him, he has filed the complaint seeking the relief as aforementioned.

The O.P. stated that after fully understanding and knowing the key features, terms and conditions of the policy submitted the proposal for the policy of five-year term with payment of premium of Rs.50,000/- on annual mode. On the basis of Proposal filed by the Complainant, the policy was issued to the Complainant with the Policy Schedule, First Premium Receipt, Standard Terms and Conditions, copy of the Proposal Form, Premium Quotation and Illustration Statement and Right to Reconsider Notice . The complainant did not approach it within the Free-Look period for cancellation of the policy. The complainant through his letter dated 23.07.2011 alleged mis-sale of the policy to him and demanded refund of the premium amount. The complainant took a regular premium policy and he did not pay the renewal premium for which in terms of the policy conditions the policy changed to early lapsed status on 3.12.2009. Since the policy went into early lapsed category, as per the terms of the policy all risk cover under the policy ceased immediately. On such lapsed policy, it is stated by the O.P., refund of premium is not permissible.

Award: On the facts as arrived at above, it emerges that the Complainant took the policy of 5 year term with annual mode of deposit of premium and that he paid only the first premium and did not pay next premium when it became due. It further provides that if the regular premium due is not received within the grace period and the due date of first unpaid installment of regular premium is less than or equal to 12 months from the commencement date, the policy will lapse and no benefit shall be payable other than the fund value as it is on the date of notification of death of the insured at which time the policy shall automatically terminate. Only when death of the insured takes place or when top-up premium is paid on the policy where there is non-payment of instalment of regular premium which is payable at the duration of 12 months or less, then fund value would be paid. The matter at hand is not a case of death. It is not a case of the complainant that on the policy he paid any top-up premium. In such situation as per above condition the policy would lapse and no benefit would be payable. In these

circumstances, there being non-payment of the premium which was payable at the duration of 12 months, the complainant is not entitled to the benefit of refund of deposit as prayed for by him. Hence, the complaint is dismissed.

Bhubaneswar Ombudsman Centre
Complaint No. 25-001-1478 Miscellaneous
Priyatam Kumar Vs L.I.C. of India, Cuttack CAB
Date of Award 08.10.2012

Fact: The non-receipt of Policy Bond and alternately non-refund of the amount paid by him towards premium deposit on the proposed policy. The Complainant had signed a Proposal Form for the policy which the said Agent took it from him alongwith the Demand Draft No. 498939 dated 17.01.2010 for Rs 50,000/- drawn on SBI, Personal Banking Branch, Chandrasekharpur in favour of LIC of India payable at SBI,Cuttack towards his initial premium deposit on the policy. After a lapse of some days when he did not get the policy bond, he contacted first the Agent and then the Career Agent's Branch(CAB for short) of the O.P. at Cuttack to ascertain the whereabouts of his policy. He then procured a letter from the Drawer Bank on 17.07.2011 to the effect that the above Bank Draft was purchased by him from SBI,PBB, Chandrasekharpur. Enclosing the copy of the Demand Draft, letter dated 17.07.2011 of the BM of SBI, PBB,Chandrasekharpur, he requested the Sr.DM of Cuttack DO of the O.P. to send the policy bond, first premium receipt and the copy of his Proposal form to him. He followed up the matter making several personal contacts with the functionaries of O.P. at Cuttack but all his efforts went in vain. He neither got the policy bond nor got the value of his Demand Draft back. When he did not get the policy bond, he has to file the complaint praying for issue of a direction to the O.P. to send the policy bond to him or alternatively to refund the draft amount of Rs 50,000/- to him with interest @ 18 % per annum from 13.02.2010 onwards and Rs 5,000/- more towards miscellaneous expenses incurred by him

The O.P. stated that the draft in question was deposited by the Agent Mr.Tunananda Swain having Agency Code No. 419477, with the Proposal of one Sri Surendranath Mishra to whom policy bearing No 588519713 was thus issued. It is stated that after receipt of the complaint from the present Complainant, it issued letters both to the Agent Mr.Tunananda Swain as well as to the insured of policy no. 588519713 namely Sri Surendranath Mishra for clarification in the matter. But neither of them gave any reply to its letters. It is also stated by the O.P. that Life Insurance Corporation of India (Agents) Regulations, 1972 vide Regulation no.8 (4) prohibits the Agent from collecting moneys or accepting any risk on behalf of the Corporation. So the transaction of money made between the Complainant and the Agent was a personal transaction between them for which Opposite Party would be in no way accountable.

Award: The O.P.'s contention that with the proposal of Surendranath Mishra the draft was filed is borne out from the document showing deposit of the DD No.498939 dated 17.01.2012 for Rs50000/- vide BOC No.6808 dated 09.02.2010 and transaction No. 86284 in the name of Surendranath Mishra..The Life Insurance Corporation of India (Agents)

Regulations,1972 vide Clause8(4) imposes a clear restriction on the functions of the Agent to collect the money or to accept the risk for or on behalf of the Corporation. A Bank Draft stands more or less on the footing of Cash inasmuch as the person coming into possession of same by whatever means possible can make utilization of it for his benefit through the payee irrespective of the fact whether he/she purchased it from the Bank or not. In view of the statutory prescription, neither the Agent should have collected the Draft nor should the rightful owner have handed it over to him. Even accepting the version of the Complainant that he gave the Bank Draft to the Agent, such dealings between them would tantamount to a transaction made in personal capacity between them which would in no way bind the Corporation to make it liable for such act of its Agent who lacked the authorization to collect money for or on behalf of the O.P.. The dispute appears to be one between the Complainant and the Agent which issue would not come within the parameters of RPG Rules, 1998 for being dealt in this forum more so when the Agent is not before the forum. In these premises no relief can be given to the O.P. in the line the same is prayed for by the Complainant. Hence, the complaint is dismissed.

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Bhubaneswar Ombudsman Centre
Complaint No. 24-013-1480 Miscellaneous
Smt. Sukanti Mahakud Vs Aviva Life Insurance Co.Ltd

Date of Award 04.12.2012

Fact: The complaint is for non-refund of premium deposit due to mis-sale by the Insurer. The Complainant stated that being persuaded by the representatives of the O.P .she wanted a single premium policy of insurance and paid Rs.5,00,000/- by cheque on 30.03.2011. The O.P.a policy bearing No. APB 368221 commencing from 31.03.2011. On receipt of the policy bond, when it came to her notice that instead of a single premium policy, a regular premium policy had been issued to her by the O.P., she wrote to and also met functionaries of the Branch Office of the O.P. seeking cancellation of the policy and refund of her premium deposit. She received a refusal letter from the O.P. Being aggrieved, she has filed this complaint.

The O.P. stated that after being fully explained by it sales representatives about the policy terms & features and after having herself gone through the key-feature documents of the policy, the complainant gave the proposal for a 3-year term policy on premium of Rs 5,05,150/- which included Rs 5,150/- towards service tax . Policy bearing NoAPB 3068221 commencing from 31.03.2011 with Policy Schedule, First Premium Receipt, Standard terms and conditions, copy of the Proposal form and Right to reconsider notice to her by speed post on 12.04.2011. Though the policy-holder was given the option to ask for cancellation of the policy upon her disagreeing to any of the terms and conditions as set out in the policy within the period of 15 days from the date of receipt of the policy document, she did not seek for cancellation of the policy during the Free-look period.

Award: A reference to the said proposal form would show that the proposer wanted the policy on payment of premiums in yearly frequency. It is specifically mentioned in the proposal under 'Details of the Plan applied for' that term of the plan applied for was 13 years, the premium paying term was 3 years and the annual premium amount was Rs 5,00,000/-. Nowhere in the proposal is it mentioned that the plan wanted by the proposer was a single premium policy. It would be seen that the Proposal form contains the declaration of the insured vouching for the correctness of the information furnished in the proposal. This declaration is followed by another declaration by the Proposer/life to be insured filling up the form who had put her signature within the box in vernacular language below the declaration. Thus, as per the proposal containing signature of the complainant, the type of the policy sought for by the insured was not a single premium policy but a policy of 3-year term where premium was payable by yearly mode. The copy of the policy schedule filed by the complainant is clearly in conformity with the plan of the policy which the complainant had applied for through the proposal. So complainant's contention that she applied for and wanted a single premium policy clearly falls through by the facts mentioned in the proposal.

Refund of premium deposit can only be effected as per the terms & conditions of the policy. It provides for termination of policy under certain contingencies i.e. on death of insured, on maturity and on surrender of policy in terms of Article 4 of the policy condition which 4 provides that a policy which is in force or which has become a paid-up one in accordance with Article 3 may be surrendered after completion of 3rd year. As per Article 3, in respect of a regular premium policy when the premium is not paid within the grace period, the policy would automatically deemed to have become a paid-up policy and would acquire a paid up value. The complainant, as the material of record would indicate has not paid the subsequent premium on the policy and as per the policy terms and condition the policy has acquired the paid up status and surrender value on such policy is payable after completion of 3rd year of the policy. The policy having commenced on 31.03.2011, the policy is now in its second year. So surrender value is not payable at this stage in terms of the policy condition. So the complainant is not entitled to relief of refund of her premium deposit as this stage on her policy. Hence, the complaint being without merit is hereby dismissed.

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Bhubaneswar Ombudsman Centre
Complaint No. 24-013-1485 Miscellaneous
Smt.urmila Das Vs Aviva Life Ins. Co. Ltd.
Date of Award 26.11.2012

Fact: The Complaint is for non-receipt of Surrender Value from the Insurer on her policy of insurance. The Complainant had taken a Life Bond-5 policy of insurance commencing from 11.04.2008 from the O.P vide policy No. LBD 1964791. She surrendered her policy on 13.07.2011. After lapse of some days when she did not receive the payment, she enquired

about the matter at the Bhubaneswar Branch of the O.P and was surprised to learn that the Surrender Value on her policy amounting to Rs.84,847/- dispatched through cheque had been received by someone else at Baripada. She was advised in the Branch to submit an Indemnity Bond regarding non-receipt of the cheque by her. She submitted the same on 30.09.2011 at O.P.'s Bhubaneswar office. The O.P. advised her to furnish the Statement of her Bank A/C which she also complied .Yet the payment of the amount was not made to her by the O.P. Being aggrieved, she has filed this complaint.

The OP stated that the surrender value of her policy was sent to her (policyholder) on 22.07.2011 under cheque no. 569654 dated 19.07.2011 for Rs.84, 847/- through Speed Post No. EH284105343IN in her changed address as provided by her with the surrender request. The cheque so sent was encashed on 07.09.2011. The O.P. stated that to enable it to investigate the matter further, the Complainant was asked to submit (1)the Bank Account Statements from the date of surrender till date in respect of her both Accounts, one as mentioned in the proposal and the other as furnished with the surrender form and (2)Bank Account Statement of any other Account held by her in the name of Urmila Das.

Award: It need not be emphasized that the obligation of a sender of valuable article/document does not cease by mere dispatch of the same to the person entitled to it but to see that the same reaches the proper person. Though the cheque, as stated , was sent by speed post in the address of the Complainant, no document containing the acknowledgement of the receipt of postal packet containing the cheque by the complainant is produced by the O.P.to substantiate that it was received by her. Losing good amount, the Complainant opted to surrender her policy before the policy became due for payment. For non-receipt of the cheque as asked, she has already filed the indemnity bond. She also submitted all papers including the Statements of her Bank Accounts since long which O.P. wanted to verify the authenticity of the fact regarding non-receipt of the cheque by her. All the same, the policy-holder cannot be made to suffer & to lose her legitimate amount if she had got the same. In the circumstances, it is desirable to direct the O.P. to complete its inquisitorial exercise, if any, within a fortnight from the date of communication of the order and to pay the surrender value to the Complainant if the cheque is found to have not been delivered to and encashed by the Complainant. In the event of failure to complete the exercise within the period as set out above, the surrender value be paid to the Complainant without further loss of time. In either case, the payment should be made through NEFT. Hence, the complaint is accordingly disposed of with the direction to the O.P. to complete its inquisitorial exercise within a fortnight from the date of communication of the order and to pay the surrender value to the Complainant if the cheque is found to have not been delivered to and encashed by the Complainant. In the event of failure to complete the exercise within the period as set out above, the surrender value be paid to the Complainant. In either case, the payment should be made through NEFT.

Bhubaneswar Ombudsman Centre
Complaint No. 24-009-1486 Miscellaneous
Smt. Desiti Kamala Vs Bajaj Allianz Life Ins. Co Ltd.
Date of Award 27.11.2012

Fact: The complaint is for stoppage in payment of her monthly Family Income Benefits (FIB) under three policies of insurance taken by her deceased husband from the former Insurer.

The Complainant stated that her husband Late Desiti Rusia, the Life Assured (LA), during his life time had taken three policies of insurance under Invest Gain Economy plan from the Insurer bearing No.60448358, 108442985 &.112703616. On the death of the LA, being his nominee in all the three policies, she received the sums assured under the policies from the O.P. which, as per the policies' terms & conditions used to release on monthly basis Family Income Benefit (FIB) in her favour also. Accordingly, she was paid the monthly FIBs under the three policies up to 14.07.2010, 11.08.2010 and 28.09.2010 respectively. But the FIBs for the subsequent months are not paid to her by the O.P. For such non-payment of FIB to her, she represented to the O.P. vide her letter dated 12.10.2011. As there was no response, she has to file this complaint seeking a direction to the O.P. to pay the monthly FIB to her.

The O.P.stated that it has received a letter dated 23.02.2011 from the Enforcement Directorate (ED), Govt. Of India that in relation to the insurance claims of Mrs. Desiti Kamala made with different insurers in respect of her deceased son Desiti Krishna, investigations under the Prevention of Money Laundering Act are being held by it and that the ED has asked for the details of insurance claims settled/to be settled in her favour by it(O.P.). It has furnished the required details to the ED. Since action by the Enforcement Directorate, Govt. of India under the Prevention of Money Laundering Act is initiated against Smt.Desiti Kamala, in anticipation of directives from the ED, it has suo moto withheld payment of FIBs w.e.f 14.07.2010, 11.08.2010 and 28.09.10 in respect of policies no. 60448358, no. 108442985 and no. 112703616 respectively. It is further stated that, it would release the payments under the policies if so directed by the Forum.

Award: The note under Annexure VII would reflect that relating to the subject-matter of the claim of Desiti Judhisthira based on the policies of insurance of D.Krishna, complaints have been filed before the SDJM, Berhampur vide Complaint Case No. 116 of 2010 and also before Consumer Disputes Redressal Commission, Cuttack vide Complaint Case no. 109 of 2010. As the note itself would indicate, these complaints relate to the claim of Desiti Judhisthira on the polices taken on the life of Desiti Krishna. Since no connection between the policies of Desiti Rusia and Desiti Krishna has been shown or made out on behalf of the O.P., initiation of action or investigation by the ED would not stand on the way of the Complainant to get the benefit under the policies which have already accrued to her. In the circumstances, there is no plausible reason made out on behalf of the O.P. to support its action for continued deprivation of the benefits under the policies of her deceased husband which she has been deriving as the nomine of the policyholder. Hence, the complaint is allowed.

Bhubaneswar Ombudsman Centre
Complaint No. 21-001-1490 Miscellaneous
Sudarshana Bhatta Vs L.I.C.of india,Cuttack Bo I
Date of Award 30.11.2012

Fact: The complaint is for less payment of Surrender Value on the policy of insurance by the Insurer. the Complainant that he had taken the Jeevan Nidhi Policy (With Guaranteed Additions for 5 years and With Profits thereafter) for 5 year term commencing from 05.03.2007 from the O.P.-Insurer for sum assured of Rs.1,00,00/- vide policy no.583791220. Though the policy taken by him was a pension policy, but for his daughter's marriage he surrendered the policy one month before the maturity date. He received a cheque for Rs.1,08,369/- towards maturity value as against the total premium of Rs.1,19,040/- paid by him on the policy and the discounted value is Rs 1,24,105/- if surrendered in the last year. He filed complaint for less payment of Rs 15,736/-.

The OP stated that being an Individual Pension policy, discounting of maturity claim is not allowed under this policy. The Complainant has applied for surrender with his full consent and the surrender value paid is correct.

Award : The Complainant's claim for the so-called residual amount of Rs 15,736/- towards the surrender value on his policy is grounded upon his contention that in respect of his policy which was an endowment- type policy, he was to get discounted value of maturity claim when surrender was sought by him within one year before the date of maturity of the policy. A perusal of the conditions and privileges as reflected in the policy bond would show that the scheme of the policy allows payment of guaranteed surrender value and special surrender value before the vesting depending upon the period of payment of premiums. It does not provide for payment of any discounted value of maturity claim. In view of such conditions in the policy, only guaranteed surrender value and special surrender value, as the case may be, are payable as per the terms of the policy. Thus, the calculation as made is correct and payment as per the calculation has been made. The complainant is thus, not entitled to any discounted value of maturity on his policy and therefore to the differential amount as claimed further by him. Hence the complaint being devoid of merit is dismissed.

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Bhubaneswar Ombudsman Centre

**Complaint No. 21-001-1502 Miscellaneous
Nirmal Kumar Pani Vs L.I.C. of India., Dhenkanal Branch
Date of Award 13.12.2012**

Fact : The complaint is for denial of Major Surgical Benefit and full Hospital Cash Benefit payable under his health insurance policy in respect of the co-insured, namely Ms. Ananya Priyadarshanee by the Insurer.

The Complainant has taken a LIC's Health Plus Plan (Table-901) policy of 22 year term commencing from 27.02.2008 bearing no. 589762498 whereunder his minor daughter Ms Ananya Priyadarshinee is made the co-insured. The policy provides Initial Daily Hospital Cash Benefit (HCB) of Rs.1,000/- and Major Surgical Benefit (MSB) to the limit of Rs.2,00,000/- in respect of the co-insured. His daughter met with the vehicular accident on 14.07.2010 in which she sustained serious injuries. Her treatment was taken at Apollo Hospital, Bhubaneswar from 14.07.2010 to 28.07.2010 incurring an expenditure of Rs.1,66,132/-. Subsequent to her discharge from the Hospital, he lodged the health-claim with the O.P. for Rs.1,66,132/- with supporting documents. But the O.P. paid him only Rs.17,600/- by cheque towards ICU charges and rejected the claim for the remaining amount assigning the reason that Splenectomy is not listed in the policy under list of allowed surgeries (1-49). He sought for settlement of HCB and MSB for the full amount in his favour. As there was no response, he filed this complaint.

The O.P. stated that on the policy taken by the Complainant, the initial HCB opted for was Rs.1,000/- payable for each continuous hours of 24 hours of hospitalization or part thereof exceeding the first 48 hours of hospitalization and for MSB, the sum assured was Rs.2,00,000/- payable for the surgeries listed in the Policy Conditions and Privileges to the extent as specified therein. It is further stated that the insured-patient whose date of birth is 24.03.2002, being a child of about 9 years in age, no MSB is payable in her case as per Clause 3 (ii) (vii) of Policy Conditions. The surgery of splenectomy is not covered under the policy. Accordingly, from out of the claim made by the Complainant, only HCB which worked out to Rs.17,600/- has been allowed.

Award : As regards MSB, a perusal of the copy of the policy bond filed by the O.P. would show that as per Clause 3 (ii) (viii), cover for MSB in respect of child-insured is provided from policy anniversary on which the age last birthday is 18 years and that till that period such child is not covered for this benefit. The Co-insured was a child much below the age of 18 year when the treatment was taken. Therefore, claim in respect of her for MSB would be not available under the policy. The Complainant is therefore, not entitled to any further amount towards the claim. Hence, the complaint, being devoid of merit is dismissed.

Bhubaneswar Ombudsman Centre
Complaint No. 24-007-1515 Miscellaneous
Rajendra Kumar Sahoo Vs Max New York Life Ins. Co.Ltd.
Date of Award 26.12.2012

Fact : The complaint is for delay in refund of premium asked for by the complainant under free-look cancellation clause of the policy of insurance taken from the Insurer. The Complainant had applied on 21.06.2010 to take a Fortune Builder policy of insurance from the Insurer. He did not get the policy even after lapse of some months. He then contacted and wrote to the OP on 17.01.2012 for issue of the policy to him. On 01.02.2012, he received the policy bond bearing no. 784530230. On 06.02.2012 he applied under free-look cancellation clause of the policy for refund of his premium depositing the policy bond with the O.P..On 02.03.2012, he sent reminder and also wrote to O.P.'s Head Office on 05.03.2012 for refund of deposit. When he did not get back the amount, he filed this complaint seeking relief of refund of the deposited amount of his premium with interest & cost.

The O.P. stated that, the policy documents were dispatched to the Branch Office on 27.06.2010 for being handed over to him (policy-holder) through his Agent who happened to be his (policy-holder's) wife. The request of the complainant for a copy of the policy were received by the OP only on 17.01.2012. The policy documents were again dispatched on 21.01.2012 by Regd. Post to the Complainant who almost 2 years after issue of the policy displayed his concern for non-receipt of policy & tendered his letter on 06.02.2012 for cancellation of the policy under free-look clause. On 31.03.2012 the OP telephonically informed the Complainant that the policy could not be cancelled as the same was made beyond the 'free-look period'.

Award: The say of the complainant is that the policy which he applied for on 21.06.2010 was received by him on 01.02.2012 & on 06.02.2012 he sought for free-look cancellation. It is now to be seen whether within the period of 15 days from the date of receipt of the policy, the option for cancellation of policy was exercised by the policy-holder-complainant. There cannot be any scope for controversy that receipt of policy as envisaged in the condition would be understood to mean receipt of the policy for the first time by the policy-holder. The policy schedule would show that the Complainant submitted his proposal for the policy on 21.06.2010 and the policy had commenced running from 27.06.2010. At the cost of repetition ,it may be noted that the contention of the Complainant is that he did not receive the policy and that after several approaches he got the policy on 01.02.2012 and he applied for cancellation under free-look condition depositing the policy bond on 06.02.2012. Receipt of the policy holder's request on 06.02.2012 is admitted by the O.P. whose contention is that the policy which was received by the Complainant on 01.02.2012 was a duplicate policy issued to him on his application and that the original policy was delivered to the policy-holder in time. It may be mentioned here that though the O.P. states about delivery of the original policy to the Complainant in time, it is silent as to when actual delivery of the policy was made to him. Since the Complainant takes a specific & positive stand about non-receipt of the policy by him prior to 01.02.2012, the burden entirely lies on the O.P. to show that there was

timely delivery of the policy made on the complainant. No documentary evidence is produced to substantiate the fact of such delivery to the policy-holder. The matter of delivery of the so called original policy by the O.P. goes unsubstantiated. The O.P.'s contention regarding delivery of policy document to the complainant prior to 01.02.2012 has failed. So it is concluded that the policy documents were received by the complainant for the first time on 01.02.2012. As noted, on 06.02.2012 the Complainant submitted his application for cancellation under free-look clause. Such being the position, the Complainant is entitled to get refund of his premium deposit to the extent allowed under the free look clause of the policy. Hence, the complaint is allowed. The O.P. is directed to refund the premium deposit of the Complainant by cancellation of the policy in terms of Clause 21 of the policy conditions within the statutory period as prescribed in the RPG Rules, 1998.

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Bhubaneswar Ombudsman Centre
Complaint No. 21-015-1516 Miscellaneous
Benudhar Dandasena Vs Bharati AXA Life Ins. Co.Ltd.
Date of Award 19.12.2012

Fact: The complaint is for denial of Surrender Value on the policy of insurance by the Insurer

The Complainant, being the proposer had taken a policy bearing No.5002240322 on the life of his daughter Ms. Ashima Dandasena under Aspire Life Plan of 15-year term with semi-annual mode of deposit of premium @ Rs.25,000/- commencing from 22.11.2008 for sum assured Rs.5,00,000/ from the Insurer . After payment of the first premium of Rs.25,000/-, due to financial constraints when it was not possible with him to continue with the policy, he surrendered the policy on 26.12.2009 and requested for refund the surrender value to him. The O.P. vide its letter dated 20.01.2010 intimated him that the applicable surrender value on the policy would be payable on 22.11.2011 i.e., after completion of 3 years from the date of commencement of the policy. But, subsequently vide its letter dated 23.02.2012 the OP informed him that no amount was payable under his surrendered policy. Being aggrieved, he filed this complaint seeking refund of the premium amount of Rs.25,000/- which has been guaranteed to be returned on maturity.

The O.P.stated that due to non-payment of renewal premium by the policy-holder, the policy went into lapsed status. The policy-holder did not choose for reinstatement during the reinstatement period for which the policy stood terminated as per clause 4.5(a) of the policy conditions. It is further stated that if regular premium is not paid in first 3 years and the same remains unpaid even after the grace period of 30 days, benefit of the sum assured in the policy will cease to exist from the Lapse Date and policy will lapse. If policy is not reinstated during the reinstatement period, the policy will stand terminated. Since the Complainant failed to reinstate the policy, his policy was terminated.

Award: The Complainant applied for surrender in the 2nd year of the policy and within the period of reinstatement of the policy. It is already noticed that discontinuance in the payment of premium by the Complainant has taken place within the very first year of the policy. As provided in Sec 4.3, 1st year premium is not invested in any investment fund to create any unit for earning fund value for the policy-holder. Such being the stipulation in the policy, in relation to the premium deposit made by the Complainant, question of accrual of fund value would not arise for payment of any surrender value to the Complainant. It needs no emphasis to state that a policy of insurance is a contract of insurance and that the rights and liabilities of the parties are subject to and governed by the stipulations in the contract of insurance. No statutory Forum can read into it the terms which parties have not made it themselves. Since the policy condition does not provide for earning of any surrender value when discontinuance in payment of premium is made in the 1st year, the Complainant is not entitled to the relief as has been sought for by him. Hence, the complaint, being devoid of merit is dismissed.

Bhubaneswar Ombudsman Centre
Complaint No.22-004-1545 Miscellaneous
Sri Sudarsan Jena Vs ICICI Prudential Life Ins. Co. Ltd.
Date of Order 27.02.2013

Fact: It is stated by the Complainant that subsequent to his retirement from service as a Class IV employee, Mr. Soumyaranjan Ray, Agent and Sri B.N.Pakal, Officer of the O.P. persuade him to go for a a single premium policy so that the deposit would earn double the amount after 5 years. Believing their words, he drew a sum of Rs.1,00,000/- from his Bank A/c in UCO Bank, Soro where he had deposited his retirement benefits and paid the entire amount to the Agent . Upon verification of the policy bond by his son, it could be known that the policy issued was an annual-premium policy wherein premium was to be paid for 7 years @ Rs.98,800/-. So he sent the notice to the O.P. on 13.07.2011 for refund of his deposit. During my subsequent visits to the O.P.'s office, he did not get any co-operation and was misbehaved. Being aggrieved, he has filed this complaint seeking refund of his deposited amount by the O.P.

In its Self-Contained Note, it is stated by the O.P. that on the basis of the specifications given in the proposal by the Complainant, the policy was issued to him. In the proposal form, he opted for yearly premium policy payable for 7 years. He further signed the Electronic Benefit Illustration Statement which would make it clear that he wanted a policy with yearly mode of payment of premium. The policy documents were sent to him on 15.12.2010. But he never approached it pointing out any discrepancy between the proposal and the policy seeking therefor cancellation of the policy within the free-look period of 15 days. While denying that there was no mis-sale of the policy, it has simultaneously contented that Ombudsman is not empowered to adjudicate the complaint relating to mis-sale. With the above contentions, it asks for dismissal of the complaint.

Though every material part of the contention of the Complainant has been challenged by the O.P. in its SCN, yet at the stage of hearing, the O.P. took a totally different approach by conceding to settle the claim of the Complainant as a special case by way of refund of the full premium amount to him.

Award:- The Hon'ble Ombudsman opined that the O.P. has now conceded to refund the premium deposit to the Complainant. In the present circumstances, there survives no further issue to be decided by this Forum insofar grant of relief to the complainant is concerned. However, there is no information available with this forum as on date regarding actual refund of the deposit to the Complainant by the O.P. Hence, the complaint is allowed and the O.P. is directed to refund the premium paid for the policy to the complainant without delay upon fulfillment of the formalities for getting refund of the deposit by the Complainant.

Bhubaneswar Ombudsman Centre

Complaint No.22-004-1546 Miscellaneous

Sri Bijaya Kumar Jena Vs ICICI Prudential Life Ins. Co. Ltd.

Date of Order 26.02.2013

Fact:-It is stated by the Complainant that he works as a daily-wage labourer and was reluctant to take a policy . In December'2010, Mr. Soumyaranjan Ray, Agent and Mr.S.N. Pakal, Officer of the O.P. visited his house and persuaded him to go for a single-premium policy telling that he would merely sign the proposal and that they would collect the amount from his father who had already taken a policy for Rs 1,00,000/- from them. Believing their words, he signed policy of insurance. Upon verification of the policy bond by his brother, it came to his knowledge that the policy issued was an annual-premium policy wherein premium was to be paid for 10 years @ Rs.20,108/- whereas he had opted for a single-premium policy. After repeated failures to meet the functionaries, he sent the notice to the O.P. on 13.07.2011 to refund his deposit. As there was no response, he has filed this complaint seeking refund of his deposited amount by the O.P.

In its Self-Contained Note, it is stated by the O.P. that on the basis of the specifications given in the proposal by the Complainant, the policy was issued to him. In the proposal form, he opted for yearly premium policy payable for 10 years. He further signed the Electronic Benefit Illustration Statement which would make it clear that he wanted a policy with yearly mode of payment of premium. The policy documents were sent to him on 25.12.2010. But he never approached it pointing out any discrepancy between the proposal and the policy seeking cancellation of the policy within the free-look period of 15 days. But after lapse of 8 months from the date of commencement of the policy, for the first time it received on 13.07.2011 the Advocate notice issued on behalf of the policyholder-complaint alleging mis-sale of policy to the complainant to which it replied to him on 24.08.2011. While denying that there was no mis-sale of the policy, it has simultaneously contented that Ombudsman is not empowered to adjudicate the complaint relating to mis-sale. With the above contentions, it asks for dismissal of the complaint. At hearing, though the O.P. stoutly contested the claim of the Complainant, yet it is now

communicated to this Forum by the O.P. that as an exceptional case and as an act of goodwill gesture, the Company has offered to cancel the Whole Life Policy of the Complainant and to refund the premium to him.

Award:- It thus appears that the O.P. has now conceded to refund the premium deposit to the Complainant. In the present circumstances, there survives no further issue to be decided by this Forum insofar grant of relief to the complainant is concerned. However, there is no information available with this forum as on date regarding actual refund of the deposit to the Complainant by the O.P. Hence, the complaint is allowed and the O.P. is directed to refund the premium paid for the policy to the complainant without delay upon fulfillment of the formalities for getting refund of the deposit by the Complainant.

Bhubaneswar Ombudsman Centre
Complaint No. 21-001-1553 Miscellaneous
Smt Basanti Pradhan Vs L. I. C. of India
Date of Order: - 06.03.2013

Fact: The complaint is filed for seeking refund of premium paid under his husband's policy of insurance in respect of which the death-claim has been repudiated. The husband of the Complainant Late Golak Bihari Pradhan had taken a Endowment Assurance With Profit and With DAB policy bearing No. 592919935 under Table-Term 14-07 for sum assured of Rs.1,10,000/- commencing from 04.12.2006 with monthly premium of Rs.1,451/- payable under Salary Saving Scheme. The LA died on 27.02.2009 by which time 33 nos. of monthly installments of premium on the policy had been paid. As nominee, she lodged the death-claim with the O.P. which repudiated the claim on the ground of non-disclosure of material fact in the proposal regarding his health by the LA. She appealed before the Zonal Manager, Patna of the O.P. for refund of the premiums paid under the policy amounting to Rs.47,783/- with normal R.D. interest. But, the appeal was rejected.

The O.P.stated that the Life Assured had suffered from heart ailment and had also taken treatment at Apollo Hospitals, Visakhapatnam in the years 2003 and 2005. He had availed himself of leave on various occasions during his service on medical grounds. But, he concealed these facts in the proposal form. For non-disclosure of material facts, the claim was repudiated. It is further stated by the O.P. that in terms of the clause 5 of the policy, since premiums on the policy were not paid for minimum period of 3 years, the policy did not acquire any paid-up value and all the moneys paid on the policy stood forfeited and no amount on the policy was paid.

Award: The sole issue to be addressed in the complaint is whether in the present context the nominee would be entitled to get refund of the amount of premiums paid on the policy. The Non-Forfeiture Regulations clause of the policy as incorporated in condition no. 4 prescribes that when full years' premiums for at least 3 years have been paid on the policy and subsequent premiums are not duly paid, the policy shall not be wholly void but shall subsist as a paid-up policy for a reduced sum payable on the date of maturity or at

LA's prior death, provided the paid-up sum is not less than Rs.250/-. This clause thus stipulates for payment of the paid-up value when premiums paid are for at least 3 full years with no payment being made thereafter. Conversely, if payment of the premiums is made for less than 3 years and there was no further payment, the policy would become void. This decision of the OP for repudiation of death claim, has not been challenged by the Complainant who has come up for refund of premium deposits on the policy. It would follow that furnishing untrue & incorrect statement in the Proposal which is supported with a declaration, the policy was taken by the LA. Such being the position the policy becomes void and no benefit would accrue to the complainant and consequently the deposit would entirely belong to the Insurer by virtue of Condition no.5 (Ibid) of the policy. It may be worth noting that premiums on the policy being paid for less than 3 years it did not acquire paid-up status also for the Complainant to derive any benefit otherwise under the policy. In these circumstances, the Complainant is not entitled to the refund of the premiums deposited on the policy taken by her husband. The complaint, being devoid of merit, is dismissed.

Bhubaneswar Ombudsman Centre

Complaint No. 21-002-1586 Miscellaneous
Sri Kailash Chandra Dash Vs S.B.I Life Ins. Co. Ltd.
Date of Order: - 26.03.2013

Fact: Deduction of sum of Rs. 9,342/- out of the deposited amount of premium on the policy when refund was sought under free-look clause of policy of insurance. The Complainant had taken a SBI Life Smart Performer policy of insurance bearing No. 44023198807 commencing from 26.04.2011 of 10-year term on payment of single premium of Rs.2,00,000/-. After receipt of the policy bond, due to his financial problems within the free-look period of the policy he surrendered the policy on 09.05.2011 with the O.P. seeking cancellation and refund of his deposited amount of premium. The O.P. refunded his deposited premium amount deducting Rs.9342/- there from. He made correspondence with the O.P. which replied him intimating that the deduction was made towards stamp duty and medical charges. Since for issue of the policy no medical examination was done in him and as stamp duty charged could not be as high as Rs.11,636/-, raising objections he wrote to the O.P. which gave him inconsistent reply. Being aggrieved thereby, he filed the complaint seeking refund the balance amount of Rs.9342/- to him.

The O.P. stated that the policy was cancelled and fund value as per NAV on the date of cancellation was worked out at Rs. 1,90,685/- representing the sum total of the Policy Investment Value of Rs. 1,84,720.25, Entry Fee of Rs.6,000/-, Administration Fee of Rs.50/- and Guaranteed Charges of Rs.64.67 minus Stamp Duty of Rs.50/- and Collection Charges of Rs.100/-. The amount was paid by Cheque on 12.05.2011 and amount was refunded as per the terms and conditions of the policy.

Award: The Clause 13.1 of the policy under the heading 'Free Look period' stipulates that on receipt of such request from the policy-holder within 15 days of receipt of the policy bond by him, the O.P. shall refund the Fund Value on that date after adjustments. The

adjusted Fund Value will be the fund value plus the amounts deducted earlier for Policy Administration Charges, Premium Allocation Charges, Guarantee Charges, Charges for ADB option, and minus Stamp Duty paid, Medical Expenses, if any, & Payment Instrument Collection Charges, if any. It further provides that Mortality charges already deducted will not be refunded. It would be evident from the copy of the Unit Statement filed by the O.P. that the Fund Value of invested value of the deposit has been calculated as per the NAV on the date of request for cancellation and additions & deductions in terms of the above clause (13.1) of the Policy terms & Conditions have been made. The Complainant is not able to point out any mistake in the Calculation as reflected in Paragraph no.6 of the SCN which is amply corroborated by the Transaction Cum Unit Statement filed on behalf of the O.P. at the hearing in presence of the Complainant. It would appear that due to fall in the NAV, the unit value of the investment got reduced resulting in reduction in the fund value of Complainant's deposit under investment. There being no mistake in the Calculation, it would follow that the extent of amount refunded by the Insurer-O.P to the Complainant under Free-look cancellation clause was correct calling for no interference. The complainant is thus not entitled to any further amount under the policy. Hence the complaint, being without merit is dismissed.

Bhubaneswar Ombudsman Centre

Complaint No. 21-002-1587 Miscellaneous
Sri Rajesh Kumar Dash Vs S.B.I Life Ins. Co. Ltd.
Date of Order: - 26.03.2013

Fact: The complaint is against deduction of sum of Rs.11,636/- out of the deposited amount of premium on the policy when refund was sought under free-look clause of policy of insurance. The Complainant had taken a SBI Life Smart Performer policy of insurance bearing No.44023199910 commencing from 26.04.2011 of 10-year term on payment of single premium of Rs.2,00,000/-. After receipt of the policy bond, due to his financial problems within the free-look period of the policy he surrendered the policy on 05.05.2011 with the O.P. seeking cancellation and refund of his deposited amount of premium. The O.P. refunded his deposited premium amount deducting Rs.11,636/- there from. He made correspondence with the O.P. which replied him intimating that the deduction was made towards stamp duty and medical charges. Since for issue of the policy no medical examination was done in him and as stamp duty charged could not be as high as Rs.11,636/-, raising objections he wrote to the O.P. which gave him inconsistent reply. Being aggrieved thereby, he filed the complaint seeking refund the balance amount of Rs.11,636/- to him.

The O.P. stated that the policy was cancelled and fund value as per NAV on the date of cancellation was worked out at Rs.1,88,364/- representing the sum total of the Policy Investment Value of Rs.1,82,399.25, Entry Fee of Rs.6,000/-, Administration Fee of Rs.50/- and Guaranteed Charges of Rs.64.67 minus Stamp Duty of Rs.50/- and Collection Charges of Rs.100/-. The amount was paid by Cheque on 07.05.2011 and amount was refunded as per the terms and conditions of the policy.

Award: The Clause 13.1 of the policy under the heading 'Free Look period' stipulates

that on receipt of such request from the policy-holder within 15 days of receipt of the policy bond by him, the O.P. shall refund the Fund Value on that date after adjustments. The adjusted Fund Value will be the fund value plus the amounts deducted earlier for Policy Administration Charges, Premium Allocation Charges, Guarantee Charges, Charges for ADB option, and minus Stamp Duty paid, Medical Expenses, if any, & Payment Instrument Collection Charges, if any. It further provides that Mortality charges already deducted will not be refunded. It would be evident from the copy of the Unit Statement filed by the O.P. that the Fund Value of invested value of the deposit has been calculated as per the NAV on the date of request for cancellation and additions & deductions in terms of the above clause (13.1) of the Policy terms & Conditions have been made. The Complainant is not able to point out any mistake in the Calculation as reflected in Paragraph no.6 of the SCN which is amply corroborated by the Transaction Cum Unit Statement filed on behalf of the O.P. at the hearing in presence of the Complainant. It would appear that due to fall in the NAV, the unit value of the investment got reduced resulting in reduction in the fund value of Complainant's deposit under investment. There being no mistake in the Calculation, it would follow that the extent of amount refunded by the Insurer-O.P to the Complainant under Free-look cancellation clause was correct calling for no interference. The complainant is thus not entitled to any further amount under the policy. Hence the complaint, being without merit is dismissed.

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CHANDIGARH OMBUDSMAN CENTRE

CASE NO. HDFC/1151/Mumbai/Mohali/22/11

In the matter of Smt Gurdial Kaur Vs HDFC Standard Life Ins. Co. Ltd.

Order Dated:-22.02.2013 Miscellaneous

FACTS: Smt. Gurdial Kaur filed a complaint about misale of insurance two policies bearing numbers 14482558 and 11456152 by HDFC Bank for Rs. 12 Lacs. On the pretext that amount will be invested in Fixed Deposit instrument. After, the death of her son Late Shri Kulwant Singh he submitted papers for claim but the company repudiated the claim.

FINDINGS: The insurer clarified the position stating that looking into circumstances of the case, the company is ready to refund the premiums received Rs. 12 Lacs as goodwill gesture.

DECISION: Held that the insurance company's agreement to refund the full amount of premiums paid is justified. The complaint is closed with a condition to comply order within 30 days.

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CHANDIGARH OMBUDSMAN CENTRE

CASE NO. HDFC/122/Mumbai/Gurgaon/22/12

In the matter of Shri Madhusudan Nair Vs HDFC Standard Life Ins. Co. Ltd.

Order Dated: - 21.02.2013 Miscellaneous

Facts: - Shri Madhusudan Nair filed a complaint about misselling of a policy for Rs. 10,00,000/- in the month of February 2010 as instead of promised single premium the insurance company issued regular premium paying policy. When he requested for cancellation it was not considered.

Findings: - The insurer clarified the position by stating that when the complaint was received by the company, a offer was given to Shri Madhusudan Nair to convert the policy into single premium policy which was not agreed by the complainant.

Decision: - Held that there is no irregularities about the service provided by the company. Moreover Shri Madhusudan Nair had already purchased One crore policy from LIC of India and his plea about misleading into signing blank forms and not going through the policy is not justified. His request for cancellation after lapse of free look option is not reasonable. Hence complainant is dismissed.

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CHANDIGARH OMBUDSMAN CENTRE

CASE NO. Max Life/055/Gurgaon /Khanna//22/11

In the matter of Shri Manjit Singh Vs Max Life Ins. Co. Ltd.

Order Dated: - 31.10.2012

Facts: - Shri Manjit Singh filed a complaint about misselling of a policy for Rs. 25,000/- wherein renewal premium of Rs.25000/- pertaining to policy number 756500427 was diverted to issuance of a new policy bearing number 471849786. When he requested for cancellation it was not considered.

Findings: - The insurer clarified that the premium under the first policy issued in May 2008, renewal premium was to be deposited in May 2009 which was not paid and he had paid Rs.25000/-towards a new policy after filling up the proposal form.

Decision: - Held that there is a case of deficiency of service as instead of adjusting the amount towards a renewal of first policy, Company issued a fresh policy and an award is passed to refund the premium by canceling the policy.

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CHANDIGARH OMBUDSMAN CENTRE

CASE NO. HDFC/840/Mumbai/Chandigarh/22/10

In the matter of Satnam Singh Randhawa Vs HDFC Standard Life Insurance Co. Ltd.

Order Dated: - 18.10.2012 Miscellaneous

Facts: - Shri Satnam Singh Randhawa was sold insurance policy during his visit to India being an NRI for Rs. 5 Lakhs under single premium on 07.04.2006 policy bond was not delivered till date 02.03.2010. He has approached the company for a refund but not given any satisfactory reply.

Parties were called hearing on 18.10.2012.

Findings: - Insurer clarified that the proposal form signed by Shri Satnam Singh Randhawa was not single premium policy and said that policy documents was delivered at U.S.A. but the company did not produce any proof of delivery.

Decision: - Held that this is a case of misselling. The policy holder is only 8 th pass and working as driver at USA and is neither adequately literate to know the intricacies of the policies not he was explained about a factual position. No sincere efforts were made by the company in a time bound manner and the case has been dealt with quite casually causing mental agony and undue inconvenience to the policy holder.

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CHANDIGARH OMBUDSMAN CENTRE

CASE NO. Reliance/808/Mumbai /Chandigarh//22/10

In the matter of Smt. Shikha Goyal Vs Reliance Life Ins. Co. Ltd.

Order Dated: - 22.10.2012

Facts: - Smt. Shikha Goyal filed a complaint about misselling of a policy bearing number 15341456, wherein instead of single premium, a regular premium policy for a term of 10 years with annual premium of Rs.1, 52,000/- was issued. When she requested for cancellation and a refund, it was not considered.

Findings: - The insurer clarified that the policy was issued on the basis of details furnished in the signed proposal form and the policy was delivered, but she did not opt to return the policy in the free look period. In view of a delay, request for cancellation and a refund was declined.

Decision: - Held that there is a case of deficiency of service as the policy holder was not properly guided at the time of proposal and insurer was directed to refund the premium amounting to Rs.1, 52,000/-along with 8% interest from the date of complaint.

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CHANDIGARH OMBUDSMAN CENTRE

CASE NO. Kotak Mahindra/278/Mumbai/Mohali/22/11

In the matter of Shri Sumit Kumar Vs Kotak Mahindra Life Ins Co. Ltd.

Date of Award: - 31.10.2012

Facts: - Shri Sumit Kumar complained that on 14.03.2009 he had purchased a policy under policy number 01530171 by paying Rs. 15000/- as first premium. On not receiving the policy he intimated the company on 06.02.2010 for issue of policy document but instead of responding the company asked him to deposit Rs 200/- for issue of duplicate policy. He then applied for cancellation of policy which was denied.

Findings: - The complainant said that after the purchase of policy on 14.03.2009 for sum assured of Rs. 2.00 Lakh he had paid premium of Rs. 15,000/- but he has not received the policy documents and his follow up with the company did not evoke any response. He had also intimated the company about shifting of his residence through his letter dated 08.02.2010. The company had confirmed that policy was dispatched on 14.03.2009 through Courier which was returned undelivered with remarks "Person Shifted". On 02.04.2009 the policy was again dispatched

through speed post which was not returned. The change of address was recorded by the company.

Decision: - It is a case of poor after sale service on the part of insurer. When the first letter dated 14.3.2009 was returned back undelivered to the company with remarks "Person Shifted" the company should have enquired about the correct address of the complainant which could be done by the cell number given in the proposal form and the same number is still in possession of the complainant. The company routinely dispatched the policy bond on the same old address from where the policyholder had shifted. Thus, he was deprived of availing of free look period after going through the terms and conditions.

Being deficiency of service on the part of the company, the company is directed to cancel the policy since inception and refund the premium received therein.

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CHANDIGARH OMBUDSMAN CENTRE

CASE NO. Kotak Mahindra/1225/Mumbai/Pamchkula/22/13

In the matter of Shri Yogesh Chander Vs Kotak Mahindra Life Ins Co. Ltd.

Date of Award: - 05.03.2013

Facts: - Shri Yogesh Chander filed a complaint about a purchase of a policy number 2542703 from Kotak Life Insurance through a tele call from Endeavour Insurance Broking Agency as one time investment. Actually, he was assured to invest in its IPO launching on an occasion of completing 10 years in July to yield maximum returns. But, instead a policy for a period of 30 years was issued.

Findings: - The Insurer in its reply clarified that the policy was issued after obtaining filled

and signed proposal form, wherein it is clearly stated the term and amount of premium payable under the said policy. The company representative played audio recordings, one before the policy and another after issuance of the policy, highlighting the salient features, particularly term of the policy and premium payable and clearly stated that no other benefits except mentioned in the policy terms is to be provided. The complainant replied in affirmative and did not express his reservations about any point thereby indicating that he understood the salient features in totality.

Decision: - Held that the complainant's allegation of misspelling is not borne out by facts and circumstances of the matter. In fact, he had obtained the policy after signing proposal form and benefits illustrations and did not raise any concern during the verification call made by the company. Moreover, he did not avail the free look option after a receipt of the policy. In view of this factual position, the complaint is dismissed.

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CHANDIGARH OMBUDSMAN CENTRE

In The Matter of Shri Harbhajan Singh Vs Kotak Mahindra Life INS CO. Ltd.,

Shri Harbhajan Singh had filed a complaint in this office about a purchase of two policies bearing number's 2021728 and 2029193 from Kotak Mahindra Life insurance Company through a call on an assurance of resolving issues pertaining to cancellation and a refund of policies he had with Aviva Life and advised him to invest in Kotak Life mutual fund. Later on after failing to receive a refund, he felt foul play and approached the insurer for its cancellation and a refund, which was not considered by the Company. The insurer in its reply clarified that the policies were issued after obtaining filled and signed proposal forms, wherein it is clearly mentioned the term and amount of premium payable under the said policies. Accordingly, policies were delivered in time. However, request for cancellation refund was received after nine months beyond free look period. Now, the contention that the investment was in mutual fund was not correct.

Held that the complainant had received the policy documents in July 2010 and after its receipt did not go through the documents and completely relied on an oral version of the advisor. Undisputedly, the complainant had not returned the policies or made any such cancellation request to the company within free look period. Hence, the company is not liable to entertain such request and cancel the policies. In view of this factual position the complaint is dismissed.

DELHI OMBUDSMAN CENTRE

Case No.LI/299/Reliance/11
In the matter of Smt. Anjana Rana

Vs
Reliance Life Ins. Company Ltd.

AWARD Dated 04.01.2012:- Misselling of policy

1. This is a complaint filed by Smt. Anjana Rana (herein after referred to as the complainant) against the decision of Reliance Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that she had paid a sum of Rs. 30,000 and she was promised that after 3 years she would be entitled to a sum of Rs. 1,80,000. But policy was issued to her whereby she was required to pay regular premium. She has come to this forum for resolution of his grievance. During the course of hearing also she stated that she was missold the policy. She paid only a sum of Rs. 30,000. She wished to cancel the policy as she was conveyed the benefits by the agent which are not available in the policy.
3. Representative of the company agreed to resolve the grievance.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that policy was missold to the complainant as she had been conveyed the benefits in the policy by the agent which were not available. Since the policy was missold to her, the same deserves to be cancelled. According an Award is passed with the direction to the Ins. Company to cancel the policy and refund the sum of Rs. 30,000.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/238/DO-II/11
In the matter of Sh. Hans Kumar

Vs
Life Insurance Corporation of India

AWARD DATED 04.01.2012:- Misselling of policy

- 1. This is a complaint filed by Sh. Hans Kumar (herein after referred to as the complainant) against the decision of Life Insurance Corporation of India (herein after referred to as respondent Insurance Company) relating to non- payment of surrender value.**
- 2. Complainant stated that he had taken a policy from LIC in 2005. He had deposited the policy bond and other papers in the branch on 30.03.2010. But the company had not settled his claim. Though considerable time has gone. He has requested the insurance company to settle his claim along with the penal interest at the rate of 12%. He met with an accident and desires to have money along with penal interest. He has come to this forum for redressal of his grievance. During the course of hearing also he argued that he has not been paid his due on surrender of the policy. He submitted all requisite documents along with a request to surrender the policy.**
- 3. Representative of the company assured during the course of hearing that claim will be settled within 10 working days. It has been informed by the company that it had paid a sum of Rs. 14,422 on account of surrender the policy on 30.11.2011.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I find that company had paid the surrender amount to the complainant on 30.11.2011 amounting to Rs. 14,422 but I find that such payment has been made late to the complainant because he had requested the surrender of policy on 30.03.2010 whereas payment was made to him on 30.11.2011. Accordingly it is considered fair and reasonable if the complainant is further allowed some relief by way of penal interest because company had withheld the complainant's money for almost a year. Accordingly an award is passed with the direction to the Ins. Company to make the payment of penal interest to the complainant at the rate of 8% on the amount of Rs. 14,422 w.e.f. 01.04.2010 to the date of actual payment of Rs. 14,422.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE
Case No.LI/292/Bajaj/11
In the matter of Smt. Usha

Vs
Bajaj Allianz Life Ins. Company Ltd.

AWARD Dated 04.01.2012:- Repudiation of claim.

1. This is a complaint filed by Smt. Usha (herein after referred to as the complainant) against the decision of Bajaj Allianz Life Ins. Company Ltd. (herein after referred to as respondent Insurance Company) relating to repudiation of claim.
2. Complainant stated that company was not justified in stating that her Late husband was a diabetic and alcoholic since 12 years. She has requested to re-investigate the matter, as the allegations against her husband that he was diabetic and alcoholic since 12 years were absolutely incorrect and baseless. She also requested to take action without any further delay and requested for release the death claim at the earliest. During the course of hearing, complainant argued that she submitted all requisite documents to the Ins. Company for settlement of the death claim. She further argued that company was not justified to deny the claim because claim is payable.
3. Representative of the company stated that claim is not payable due to suppression of material facts relating to health in the proposal submitted while taking the policy.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the repudiation letter dated 25.04.2011, self contemned note and also Claims Review Committee's decision. After due consideration of the matter, I hold that company was not justified in repudiating the claim firstly because there was no suppression as regards taking of alcohol by the DLA as the DLA while submitting the proposal for issuance of the policy had declared that he used to take alcohol. He mentioned that he used to take alcohol twice a week and 30 ml. Thus there was no suppression of this fact by the DLA while submitting proposal and it was for the Ins. Company to call for any

further report for confirming total impact on his health. Secondly the DLA was not diabetic at the time of taking policy. The company had no evidence on record to the fact that DLA was diabetic and was taking treatment for such ailment before taking the policy. Therefore, company was not justified in denying the death claim on account of suppression of material facts by the DLA while submitting proposal while taking the policy. In my view claim is payable. Accordingly an Award is passed with the direction to the Ins. Company to make the payment of sum insured of Rs. 8,40,000.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/281/Birla/11
In the matter of Smt. Ayushma Sharma

Vs
Birla Sun Life Ins. Company Ltd.

AWARD Dated 04.01.2012:- Misselling of policy

1. This is a complaint filed by Smt. Ayushma Sharma (herein after referred to as the complainant) against the decision of Birla Sun Life Ins. Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling.
2. Complainant stated that she had not received the policy in respect of which the facts were explained to her. She further stated that facts relating to the policy were wrongly presented to her and there were mis-representation of facts. She further stated that she specifically asked for 5 years investment term policy and she was duped by agent under vision plan. It was conveyed to her that if she paid Rs. 20,000 premium every year for 5 years, she would get a return of Rs. 1,75,000. And she assured that she could withdraw the entire money at that point of time without any surcharges or deductions but there after she came to know that these were actually false promises. She trusted the agent because he was representing a reputed company such misleading conduct on the part of the agent adversely affected the reputation of the company. She was grossly misled by the agent Sh. Sandeep. She requested to cancel the policies and refund her money of Rs. 20,000.

She had paid only Rs. 20,000 in both the policies. During the course of hearing also she submitted that she desired to have a policy of 5 years maximum term but the company had issued her policies of 20 years term.

3. Representative of the company stated that he is ready to resolve the complaint within a fortnight. However, he did not keep the promise.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that complainant was missold the policies as she desired to have policies of maximum term of 5 years whereas she had been issued policies of 20 years, term. Therefore, the policies which were missold to her deserve to be cancelled. Accordingly an Award is passed with the direction to the Ins. Company to cancel the policies and refund the premium paid by her amounting to Rs. 20,000 in both the policies.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

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DELHI OMBUDSMAN CENTRE
Case No.LI/255/Tata/11
In the matter of Sh. Lalit Shukla

Vs
Tata AIG Life Ins. Company Ltd.

AWARD Dated 04.01.2012:- Misselling of policy

1. This is a complaint filed by Sh. Lalit Shukla (herein after referred to as the complainant) against the decision of Tata AIG Life Ins. Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policies.
2. Complainant stated that it was informed that both the policies bearing no. Uo13517700 and U017830289 with annual premium of Rs. 35,000 and 15,000 respectively will be of single premium but he came to know later on that such policies were regular premium policies and he came to know this fact when he received a call for paying renewal premium. He continued to request the company that he had not received the policy documents. He further stated that policies

have been missold to him and therefore, requested to cancel such policies. But his request was denied. He had been informed subsequently by the company that policy documents have been delivered at his address. As per letter of the company policies were delivered at C-204, New Moti Nagar, New Delhi-110015 whereas his address is 2/427, Street no-20, Kansal Marg, Harsh Vihar, Delhi -93. He further stated that when the company did not have his correct address, the company was not justified in stating that policy documents were delivered. He further stated that he is not in a position to pay premium annually for the term of both the policies. Therefore, he had made a request to cancel both the policies and refund the premium. During the course of hearing also complainant stated that two policies were issued to him stating one time investment but regular premium paying policies were issued to him. He never received the policy documents in respect of both the policies. He was conveyed that he would be given double amount after 3 years. He is not in a position to run both the policies. He paid the premiums in respect of both the policies of taking loan from someone. He stated that as a matter of fact the policies were thrust upon him because his place of office was adjacent to the Ins. Company's office.

3. Representative of the company stated that request was not made to cancel the policies within the free look period and policy documents were sent through courier.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that the policies were missold to the complainant because he desired to have one time investment policies whereas he had been issued regular premium paying policies. He has not sufficient source of income to pay annual premium in respect of both the policies during the term of the policies. There appears to be truth in the contention of the complainant that he had not received the policy documents as yet. Company also could not establish that at policy documents have been served upon him. Since policies were missold to him, such policies deserve to be cancelled. Accordingly an Award is passed with the direction to the Ins. Company to cancel both the policies and refund the premium paid by him.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/298/Aegon/11
In the matter of Sh. Suresh Chand Aggarwal

Vs
Aegon Religare Life Ins. Company Ltd.

AWARD Dated 04.01.2012:- Misselling/Cancellation of policy

- 1. This is a complaint filed by Sh. Suresh Chand Aggarwal (herein after referred to as the complainant) against the decision of Aegon Religare Life Ins. Company Ltd. (herein after referred to as respondent Insurance Company) relating to cancellation of policy.**
- 2. Complainant stated that he had submitted his representation to the GRO of the company but he had not received any response from that office. Complainant further stated that he had requested to the Ins. Company to cancel his policy bearing no. 110313049451 on 14.04.2011 but the company had rejected his request vide its letter dated 27.04.2011. He again wrote to the company giving detailed reasons for cancellation of his policy. He is 76 years of age and is living alone with no family assistance. Complainant stated that he is quite old and he as well as his wife is having some disease due to vision failure, he is not able to read properly. He received the policy documents on 28.03.2011 and he was out of station on 02.04.2011 and after reading the policy documents he wrote to the company on 14.04.2011 to cancel the policy and thus he almost reacted within the free look period. He had already sent policy documents to the Ins. Company along with his request to cancel the policy. During the course of hearing also complainant pleaded that he desires to cancel the policy because he is ill and he applied for cancellation on 14.04.2011. He received the policy documents on 28.03.2011 but could not read it. He paid two premiums of Rs. 30,000 each.**
- 3. Representative of the company stated that complainant submitted request for cancellation after free look period his request was received on 18.04.2011. Company could not accept the request as such request was made after free look period.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that policy deserves to be cancelled. Complainant is an aged person with impaired vision and might have taken some time to read the policy document. Moreover he**

was out of station for few days, he might have taken some time to read the policy documents. Policy documents was received by him on 28.03.2011 and requested to company to cancel it on 14.04.2011 and in my view request of the complainant to cancel the policy is acceptable under facts and circumstances of the case. Accordingly an Award is passed with the direction to the Ins. Company to cancel the policy and refund the premium paid by him amounting to Rs. 60,000.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/196/Tata/11
In the matter of Sh. Abdul Rehman Wangou

Vs
Tata AIG Life Ins. Company Ltd.

AWARD Dated 04.01.2012:- Misselling of policy

1. This is a complaint filed by Sh. Abdul Rehman Wangou (herein after referred to as the complainant) against the decision of Tata AIG Life Ins. Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policies.
2. Complainant stated that in October 2010 he was sold the policies by one Mr. Safal Kumar by concealing the correct information. He also sold the policies to him by stating that policies are single premium policies and that with multiple benefits. He also misguided him by stating that earlier policies purchased by him were out dated and he could get refund of the policies in case he purchases another policy with single premium. He had taken with him the bonds by making misrepresentation and for correcting the mistakes in the policy bonds but there after he did not return. Sh. Safal Kumar and Pooja Dudeja have connived to deceive him. When he came to know the evil design and their intention to cheat him, he informed the senior officer of the company and requested them to take appropriate action against such persons and also requested to refund the amount

of the policies as the same were sold by the agent on the basis of misrepresentation and fraud but the Ins. Company had not taken any action so far. He has come to this forum for doing the needful. During the course of hearing, he submitted that he had handed over the policies to the agent for making changes. He was issued regular policies whereas he desired single premium paying policy.

3. Representative of the company stated that it is not possible to cancel the policies beyond the free look period because there was no valid ground for such an action.
 4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that policies had been missold to the complainant because he desired to have single premium policies whereas, he was issued regular premium paying policies. Keeping in view of the amount of the premium it appears beyond his means to continue such policies. Therefore these policies deserve to be cancelled. Accordingly an Award is passed with the direction to the Ins. Company to cancel all the policies and refund the premium.
 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.
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DELHI OMBUDSMAN CENTRE

Case No.LI/09/SBI/11

In the matter of Sh. Dharmesh Jain

Vs

SBI Life Ins. Company Ltd.

AWARD Dated 19.01.2012:- Misselling of policy

1. This is a complaint filed by Sh. Dharmesh Jain (herein after referred to as the complainant) against the decision of SBI Life Ins. Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policy.
2. Complainant stated that he has been continuing his request to the company from 18.12.2010 till date to cancel his policy and refund his money. He had already submitted his policy bond at SBI Life Insurance Company Ltd., at Jodhpur but he has not received his money back so far. He further stated that Insurance Company

has not been co-operating with him. During the course of hearing also he stated that policy was missold to him. He paid 60,000 in two installments at the rate of Rs. 30,000. He intended to cancel the policy as a matter of fact. He immediately reacted with Ins. Company for cancellation of the policy after receipt of policy bond.

3. Representative of the company stated that policy holder had approached the company after free look period. Company also filed written reply dated 04.05.2011.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused very carefully the letter dated nil written by the insured to the branch manager SBI Life Ins. Company Ltd., Shastri Nagar branch Jodhpur which was received by the branch office on 18.12.2010 and also written reply of the company. After due consideration of the matter, I hold that policy was missold to the complainant as he was given false promises and benefits which were not actually available in the policy. Complainant has been requesting for cancellation of the policy and refund of his premium from the very beginning. In my view since policy was missold to the complainant the same deserves to be cancelled. Accordingly an Award is passed with the direction to the Ins. Company to cancel the policy and refund the premiums paid so far amounting to Rs. 60,000.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/20/Reliance/11
In the matter of Sh. Upendar Singh Solanki

Vs
Reliance Life Ins. Company Ltd.

AWARD Dated 04.01.2012:- Misselling of policy

1. This is a complaint filed by Sh. Upendar Singh Solanki (herein after referred to as the complainant) against the decision of Reliance Life Ins. Company Ltd. (herein

after referred to as respondent Insurance Company) relating to Misselling of policy.

2. Complainant stated that he had paid a sum of Rs. 30,000 on 06.04.2010 but he had not received the policy containing the terms and conditions which were conveyed to him. He had written to the company on 19.08.2010 but he had not received any response to that letter. He also registered the complaint at the helpline number of the company but that too remained without any response. He had also approached IRDA in this regard. He further stated that whereas he paid the premium on 06.04.2010 how the same was adjusted on 31.03.2010 because he did not make any payment on that date. He further stated that while issuing policy the premium date was mentioned 14.04.2011 whereas the same ought to have been 06.04.2010 whereas he was conveyed at the time of filing the form that he would be entitled to medical benefits but such benefit was not found in the policy. He also objected to the allocation fee at the rate of 45% whereas he promised deduction of only 2%. He also noticed in the policy that he was conveyed that he would be required to pay premium only for 3 years but in the policy premium paying term has been mentioned as 20 years. He further stated that whereas the sum insured was mentioned at Rs. 1,50,000 but the same should have been at least 5 times of the premium payable. Whereas policy was desired to be in the joint name with his wife but the policy was issued only in the name of his wife. During the course of hearing also complainant stated that policy was issued to him under false promises. The policy was missold to him and he requested to cancel the policy. Though he paid the premium but his wife was insured the policy was not issued to him which he desired.
3. Representative of the company assured during the course of hearing that he should help in resolving the complaint.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the letter dated 09.01.2012. After due consideration of the matter, I hold that policy was missold to the complainant as he was given false promises while giving the policy. In my view the policy which was given under false promises to the insured needs to be cancelled. Accordingly an Award is passed with the direction to the Ins. Company to cancel the policy and refund the premium of Rs. 30,000.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/461/HDFC/11

In the matter of Sh. Brij Mohan Mehta

Vs

HDFC Life Ins. Company Ltd.

AWARD Dated 24.01.2012:- Misselling of policy

1. This is a complaint filed by Sh. Brij Mohan Mehta (herein after referred to as the complainant) against the decision of HDFC Life Ins. Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policy.
2. Complainant stated that he has a grievance against HDFC Standard Life Ins. Company Ltd. as he was cheated by the company by mis – appropriating his hard earned money and thereafter not settling the matter amicably even by higher authorities. On 21.01.2009, he had approached Mr. Abhishek Sharma, the Branch Manager HDFC Bank, Sarojini Nagar, New Delhi with a Cheque of Rs. 49000/- to be put in fixed deposit in the HDFC Bank, but he prevailed upon him to purchase a single premium policy for better return. He had assured him that it was a onetime investment policy and it would give him better returns than fix deposit after one year. He had signed the blank form given by Mr. Abhishek Sharma at two / three places & handed over the chequeto him along with his ID proof etc. He was knowing him for the last three years being a regular customer of the bank, but after one year he got a call from insurance company for payment of annual premium. He was shocked to know this as he intended to have one time investment policy. He came to know that company had issued him policy for 10 years and he was required to pay every year. He brought this fact to the notice of Sh. Abhishek Sharma who informed him that it was due to mistake and 10 years was printed instead of one year wrongly. He did his best to get the matter resolved and desired to refund the money along with interest but his complaint was not resolved by the company. Though company offered him to refund the amount along with interest up to 6%. He has come to this forum with a request to direct the Ins. Company to pay him the principal amount of Rs. 49,000 with interest at the rate of 12% per annum. He also requested for payment of Rs. 10,000 as compensation for torture and harassment and penalize the agents of the Insurance

Company. During the course of hearing also he narrated what has been mentioned in the complaint.

3. Representative of the company stated that company is ready to resolve the issue and refund the amount along with interest at the rate of 6% per annum but the complainant did not appear satisfied with such offer.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written complaint filed by the complainant. After due consideration of the matter, I hold that policy was missold to the complainant as complainant desired to have one time investment policy but company had issued him a regular premium paying policy for the term of 10 years. More over policy was issued under wrong promises. Accordingly policy missold to the complainant deserves to be cancelled. Thus an Award is passed with the direction to the Insurance Company to cancel the policy and refund the premium along with the penal interest at the rate of 8% from the date of credit of the premium to the date of actual payment. It is not found appropriate to accept the request of the complainant to provide him compensation of Rs. 10,000 for mental torture and harassment under the facts and circumstances of the case. The request of the complainant to penalize the employees of the company is also not acceptable as the same is out of purview of the Ombudsman.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/762/ Kotak/11
In the matter of Sh. Lal Singh

Vs
Kotak Mahindra Life Ins. Company Ltd.

AWARD Dated 08.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Lal Singh (herein after referred to as the complainant) against the decision of Kotak Mahindra Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.**
- 2. Complainant stated that he was issued policy by representative of the company. After going through the policy bond, he came to know that the terms and conditions of the policy were not agreeable to him. Therefore, in order to get the deposited premium, he had returned the policy bond within 15 days. He submitted the policy bond in original within 15 days of receipt for cancellation but he did not get his premium cheque nor he had received any reply from the company. He has come to this forum with request to help him in getting back his deposited premium. During the course of hearing, it was pleaded by him that he returned the policy bond within the free look period to the company for cancellation.**
- 3. Representative of the company agreed to resolve the problem of the complainant. Company also filed written reply dated 15.06.2012 wherein, it was mentioned that complainant had approached the company for the first time on 04.01.2012 which was after an inordinate delay after free look period. Therefore, company was justified in rejecting the request of the complainant for cancellation of the policy. Company informed him vide its letter dated 13.01.2012, that he had acted diligently and the complaint is devoid of any merit.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy deserves to be cancelled because insured was not satisfied with the terms and conditions of the policy. The complainant had not substantiated his contention that he returned the policy bond in original with request for cancellation of the policy as he was not satisfied with the terms and conditions of the policy. It is surprising that during the course of hearing, dated 27.08.2012, the representative of the company assured him to resolve the complaint but he had not done anything so far. It appears that the policy was not correctly sold to the policy holder and it deserves to be cancelled. In my considered view policy deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs. 38,000.**
- 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.**
- 6. Copies of the Award to both the parties.**

DELHI OMBUDSMAN CENTRE

Case No.LI/101/ Kotak/12
In the matter of Smt. Reena Devi

Vs
Kotak Mahindra Life Ins. Company Ltd.

AWARD dated 08.03.2013:- Misselling of policy

- 1. This is a complaint filed by Smt. Reena Devi (herein after referred to as the complainant) against the decision of Kotak Mahindra Life Ins. Co. Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.**
- 2. This complaint relates to issuance of the policy bearing no. 2083605. It has been mentioned by the complainant that she had not approached the insurance company for issuance of such a policy. She did not meet any officer of the company. she further stated that her husband Sh. Dilip Kumar Singh was having policy in the company and some official of the company persuaded him to make payment of 2 premiums at a time so that he could have some concession. Her husband paid the amount but a policy was issued in her name. She did not desire any policy. During the course of hearing, it was pleaded by the husband of the policy holder that policy was issued in the name of Smt. Reena Devi without her request. He paid the premium of Rs. 40,000 to save a sum of Rs. 10,000. Such premium was paid towards the policy in the name of the husband of the complainant but a fresh policy was issued in the name of Smt. Reena Devi.**
- 3. Representative of the company agreed to resolve the complaint but it remained only an assurance and nothing was done so far.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused a letter dated 03.08.2012 which is placed on record wherein company had agreed to settle the grievance of the complainant. After due consideration of the matter, I hold that, policy was missold to the complainant because policy was issued to her despite the fact that she did not apply for such a policy. Her husband paid the premium for his policy and that was utilized for issuing the policy in the name of the complainant. I am absolutely sure that the policy was missold to her. And the policy deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to**

cancel the policy and refund the premium of Rs. 40,000 along with penal interest from the date of credit of the premium to the date of payment at the rate of 8%.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.
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DELHI OMBUDSMAN CENTRE
Case No.LI/94/ DO-III/12
In the matter of Sh. Shashi Bhagwan

Vs
Life Insurance Corporation of India Ltd.

AWARD Dated 08.03.2013:- Related to Maturity Claim under the policy

1. This is a complaint filed by Sh. Shashi Bhagwan (herein after referred to as the complainant) against the decision of Life Insurance Corporation of India (herein after referred to as respondent Insurance Company) relating to Maturity Claim.
2. Complainant stated that he had taken policies bearing no. 331660433, 331660434, and 331667335 on 20.03.2006 and 15.06.2006 respectively. These policies were taken by him from Janakpuri branch of LIC. These policies were matured but he did not get the matured claims. He was informed by the insurance company that the amounts have gone in the pension scheme. He had perused the matter and he had gone to the branch office a number of times but he did not get the claims. He also sent a representation to the GRO of the company but he did not get any reply. He has come to this forum, with a request to get him released the maturity value of these policies. During the course of hearing, he pleaded that he had taken 3 policies. He desired to get payment in these policies on their maturity. He did not desire to get pension. He needed money immediately.
3. Representative of the company pleaded that benefits of the policies are receivable as per terms and conditions of policy stipulated there in.
4. I have considered submissions of the complainant as well as of the representative of the company. I have also perused letter dated 12.01.2013 placed on record on behalf of the company. After due consideration of the matter, I hold that having due regards to the dire need of the insured, in my considered view insured needs

to be paid the NCO (notional cash option) on the vesting date as if such request was made by him prior to the vesting dates. Accordingly an Award is passed with the direction to the insurance company to make the payment of full NCO in respect of the policies.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
 6. Copies of the Award to both the parties.
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DELHI OMBUDSMAN CENTRE

Case No.LI/123/Kotak/12
In the matter of Sh. Sunny Verma

Vs

Kotak Mahindra Life Insurance Company Ltd.

AWARD Dated 12.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Sunny Verma (herein after referred to as the complainant) against the decision of Kotak Mahindra Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policy.
2. Complainant stated that he had taken Kotak Smart advantage policy bearing no. 1806134. He took this policy by an agent whose senior was Mr. Rohit Sharma. He was sold the policy stating that he would be required to pay for 3 years at the rate of Rs. 40,000 per annum and in return he would get Rs. 1,60,000 plus additional money. He was impressed by the plan and got a policy. Later on he came to know that agent had cheated him as the policy was issued to him which he did not desire. He has come to this forum with request to provide solution. During the course of hearing, it was submitted by him that policy was missold to him. He paid premiums at the rate of Rs. 40,000 per annum. The policy was issued to him on false promises.
3. Representative of the company agreed to settle the grievance of the complainant but so far nothing was reported. Even in the written reply dated 13.07.2012, the company agreed to settle the grievance of the complainant.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused reply dated 13.07.2012 which is

placed on record. After due consideration of the matter, I hold that company was not justified to delay the issue despite the positive assurance given by its representative and also its written reply. The policy was issued on the basis of false promises and thus missold to the policy holder. Accordingly an Award is passed with the direction to the insurance company to cancel he policy and refund the premiums received in this policy on fulfillment of the requirements by the complainant.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/146/DO-III/12
In the matter of Sh. Ashok Tyagi

Vs

Life Insurance Corporation of India Ltd.

AWARD Dated 12.03.2013:- Related to Claim Payment

1. This is a complaint filed by Sh. Ashok Tyagi (herein after referred to as the complainant) against the decision of Life Insurance Corporation of India Ltd. (herein after referred to as respondent Insurance Company) relating to claim.
2. Complainant stated that in absence of any information from the service branch of the company regarding maturity of the policy, he himself took the policy bond to the branch on 08.02.2012 to get his maturity amount personally. He was given the form no. 5180 which he completed in all respects and submitted along with the policy bond. But later on he was informed on phone that he would not be getting money on maturity instead he would get only pension. The policy bond was returned since he insisted for payment of entire money and not pension. He reported to the GRO of the company but he was given a routine answer. He further stated that he was not intimated by the insurance company about the maturity of the policy before 08.02.2012 in order to get the full due amount. LIC has advised annuity pension only on 10.03.2012 i.e. only after the maturity of the policy. He submitted that he needed money urgently to meet his day to day requirements of medical expenses as he is suffering from old age ailments etc. He therefore,

requested this forum to instruct the company to pay the full maturity amount to him. During the course of hearing, it was pleaded by him that he was under the bonafide belief while taking the policy that he would get amount due on the maturity of the policy.

3. Representative of the company pleaded that benefits of the policy would be available only as per terms and conditions stipulated in the policy.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that since insured was under the bonafide belief while taking the policy that he had taken a policy wherein, he would be getting amount due to him on the maturity of the policy. When he approached the insurance company on maturity of the policy, he came to know that he would be paid annuity in the policy. Having due regards to the circumstances of the case as he has narrated in the complaint that he needed money for meeting day to day expenditure etc. In my considered view it appears appropriate to instruct the insurance company to pay maturity amount due to him. It is quite surprising that he had approached the insurance company even a day before maturity of the policy, he would have got the entire amount of the money on maturity date. Accordingly an Award is passed with the direction to the insurance company to make the payment of full NCO (Notional Cash Option) instead of pension / annuity.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE
Case No.LI/109/Aegon/12
In the matter of Sh. Suraj Prakash Sethi

Vs
Aegon Religare Life Insurance Company Ltd.

AWARD Dated 12.03.2013:- Misselling and cancellation of policy

1. This is a complaint filed by Sh. Suraj Prakash Sethi (herein after referred to as the complainant) against the decision of Aegon Religare Life Insurance Company Ltd.

(herein after referred to as respondent Insurance Company) relating to misselling and cancellation of policy.

2. Complainant stated that as advised he had sent his representation to the GRO of the company but he had given him stereotyped reply. He submitted that he had been cheated through fraud and concealment of facts. He perused the matter with IRDA with hop that he would receive necessary relief. Due to no clarification issued by the company, his policies were lapsed. The policies were sold to him unfairly. During the course of hearing, it was pleaded by him that the policies were issued under false promises. He desired one time premium paying policies whereas, he was issued regular policies. He paid only one premium in each policy.
3. Representative of the company pleaded that complainant had not approached the insurance company within the free look period.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. The company had denied all allegations leveled against it by the complainant. After due consideration of the matter, I hold that policies were missold to the insured for the reasons as mentioned in the complaint and the same deserves to be cancelled.

Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund the premiums received in respect of both the policies to the insured subject to deduction only on account of medical expenses and stamp duty incurred by it if any.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.
7. *****

DELHI OMBUDSMAN CENTRE
Case No.LI/125/Aegon/12
In the matter of Sh. Amar Pal Jayant

Vs
Aegon Religare Life Insurance Company Ltd.

AWARD Dated 14.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Amar Pal Jayant (herein after referred to as the complainant) against the decision of Aegon Religare Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policies.**
- 2. Complainant stated that he was cheated by the agent/broker of the company by giving false promises and assurances and also concealing the facts of his health details. He further stated that he informed the agent that he was a cancer patient and under gone treatment/chemotherapy. Moreover, he is 70 years of age and he might not survive to pay the premium for long. He was assured that he would get bonus of Rs. 96,770 within second week of February 2012. He was also made to believe that cheque of bonus is on the way but he was shocked when company rejected his request. He has come to this forum with a request to help him in getting the policies cancelled and refund of premiums. During the course of hearing, it was argued by him that policies were issued on the basis of false promises in October 2011 and on 25.01.2012. He is a retired person and cancer patient and he could not afford to run these policies.**
- 3. Representative of the company pleaded that it was not possible to accept the request of the complainant. He also filed written reply dated 17.12.2010 wherein company had denied all the allegations.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that both the policies were missold to him as the same were issued on the basis of false premises and thus these policies deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel both the policy and refund the premiums received in these policies subject to deduction only on the account of stamp duty and medical expenses incurred if any by the company.**
- 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.**
- 6. Copies of the Award to both the parties.**

DELHI OMBUDSMAN CENTRE

Case No.LI/128/Aegon/12
In the matter of Sh. Y.N. Bhardwaj

Vs
Aegon Religare Life Insurance Company Ltd.

AWARD Dated 14.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Y. N. Bhardwaj (herein after referred to as the complainant) against the decision of Aegon Religare Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policies.**
- 2. Complainant stated that sometime in the first week of September, 2011, he was approached by Mr. Ravindra Kumar Sharma who introduced himself as an officer working with IRDA who stated to him that he knew that he has two life insurance policies issued to him by the LIC of India. He further stated that LIC had made huge profits out of the sum invested by it in commonwealth games held in New Delhi but had not paid bonus to policy holders. He further informed him that a sum of Rs. 3,73,632 was declared as bonus payable to him but in order to get such bonus, he would be required to purchase policies. He was assured that he would be paid amount through cheque. Some Abdul Rehman came to his house and he made him signed some papers and collected a cheque for Rs. 20,000. Mr. Sharma again approached him in October 2011 and persuaded him to take another policy for Rs. 30,000. Again Mr. Rehman was sent to his residence to complete the formalities. He was informed by him again that bonus is on the way. During the course of hearing, it was pleaded by him that the policies were issued to him on the false premises.**
- 3. Representative of the company pleaded that complainant did not approach the company during the free look period. Company also filed written reply dated 17.11.2012, where, allegations of the complainant were denied and requested that complaint being devoid of merit deserves to be dismissed.**
- 4. I have very carefully considered the detailed submissions of the complainant as narrated in the complaint and as verbally made during the course of hearing. I have also considered the submissions of the representative of the company and also perused written reply of the company which is placed on record. After due consideration of the matter, I hold that the policies were missold to the**

complainant as these were issued on the basis of false premises. He was given false allurements of payment of bonus for issuing these policies. Thus all the policies were mis-sold to the insured as a same were based and issued on false premises and false assurances of payment of bonus, therefore all the three policies deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel all the three policies and refund the premiums received in these policies subject to deduction only on account expenses incurred on the part of the company if any on medical and stamp duty.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/99/Bajaj/12
In the matter of Sh. Rohit Rallan

Vs

Bajaj Allianz Life Insurance Company Ltd.

AWARD dated 14.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Rohit Rallan (herein after referred to as the complainant) against the decision of Bajaj Allianz Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policies.
2. Complainant stated that he was approached by representative of the company, Gurgaon branch in the beginning of January 2007 through an acquaintance who was working with nationalized bank where he was maintaining a current account. Smt. Surjeet Kaur was an agent with Bajaj Allianz Life Insurance Company Ltd. He further submitted that he had switched to a new plan from creating life child protection plan of ING Vysya when the banker approached him in January 2007. He further submitted that since the new policy bearing nos. 556869, 556883 & 556873 with ING Vysya were still in free look period when the adviser approached him, he informed him that he would not be interested in the new policies. However, he was

persuaded to cancel the policies under free look period and put the proceeds in Bajaj Allianz as the plan being offered was much better and safe with minimum risk. He further submitted that Ms. Surjeet Kaur was known to him as he knew her husband who was working in the bank where he was operating his current account. He further stated that he could not continue with these policies as his business was very slow and suffered some losses and did not have the resources to pay the premium. He has come to this forum with request to get his amount refunded. During the course of hearing, it was pleaded by him that he had taken 4 policies in 2007 and paid a sum of Rs. 1,30,000 as premium in all such policies. He paid only one premium. These policies were issued to him after cancelling one policy in another company where he invested a sum of Rs. 1,80,000 but could get only a sum of Rs. 1, 40,000.

3. Representative of the company was required to submit reply which he did not furnish.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that the policies were issued under the false premises. In my considered view all the policies were missold to him as these were issued to him on the basis of false promises and the same deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel all the policies and refund the premiums to the complainant subject to deduction only on the account of medical expenses incurred on stamp duty by the company if any.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/72/Bajaj/12
In the matter of Smt. Sangeeta Jain

Vs
Bajaj Allianz Life Insurance Company Ltd.

AWARD Dated 14.03.2013:- Repudiation of Death Claim

- 1. This is a complaint filed by Smt. Sangeeta Jain (herein after referred to as the complainant) against the decision of Bajaj Allianz Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to repudiation of death claim.**
- 2. Complainant stated that her husband Late Sh. Sanjay Kumar Jain was insured under policy no. 0155022536 expired on 15.12.2011 due to multiple organ failure at Kailash Hospital, Noida. M/s Bajaj Allianz Life Insurance Company rejected death claim on account of non disclosure of pre-existing-disease i.e. Bipolar Disorder. She submitted that Late Sh. S.K. Jain was working as a gazetted officer in Govt. of India for last 23 years. The death certificate issued by the hospital stated three prime causes of death namely, Septocemic shock, Periventricular infarct, and Ketoacidosis. She further stated that agent had filled the proposal form in his handwriting and probably the column of pre-existing disease was overlooked by him, might not be pointed out to him and subsequently not filled by her husband. She further stated that Bipolar disorder is not a life threatening illness and did not contribute to his husband's death. She has come to this forum with a request to get her paid the death claim relating to her husband. During the course of hearing, it was pleaded by her that claim was payable but company denied it. She further argued that her husband gave the correct information while filling the proposal form.**
- 3. Representative of the company pleaded that claim was not payable due to suppression of material information. Representative of the company was subsequently requested to submit the details as to what information the DLA suppressed while submitting proposal for taking the policy. But the representative of the company did not provide any evidence of suppression of material information by the DLA. Company also made available a self contained note wherein, it was mentioned that claim was submitted in respect of the policy bearing no. 155022536 on the life of Late Sh. S.K. Jain. The policy remained in force for about 655 days. The said claim was repudiated by the internal grievance machinery called Claims Review Committee as the DLA had history of treatment in Bipolar disorder since 15 years as found recorded on 14.12.2011. These were the material facts which were not disclosed in the proposal form which were in the knowledge of the life assured.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also considered and perused note sheet submitted by the company. After due consideration of the matter, I hold that company was not justified in repudiating the claim because despite specific opportunity to the representative of the company, no evidence was produced or**

placed on record to the effect that what was the information which was suppressed by the DLA while submitting the proposal for taking policy. In my considered view answers given by the DLA of question no 14 (e), (f) and (m) were not found to be false and detrimental to the claim of death. He appears to have given correct answers in the proposal form. No evidence was placed on record that DLA had given wrong answers to such questions. Therefore, in my view, death claim was payable. Accordingly an Award is passed with the direction to the insurance company to make the payment of Rs. 1,25,000.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/75/Reliance/12
In the matter of Ms. Nivedita

Vs

Reliance Life Insurance Company Ltd.

AWARD Dated 14.03.2013 :- Misselling of policy

1. This is a complaint filed by Ms. Nivedita (herein after referred to as the complainant) against the decision of Reliance Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that she was offered an unit linked insurance plan by one of the executive of the company Sh. Rahul in month of July 2010. She was informed that she would get an assured return of minimum 7.75% per annum and since the year 2010 was the anniversary year, in addition to the assured return. She would be getting after 3 years a sum equalent to the amount of first premium as bonus which is generally given on payment of premiums for 10 years. She was assured that all such conditions would be incorporated in the policy bond in writing. She paid Rs. 50,000 vide cheque no. 643015 in the policy bond. On receipt of policy bond, she was surprised as she found that conditions as narrated to him about the bonus etc. were not found mentioned anywhere in the policy bond. She has taken a three years plan whereas the policy bond shows as 15 years plan. She contacted the executive immediately but she was befooled by him. She contacted Mr. Rahul

several times but he did not answer her call. She stated that her father is 81 old was diagnosed a case of lung cancer and she was busy with his treatment. Her father thereafter expired. She has requested the company for cancellation of policy but company neither cancelled the policy nor refunded her premium. During the course of hearing, it was stated by her that she had paid only one premium. She further argued that policy was issued on false promises and she did not want to continue with the policy. She had returned the original bond of the policy within 15 days.

3. Representative of the company pleaded that complainant had not approached the insurance company for cancellation of the policy beyond the free look period of 15 days. Policy was issued to her in July 2010 whereas complaint was filed by her somewhere in April 2011. Company also filed written reply dated 20.09.2012 wherein company has stated that she approached the insurance company for cancellation much beyond the free look period. The allegations leveled by her were denied by the company.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was issued on the basis of false promises. She had perused the agent who got her issued the policy when she came to know that whatever she was assured to her at the time of selling the policy, were not found mentioned on the policy bond. She intended to cancel the policy because whatever, information given to her due to which she decided to take the policy, was not described in the policy bond. In my considered view policy was missold to her and that deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund his sum of Rs. 50,000 subject to deduction only on account of medical expenses and stamp duty incurred if any by the company.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

DELHI OMBUDSMAN CENTRE

Case No.LI/105/Met/12
In the matter of Sh. Sachin Mittal

Vs
Met Life Insurance Company Ltd.

AWARD Dated 22.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Sachin Mittal (herein after referred to as the complainant) against the decision of Met Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.**
- 2. Complainant stated that he had taken a policy on 12.05.2011 through relationship manager. The policy was supposed to be onetime payment policy. He was promised that amount would be doubled after 5 years. He had submitted papers and also cheque. He was required to submit ITR which was declined. He had gone to the Preetampura branch office to receive the policy where he was informed that he had already collected the policy bond on 13.10.2011. He approached the company again and also lodged complaint against the company for wrong issue of policy bond. However, policy bond was handed over to him itself in the office. During the course of hearing, it was pleaded by him that he made a request for free look cancellation and filed the request on 05.03.2012. He received the policy bond on 22.02.2012. He desired onetime payment policy but he was issued a regular premium paying policy.**
- 3. Representative of the company pleaded that policy bond was delivered on 13.10.2011. Company also filed duly signed proposal form. It was further mentioned in the reply that complainant did not raise any objection during the free look period.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy deserves to be cancelled as it was missold because he intended to taken onetime investment policy whereas, he was issued a regular premium paying policy. A policy document was actually handed over to him in the office not on 13.10.2011 but on 22.02.2012. He made request for cancellation within the free look period. In my considered view company ought to have accept the request of the policy holder to cancel the policy. Policy thus missold deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium received in this policy subject to**

deduction only on account of any expenditure incurred if any by the company on stamp duty or on medical examination of the insured.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/144/SBI/12
In the matter of Sh. Saurav Sood

Vs
SBI Life Insurance Company Ltd.

AWARD Dated 21.03.2013:- Cancellation of policy

1. This is a complaint filed by Sh. Saurav Sood (herein after referred to as the complainant) against the decision of SBI Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to cancellation of policy.
2. Complainant stated that he was issued a policy bearing no. 345018611109 on 15.02.2012. He further submitted that man who sold him the policy informed him that after maturity of policy he would be entitled to 10% interest on total investment. Sum insured would continue for whole life. That is to say he was informed that he would get a sum of Rs. 2 lacs.01468 if he pays premium for 5 years. On 22.02.2012, he got the policy. He came to know that sum assured was not mentioned in the bond paper as narrated to him. It shows only Rs. 1,15,000 and sum reversionary bonus after maturity. He contacted Mr. Rahul Nanda and Sh. Sumit Negi who gave him policy and working in Darayaganj office. They again befooled him and asked him to wait till March. He sent letter to the Customer Relationship Department in Mumbai on 18.04.2012. He was responded that company can do nothing. During the course of hearing, it was stated by him that policy was missold to him as the same was issued on the false promises. He did not approach the company within a free look period. He paid only Rs. 7,500.
3. Representative of the company pleaded that complainant had not approached the insurance company within the free look period. Company also filed written reply

dated 25.06.2012 wherein, also it was mentioned that complainant had not approached the insurance company within the time allowed to him.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to the complainant as the same was issued on the basis of false premises. The policy thus missold deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 7500 subject to deduction only on account of stamp duty and medical expenses incurred if any by the company.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/139/HDFC/12
In the matter of Sh. Javed Kamal

Vs

HDFC Standard Life Insurance Company Ltd.

AWARD Dated 21.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Javed Kamal (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policy.
2. Complainant stated that he was missold the policy bearing no. 12477571 by the insurance company on 26.12.2008. He submitted further that in Dubai an agent called him and mentioned wrongly policy benefits and convinced him to buy the policy. He paid a sum of Rs. 2 lacs as premium and received the policy document and found that it was completely difference from the one assured to him. On receipt of the document, he came to know that benefits in a policy which were narrated to him were not found mentioned in the policy document. He informed the agent for explaining. The agent took the policy bond document and assured

cancellation but after 6 months the agent returned him the policy and informed him that amount would be refunded to him after 3 years. He came back to India and contacted the HDFC Standard Life Insurance Company office and he was given the same answer. After completion of 3 years he again visited the insurance company office and he was informed that nothing would be payable to him. He had also approached the GRO of the company but he was not responded. He has come to this forum with request to provide him solution. During the course of hearing also he pleaded that policy was missold to him.

3. Representative of the company relied on the reply given by the company wherein, it was submitted that policy was taken by the insured after due deliberation and complete understanding the features of the policy. Company had denied the allegations of the complainant.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to him as a different policy was issued to him. He was assured certain benefits in the policy but on receipt of the policy document insured came to know that such benefits were not available in the policy. Whereas, he was supposed to pay one time premium, but he was issued a regular premium paying policy. In my considered view policy was missold to him. He took up the matter with the agent who got him issued the policy who had taken the policy bond from him but was returned subsequently. The policy thus missold to the insured deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 2 lacs subject to deduction only on account of any expenditure incurred by the company on stamp duty and on medical on the insured.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/150/SBI/12
In the matter of Sh. Iqbal Ahmad

Vs
SBI Life Insurance Company Ltd.

AWARD Dated 21.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Iqbal Ahmad (herein after referred to as the complainant) against the decision of SBI Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policy.**
- 2. Complainant stated that he received a call on his landline phone on 2nd or 3rd May 2011. Agent offered him a plan to invest Rs. 50,000 per year. He promised him that he would get a sum of Rs. 3,40,000 after 5 years plus whole time insurance cover. He agreed to opt for a plan for Rs. 40,000 per annum. He was told by the agent that he would get more than Rs. 2,50,000 plus whole time insurance cover. The man who visited his residence to collect the cheque also assured him the some benefits. He received the policy bond and came to know that he would get only a sum of Rs. 1,23,000 as maturity amount after 5 years instead of a sum of Rs. 2,50,000 as assured to him at the time of opting the policy. Thus it was clear that he was misguided and cheated by the caller. He tried to contact him after receipt of the policy bond to convey that whatever, information given by him regarding benefits in the policy the same are not found mentioned in the policy bond. He also sent the complaint to the insurance company. He submitted that he made complaint within 15 days of the receipt of the policy. During the course of hearing, it was pleaded by him that he paid a sum of Rs. 20,000. He approached the insurance company within the free look period. He received the policy bond in May 2011.**
- 3. Representative of the company relied upon the written reply submitted on behalf of the company wherein, company denied the request of the complainant for cancellation of the policy and refund of premium.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused written reply of the company which placed on record. After due consideration of the matter, I hold that policy was missold to him because whatever, benefits were narrated to him by the agent for selling the policy were not found recorded on the policy bond. He took up the matter, with the agent and also with the insurance company but his request was not accepted. In my considered view policy was missold to him as the same was**

issued on false promises and thus it deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 20,000 subject to deduction only on account of expenditure incurred if any on stamp duty and on medical examination of the insured.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/118/Bajaj/12
In the matter of Sh. Lalit Sharma

Vs

Bajaj Allianz Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Lalit Sharma (herein after referred to as the complainant) against the decision of Bajaj Allianz Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policy.
2. Complainant stated that he invested a sum of Rs. 25000 with Bajaj Allianz Life Insurance Company Ltd. in the year 2009. Policy bond was not delivered to him in time. He had written a number of letters to the insurance company about non delivery of the policy bond but no action was taken by the company. However, he was informed by the insurance company that policy documents were delivered to the complainant through speed post. He desired to the company to provide him a evidence for such a service. He was desired by the company to submit an indemnity bond for providing the duplicate policy document but he did not respond to company's requirement. He requested to the company for cancellation of the policy and refunding of the premium paid but no action was taken by the company. On 06.03.2012, he submitted a request along with policy bond for cancellation of the policy. Company informed him that his request was not made within the free look period. He has come to this forum with request to direct the insurance company to refund his investment of Rs. 25000 along with interest w.e.f.

2009. During the course of hearing, it was pleaded by him that he received the policy bond on 22.02.2012 and requested for cancellation on 06.03.2012 but the company did not accept his request for cancelation of the policy.

3. Representative of the company was requested to submit the written reply but no reply was submitted till date.
4. I have considered the submissions of the complainant as narrated in the complaint and as verbally made during the course of hearing. No reply was submitted on behalf of the company. After due consideration of the matter, I hold that company was not justified in not accepting the request of the policy holder to cancel the policy within the free look period. I have no reason not to believe the version of the complainant that he received the policy bond only on 22.02.2012 and requested for cancellation of the policy on 06.03.2012. The request of the complainant for cancellation of the policy appears to be have been made well within the free look period. Therefore, company ought to have accepted the request of the complainant. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 25,000 along with penal interest w.e.f. 01.04.2012 to the date of actual refund.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/544/HDFC/12
In the matter of Sh. Pablo Sangma

Vs

HDFC Standard Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Pablo Sangma (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to Misselling of policy.

2. **Complainant stated that he was issued a policy bearing no. 14748294 by the HDFC Standard Life Insurance Company Ltd. He submitted further that he was not satisfied with the policy given to him. While issuing the policy to him, he was assured 17-20% growth annually which is not happening at all. Moreover, while selling the policy to him, he was not briefed completely about the overall charges like policy administration charges, FMC charges, and mortality charges etc. which are very high. Had he explained properly about such charges, he would have not opted for such policy. He was dis-satisfied with the policy and would like to cancel and discontinue the same. As a matter of fact, he had not paid the renewal premium. He has come to this forum with a request to look into the matter and do the needful. During the course of hearing, he pleaded that policy was missold to him as the same was issued under the false promises.**
3. **Representative of the company relied upon the written reply submitted on behalf of the company dated 18.02.2013 wherein, company had denied all allegations of the complainant. Complainant had raised the issue of misselling for the first time vide e-mail dated 21.09.2010 and 17.10.2012 after 11 months of delivery of the policy documents.**
4. **I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the insurance company which is placed on record. After due consideration of the matter, I hold that policy was missold to the policy holder as the same was issued on the basis of false assurances. He was narrated the benefits in the policy which were not actually there in the policy document. It also appears to be correct that policy holder was not completely briefed about the various charges which the policy holder had to bear. In my considered view policy was missold and the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 1,20,000 subject to deduction only on account of expenditure incurred if any by the company on stamp duty and medical examination of the insured.**
5. **The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.**
6. **Copies of the Award to both the parties.**

DELHI OMBUDSMAN CENTRE

Case No.LI/140/HDFC/12
In the matter of Sh. Dhiraj Kumar

Vs

HDFC Standard Life Insurance Company Ltd.

AWARD Dated 26.03.2013:-Related to freelook/Cancellation of policy

- 1. This is a complaint filed by Sh. Dhiraj Kumar (herein after referred to as the complainant) against the decision of HDFC Standard Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to free look cancellation of the policy.**
- 2. Complainant stated that he has taken policy bearing no. 14651818 from HDFC Standard Life Insurance Company Ltd. name of the product being, HDFC Children's double benefit plan in the month of September. He shifted his residence from Begum pur to Keshav Puram and he did not have any address proof of his current address and he had given this information to Advisor Mohd. Gulfam. Advisor had informed him that he would bring his bond at the nearest branch, Rohini but advisor did not do this because of his fault the policy document returned undelivered and he faced the problems to get his bond document. He made complaint at customer care several times and company sent the papers at Vikas puri branch and he had received his policy document on 26.11.2011 by advisor Mohd. Gulfam but he was shocked to read the policy bond because advisor cheated him. He was informed by the advisor that he would be required to pay only 3 years premium and money will grow 25% per year and policy will mature after 10 years. He did not find such things mentioned in the policy bond and thus he was misguided by the advisor. He tried to contact the advisor but he avoided it. He submitted the bond in the Rohini branch for cancellation to accept his request for cancellation. He further submitted that he received the policy bond only on 26.11.2011 by advisor and he was not explained the policy features in details. He has come to this forum with request to ensure the cancellation of the policy. During the course of hearing also, it was pleaded by him that policy bond was received by him on 26.11.2011 and he made a request to cancel the policy within the free look period on 07.12.2011.**

3. Representative of the company pleaded that complainant had not approached the company within the free look period. Company also filed written reply dated 20.02.2013. The complainant had approached the insurance company with a complaint on 22.12.2011 to reconsider his request for cancellation of the policy. Company informed the policy holder that request for cancellation of the policy was not made within the free look period therefore, policy could not be cancelled.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that company was not justified in not accepting the request of the complainant to cancel the policy within the free look period because complainant had approached the insurance company well within the free look period. There is no reason with me to not to believe the version of the complainant, in absence of contrary evidence brought on record by the company that complainant had received the policy bond only on 26.11.2011 and he made a request to cancel the policy on 07.12.2011 and therefore, in my view the request to cancel the policy was made by the complainant within the free look period and company ought to have accepted his request. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund the premium of Rs. 40,000 subject to deduction only on account of stamp duty and medical expenses incurred by the company if any.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/206/SBI/12
In the matter of Sh. Praveen Kumar Jain

Vs
SBI Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Praveen Kumar Jain (herein after referred to as the complainant) against the decision of SBI Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.**
- 2. Complainant stated that he had taken this policy about a year back with annual premium of Rs. 30,000. He had the impression that premium would be paid either once or 3 years but later on he came to know that it was a long time premium paying policy and he could not afford to continue with the policy. He had approached the GRO of the company but he did not get any reply. He further stated that he was not interested in the policy as he was misguided about the payment of the premium and he is actually not in a position to pay premium annually for the term of the policy. He has come to this forum with request to instruct the insurance company to refund him the premium paid by him. During the course of hearing, it was pleaded by him that he desired to have onetime payment policy but he was issued a regular premium paying policy. He paid Rs. 60,000 in two installments.**
- 3. Representative of the company pleaded that complainant had not approached the insurance company within the free look period. Company also filed written reply dated 04.07.2012 wherein, it was mentioned that complainant had not approached within the free look period for cancellation of the policy. Company had denied all the allegations made in the complaint against the company.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold as complainant desired to have a single premium policy whereas, he was issued a regular premium paying policy. It appears to be beyond the means of the complainant to continue the policy for term of the policy, as was pleaded by him during the course of hearing and as was submitted in the complaint and I have no reason to dis-agree with him. In my considered view policy was missold to him and the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 60,000 subject to deduction only on account of any expenditure incurred by the company on stamp duty and medical examination of the insured.**
- 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.**
- 6. Copies of the Award to both the parties.**

DELHI OMBUDSMAN CENTRE

Case No.LI/196/Aegon/12
In the matter of Sh. Jwahar Lal

Vs

Aegon Religare Life Insurance Company Ltd.

AWARD Dated 12.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Jwahar Lal (herein after referred to as the complainant) against the decision of Aegon Religare Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policies.
2. Complainant stated that he wrongly invested in the policies on the advice of certain persons which misguided him. He further submitted that on 14.02.2011, he received a phone call from sh. D. K. Malhotra. Mr. D. K. Malhotra persuaded him to make investment in the insurance company. he was given allurement of bonus, he was assured that he would be given bonus and such amount would paid to him through checque but for getting the bonus, he would be required to take a policy. Complainant submitted that he is a retired government servant and due to allurement, he had taken the policies. He made the complaint about the misselling of the policies to the insurance company and requested for cancellation of the policies and for refunding of the amount. He has come to this forum with a request to ensure refund of the premium. During the course of hearing also it was submitted that policies were sold to him under false promises and false assurances of bonus. Only one premium was paid in each policy. No further payment was made.
3. Representative of the company pleaded that complaint was filed after 6 months of issuing the policies. Complainant had not approached the insurance company within the free look period for cancellation of the policies. Company also filed written reply dated 22.10.2012, wherein, it was mentioned that allegation made in the complaint are not substantiated. The company had declined to accept the request of the policy holder to cancel the policies with valid reasons.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policies were missale to the complainant as the same were issued on the basis of false assurances of payment of bonus. Policies issued on the ground of allurements are nothing but missell thus these deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund the premiums received in both the policies subject to deduction only on account of any expenditure incurred by the company on stamp duty and medical examination of the insured.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/85/Kotak/12
In the matter of Sh. Virender Nehra

Vs

Kotak Mahendra Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Virender Nehra (herein after referred to as the complainant) against the decision of Kotak Mahindra Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that the policy bearing no. 01271644 was sold to him by Sh. Kuber Tyagi. He was informed by him that he would be required to pay premium only for 3 years. He gave the cheque for Rs. 30,000 and other documents required. His account was debited on 06.09.2008. He got the policy document. He came to know that policy started w.e.f. 28.11.2008. He was further informed by the agent that after three years, he would be entitled to sum of Rs. 2 lacs. He paid three installments of Rs. 50,000 and his investment stood reduced to Rs. 67,000. He further submitted that though he deposited a sum of Rs. 50,000 each for three

installments but he was informed that he would be paid only a sum of Rs. 94064. During the course of hearing, it was pleaded by him that he intended to take a policy of three years term but he was issued a policy of long term. He paid three installments as was desired in the beginning of the policy and when he approached for the payment after three years, he was informed that he would be paid much less than what he had invested in the policy. He pleaded that policy was missold to him. He was given the impression that he would be required to pay only 3 years.

3. Representative of the company pleaded that it would not be possible to cancel the policy now. Company also filed written reply dated 16.08.2012 , wherein, it was mentioned that policy was issued with a term of 15 years and annual premium would be payable for the term of the policy. Complainant had not lodged any complaint within the free look period. Complaint was filed only on 17.11.2011 which was much beyond the free look period.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to the policy holder as the same was sold stating that he would required to pay premium only for 3 years whereas, policy issued was one wherein, he would be required to pay premium every year for the term of the policy. The policy holder had taken the policy under the bonafide belief that he would be required to pay only for three years and not thereafter. And when he had gone for taking the money after three years he was informed that he would be paid much less than what he had invested in the policy for three years. In my considered view, policy was missold to him and that deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premiums receipt in this policy subject to deduction only on account of any expenditure incurred by the company on stamp duty and medical examination of the insured.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/213/SBI/12
In the matter of Sh. Tej Singh

Vs
SBI Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Cancellation of policy

- 1. This is a complaint filed by Sh. Tej Sdinh (herein after referred to as the complainant) against the decision of SBI Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to cancellation of policy.**
- 2. Complainant stated that his signatures were forged while issuing the policy. He further submitted that his personal details were wrongly mentioned in policy documents such as Date of Birth (D.O.B.) though his actual D.O.B. is 17.03.1954 but in the policy documents the same was mentioned as 17.03.1962. Similarly, nominee date of birth was also wrongly mentioned. He submitted requisite documents for correct date of birth but the same were ignored. He was not satisfied with the terms and conditions of the policy and therefore, requested to cancel the policy and refund his premium. During the course of hearing it was pleaded by him that policy was issued on the basis of wrong information as a matter of fact policy was not issued on the basis of proposal form signed by him. He came to know about it on receipt of the policy bond because he had retained the copy of the proposal form signed by him but the policy documents was not issued on the basis of original proposal form signed by him but infact, the same was issued on the basis of another proposal from which was not signed by him and on which his signatures were forged. The name of his employer was also wrongly mentioned whereas, he is an employee of DCM but he was shown as employed with Hotal Hyat. He paid only one premium of Rs. 50,000.**
- 3. Representative of the company pleaded that complainant had not approached the insurance company within the free look period. Company also filed written reply dated 11.07.2012 wherein, company had denied all the allegations made against it by the complainant in the complaint.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy issued to the complainant deserves to be cancelled as the same was not**

issued on the basis of the proposal from signed by him. The policy was found issued on the basis of proposal form which was not signed by the policy holder. Though, he had given full particulars such as his D.O.B. but the same are found wrongly mentioned in the policy documents. Thus in my considered view policy issued deserves to be cancelled as the same was based on wrong facts and was issued on the basis of proposal form which was not signed by him. The policy thus missold deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 50,000 subject to deduction only on account of any expenditure incurred by the company on stamp duty and medical examination of the insured.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/166/SBI/12
In the matter of Sh. Pranay Mathur

Vs
SBI Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Pranay Mathur (herein after referred to as the complainant) against the decision of SBI Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. This complaint relates to policies bearing no. 57006299804 and 57006418109 in the name of Sh. Pranay Mathur and Prachi Mathur respectively. It was further mentioned that these policies were sold by the agent of SBI Life Insurance Company Ltd. in a completely unethical manner by producing a Fabricated/fictitious document under the banner of SBI Life Insurance Company Ltd. According to which one could invest for a period of three years and get back the money without any exit load and bonus. These policies were received with the issue dates on 31.01.2012 & 02.02.2012 respectively. On receipt of these policies, it was found that there were major discrepancies in the documents. That is to say

promised features were not found mentioned in the policy documents. He contacted the agent and required him to explain the difference but he deliberately avoided meeting with them. Meanwhile, 15 days time elapsed. Complaint was submitted to the insurance company on 20.03.2012 that agent had played the fraud and requested the insurance company to refund the money and close such policies but insurance company refused to admit such request on the ground that no request was made within the free look period. Complainant has come to this forum with a request to direct the insurance company to refund the first the first installment paid in these policies along with interest. During the course of hearing, it was pleaded that policies were missold by the company because whatever benefits were narrated before issuing the policies by the agent, the same were not found mentioned in the policy document. Only one premium of Rs. 50,000 was paid in each policy. The policies were issued on the basis of false promises.

3. Representative of the company relied upon the written reply submitted on behalf of the company. Wherein, it was mentioned that if the policy holder were not satisfied with the term and condition of the policy, the could have approached the insurance company for cancellation of the policies within free look period but the same was not done. Company also denied all allegations made in the complaint against it.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policies were missold as benefits were narrated to policy holders at the time of selling the policies which are not actually available in the policy. Both the policies were issued on the basis of false promises. Therefore, these policies were missold and deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund a sum of Rs. 50,000 in each policy subject to deduction only on account of any expenditure incurred by the company on stamp duty and medical examination of the insured.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/177/Birla/12
In the matter of Sh. Sandeep Singh

Vs
Birla Sun Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Sandeep Singh (herein after referred to as the complainant) against the decision of Birla Sun Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.**
- 2. Complainant stated that policy bearing no. 004997606 was sold by the Insurance Company through its representative keeping him in dark. After coming to know the details regarding policy benefits, he contacted the company for policy closure and refund of the premium paid by him but till now no solution was provided by the company. He has come to this forum with a request to initiate the process of resolution of the complaint. During the course of hearing, it was pleaded by him that policy was missold to him as the same was issued under false promises. He applied for cancellation of the policy but company did not respond.**
- 3. Representative of the company pleaded that policy holder did not approach the company within the free look period. Policy document was delivered to him on 26.07.2011 but he had applied for cancellation of the policy on 08.10.2011.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that policy was missold to the policy holder as the same was issued on the basis of false promises. The benefits which were narrated to him at the time of selling the policy, were not found mentioned in the policy document. The policy thus missold deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premium/premiums received in this policy subject to deduction only on account of any expenditure incurred by the company on stamp duty and medical examination of the insured.**
- 5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.**
- 6. Copies of the Award to both the parties.**

DELHI OMBUDSMAN CENTRE

Case No.LI/178/Birla/12
In the matter of Sh. Manjeet Singh

Vs
Birla Sun Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Manjeet Singh (herein after referred to as the complainant) against the decision of Birla Sun Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policies.**
- 2. Complainant stated that policies bearing nos. 004997604, 0050039379 were sold by the Insurance Company through its representative keeping him in dark. After coming to know the details regarding policy benefits, he contacted the company for policy enclosures and refund of the premiums paid by him in both the policies but till now solution was provided by the company. He has come to this forum with request to initiate the process of resolution of the complaint. During the course of hearing, it was pleaded by him that policies were missold to him as the same were issued under false promises. He applied for cancellation of the policies but company did not respond.**
- 3. Representative of the company pleaded that policy holder did not approach the company within the free look period. Policy documents were delivered to him on 26.07.2011 but had applied for cancellation of the policies on 08.10.2011.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that policies were missold to the policy holders as the same were issued on the basis of false promises. The benefits which were narrated at the time of selling the policies, the same were not found mentioned in the policy documents. The policies thus missold deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies and refund the premium/premiums received in these policies subject to deduction only on account of any expenditure incurred by the company on stamp duty and medical examination of the insured.**

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.

6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/214/Birla/12

In the matter of Sh. Ash Mohammad

Vs

Birla Sun Life Insurance Company Ltd.

AWARD Dated 26.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Ash Mohammad (herein after referred to as the complainant) against the decision of Birla Sun Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policies.
2. Complainant stated that 4 policies bearing nos. 004658407, 004918211, 004671596, 004815851 were issued after telling lies. He was assured payment of bonus. But he was not given any bonus as promised. Since, all these policies were issued on the basis of false promises and allurements of bonus, he requested that all these policies be kindly cancelled and company be directed to refund the premium paid by him in respect of all the four policies. Complainant did not attend on the date of hearing.
3. Representative of the company pleaded that policy holder had not approached for cancellation of the policies within the free look period. Company also filed written reply dated 14.03.2013 wherein, it was mentioned that complaint filed by the complainant is not maintainable as company had issued all these policies correctly. As a matter of fact complainant has not followed the terms and conditions of the policies. Complainant had applied for four policies and the same were issued as per his desire. Complainant had approached the insurance company only in the month of March 2012 for the first time stating that he was sold the policies on the basis of allurements of payment of bonus and made request for cancellation of the such policies but such request was found to have been made after free look period. Therefore, company did not accept his request.

4. I have very carefully considered the submissions of the complainant as contained in the complaint. I have also considered the verbal submissions of the representative of the company and also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that all the 4 policies deserve to be cancelled as the same were issued on the basis of false promises such as payment of bonus. Accordingly an Award is passed with the direction to the insurance company to cancel all the four policies and refund the premiums received in these policies subject to deduction only on account of stamp duty and medical expenses if any incurred by the company.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/198/Aviva/12
In the matter of Sh. Chetan Vasudeva

Vs
Aviva Life Insurance Company Ltd.

AWARD Dated 25.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Chetan Vasudeva (herein after referred to as the complainant) against the decision of Aviva Life Insurance Company Ltd. (herein after referred to as respondent Insurance Company) relating to misselling of policy.
2. Complainant stated that policy was issued in the name of Sh. Chetan Vasudevan in the year 2007 by Mr. Deepak Wadhwa who was then the branch manager of Centurion Bank of Punjab which was later merged into HDFC Bank. This Centurion Bank of Punjab had a tie up with Aviva India and to sell their insurance products. This policy was introduced to him as a market linked policy and he was supposed to pay the premium for 3 years and after completion he was suppose to withdraw the fund value of the policy. He was informed that the minimum yield that this policy will give was about 25%. Based on this information trusting the person

selling the policy he took the policy and signed initial documents and also gave him a cheque for Rs. 30,000 as first premium. He further submitted that he just signed the documents trusting Mr. Deepak Wadhwa branch manager of the bank and other details were filled in by Sh. Deepak Wadhwa. After few days, he received the policy documents and upon opening the same, he came to know that duration of the policy was 30 years instead of 3 years that he was told earlier. He came to know that policy which he received was not the one which he desired. He immediately called up Sh. Deepak Wadhwa assured him that he would get the policy cancelled within free look period. He never wanted to commit himself for long period of 30 years. Therefore, he immediately returned the policy documents for getting it cancelled. Sh. Deepak Wadhwa did not do as promised and meanwhile time came for payment of renewal of premium. He was virtually forced to make the payment. He was threatened that in case of non- payment, of atleast subsequent payment his first premium would stand forfeited. During the course of the hearing it was submitted by him that policy was missold to him.

3. Representative of the company pleaded that complainant did not approach within free look period. Company also filed written reply dated 22.03.2013 wherein, it was mentioned that policy was issued as per proposal form submitted by the policy holder. Due to non- payment of regular premium, the policy went into inforce notice period mode on 13.07.2010 and that stands changed to auto foreclosure on 07.01.2012. It was further mentioned in the written reply that allegations made by the complainant are an afterthought and to make wrongfulness gains.
4. I have considered the submissions of the complainant as made in details in the complaint and as verbally made during the course of hearing. I have also considered the verbal arguments of the representative of the company and also perused the written reply of the company which is placed on record. After due consideration of the matter, I hold that policy was missold to him as the policy was sold to him stating it to be a market linked policy and for a period of 3 years whereas, policy was issued of 30 years term. There is no reason to not to believe the version of the complainant that he had immediately gone through the contents of the policy on its receipt and when he found it that the same was not one for which he was convinced, he took up the matter with Sh. Deepak Wadhwa who being responsible man assured him to get it cancelled within a free look period. Having due regards to the contents of the representation made by the complainant to the GRO of the company, I am of my considered opinion that policy was missold to him and the same deserves to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel the policy and refund the premiums received in this policy subject to deduction only on account of stamp

duty and medical expenses if an and any payment made to him relating to this policy.

5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/146-A/DO-III/12

In the matter of Smt. Rekha Rani Tyagi

Vs

Life Insurance Corporation of India Ltd.

AWARD Dated 12.03.2013:- Related to Claim Payment under the policy

1. This is a complaint filed by Smt. Rekha Rani Tyagi (herein after referred to as the complainant) against the decision of Life Insurance Corporation of India Ltd. (herein after referred to as respondent Insurance Company) relating to claim.
2. Complainant stated that in absence of any information from the service branch of the company regarding maturity of the policy, she herself took the policy bond to the branch on 08.02.2012 to get her maturity amount personally. She was given the form no. 5180 which she completed in all respects and submitted along with the policy bond. But later on she was informed on phone that she would not be getting money on maturity instead she would get only pension. The policy bond was returned since she insisted for payment of entire money and not pension. She reported to the GRO of the company but she was given a routine answer. She further stated that she was not intimated by the insurance company about the maturity of the policy before 08.02.2012 in order to get the full due amount. LIC has advised annuity pension only on 10.03.2012 i.e. only after the maturity of the policy. She submitted that she needed money urgently to meet his day to day requirements of medical expenses as she is suffering from old age ailments etc. She therefore, requested this forum to instruct the company to pay the full maturity amount to him. During the course of hearing, it was pleaded by the husband of the complainant that she was under the bonafide belief while taking the policy that she would get amount due on the maturity of the policy.

3. Representative of the company pleaded that benefits of the policy would be available only as per terms and conditions stipulated in the policy.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of the matter, I hold that since insured was under the bonafide belief while taking the policy that she had taken a policy wherein, she would be getting amount due to him on the maturity of the policy. When she approached the insurance company on maturity of the policy, she came to know that she would be paid annuity in the policy. Having due regards to the circumstances of the case as she has narrated in the complaint that he needed money for meeting day to day expenditure etc. In my considered view it appears appropriate to instruct the insurance company to pay maturity amount due to her. It is quite surprising that she had approached the insurance company even a day before maturity of the policy, she would have got the entire amount of the money on maturity date. Accordingly an Award is passed with the direction to the insurance company to make the payment of full NCO (Notional Cash Option) instead of pension / annuity.
5. The Award shall be implemented within 30 days of receipt of the same. The compliance of the same shall be intimated to my office for information and record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/108/MAX/12
In the matter of Smt. Shweta Baijal.
Vs

Max New York Life Ins. Co. Ltd.

AWARD Dated 14.03.2013:- Misselling of policy

1. This is a complaint filed by Ms. Shweta Baijal (hereinafter referred to as the complainant) against the Max New York Life Insurance Co.Ltd.(hereinafter referred to as respondent insurance company) relating to misselling of policies.
2. Complainant submitted that her husband who was in the Army unfortunately expired on 26.11.2010 due to sudden Cardiac Arrest. After few months of death of her husband, some agent approached her with all the sympathies and persuaded her to take 3 policies and the sum of Rs. 1 lac was paid in all the

three policies. She was in state of shock and was not in a position to go through terms and conditions. She was told that investment was only for one time and assured her that the same would be doubled in three years. She also submitted that her signatures were not genuine on certain pages of the document. She further submitted that her income was shown Rs.2,50,000 per annum whereas her annual income was Rs. 48,000 only. During the course of hearing, it was argued by her that three policies were issued to her stating one time investment policy but she came to know later on that all these policies were regular premium paying policies. She is not in a position to pay premiums in respect of these policies.

3. Representative of the company pleaded that complainant had not approached the insurance company within the free look period.
4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of matter, I hold that all the three policies were missold to her as she desired to have one time investment policies but she was issued regular premium paying policies. She is not in a position to pay premiums for all the three policies. In my considered view all the policies were missold to her and these deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel all the three policies 841763584, 841763592 & 787384635 and refund the premium in respect of these policies subject to deductions only on account of stamp duty and medical expenditure incurred if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/129/BAJAJ/12.
In the matter of Sh. Santosh Kr. Mishra.

Vs

Bajaj Allianz Life Ins. Co. Ltd.

AWARD Dated 14.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Santosh Mishra (hereinafter referred to as the complainant) against the Bajaj Allianz Life Insurance Co.Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.**
- 2. Complainant submitted that he desired to cancel his policy bearing no. 0145751481 taken from Bajaj Allianz Life Ins. Co. Ltd. as agent sold this policy to him by misselling. Agent stated to him that this policy would give double-triple returns of the investment amount but he came to know later on that his investment was shrinking day by day. He made the request to the insurance company for cancellation of the policy and refund his premium but company refused to do so. He has come to this forum with a request to accept his request. During the course of hearing, it was pleaded by him that he had paid two premiums of Rs. 25,000 each and did not pay thereafter because his investment was going down. He approached the insurance company within the free look period for cancellation of the policy when company refused to do so.**
- 3. Representative of the company was required to submit report within 2 days but no reply was submitted.**
- 4. I have considered the submissions of the complainant. Despite the specific directions, company's representative did not submit the reply. This policy was issued to the insured under the false promises so much so he was given the impression by the agent that investment in the policy would fetch very high returns but that was not actually going to happen. Therefore this policy was missold to him. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund the premiums paid in this policy subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.**
- 5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.**

Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/135/BIRLA/12.
In the matter of Sh. Mukesh Kain.
Vs

Birla Sun Life Ins. Co. Ltd.

AWARD Dated 14.03.2013:- Non Receipt of Policy Bond

- 1. This is a complaint filed by Sh. Mukesh Kain (hereinafter referred to as the complainant) against the Birla Sun Life Insurance Co.Ltd. (hereinafter referred to as respondent insurance company) relating to non-receipt of policy bond.**
- 2. Complainant submitted that he got a no. of calls from agent of Birla Sunlife Ins. Co. Ltd. for taking the policy. Sh. Nagender Chaudhary visited his house to collect documents and cheque for Rs. 25,000. He handed over him the documents and also cheque bearing no. 509293 dated 30.09.2011 for an amount of Rs. 21,000. He found that an amount of Rs. 21,000 was debited in account no.0149000100281440 but was surprised to find that policy was not issued. During the course of hearing it was pleaded that he desired to have a policy in his name and wife as nominee but company issued the policy in the name of his wife who was a sugar patient. Since her medical could not be conducted, policy was not issued. He paid Rs. 21,000 only.**
- 3. Representative of the company pleaded that company refunded the money but that did not reach the complainant. It was pleaded by him that company is ready to resolve the issue. Written reply dated 12.02.2012 was also filed which is placed on record wherein it was mentioned that complainant had approached the insurance company in March, 2012. The amount was refunded because application for insurance was rejected.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused written reply of the company which is placed on record. After due consideration of matter, I found that though company had refunded the premium of Rs. 21,000 due to rejection of application for insurance but such n amount did not reach the complainant due to some reasons. Accordingly an Award is passed with the direction to the insurance company to refund the sum of Rs. 21,000 along with panel interest at the rate of 8% from the date of its credit in the account of the company to the date of actual refund.**

5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.

6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE
Case No.LI/161/AEGON/12.
In the matter of Sh. Shyam Lal Sud.
Vs
Aegon Religare Life Ins. Co. Ltd.

AWARD Dated 12.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Shyam Lal Sud (hereinafter referred to as the complainant) against the Aegon Religare Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.

2. Complainant submitted that he had already approached the grievance redressal officer of the company explaining his plight and the circumstances how he was cheated and policy was issued to him. Before that he approached the insurance company on 18.02.2011 explaining the facts and circumstances under which policy was issued to him but the company did not respond to him. As a matter of fact almost, on receipt of the policy, he did approach the person who booked the policy and objected to the terms and conditions of the policy. He submitted further that he is a retired defence employee, aged 82 yrs and already suffered three strokes. He desires to discontinue the policy. He has come to this forum with a request to take an early action on his complaint. During the course of hearing it was pleaded by him that he paid only one premium of Rs.50,000 and the policy was issued to him under false promises. He reiterated that he cannot run the policy.

3. Representative of the company pleaded that complainant had not approached within the free look period for cancellation of the policy. Company also filed written reply dated 08.10.2012 wherein it was submitted that it was difficult to

accept the complainant's version of events at its face value. The policy was issued to the complainant on the life of his grand-son Abhishek Sood.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold that policy was missold to the complainant as the same was issued on the basis of false promises. Complainant desired to have onetime payment policy but he was issued a regular premium paying policy. He is a retired person and cannot afford to pay annual premium. He had already suffered three heart attacks. In my considered view policy was missold to the complainant and the same deserves to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund an amount of Rs.50,000 subject to deductions only on account of medical expenses and stamp duty incurred by the company, if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.

DELHI OMBUDSMAN CENTRE
Case No.LI/164/AEGON/12.
In the matter of Sh. Chaman Lal Verma.
Vs
Aegon Religare Life Ins. Co. Ltd.

AWARD Dated 15.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Chaman Lal Verma (hereinafter referred to as the complainant) against the Aegon Religare Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.
2. Complainant submitted that he was planning to invest a sum of Rs.20,000 by purchasing bonds to save Income Tax. Meanwhile he received a call from Mr. Rahul, agent of the company for investment of money in the insurance policy. The agent of the company assured him that investment in the policy would give him income tax benefits. Mr. Rahul Confirmed after 15-20 days of issuing

cheque for purchasing the policy that he would get a certificate for this purpose. He also explained to him that amount would be invested every year and refund would also to be issued every year after completion of 5th yr. he would be entitled to an amount of Rs.1,48,000 and also life cover for his wife for two lacs. Accordingly, he issued a cheque for an amount of Rs.25,000 in the name of the company. However he did not receive any certificate for Income Tax rebate and cheque for Rs. 5,000 as was assured to him by Mr. Rahul. He tried to contact him (Mr. Rahul) but he was not able to contact him then he contacted Mr. Deepak Malhotra who also promised him both these things. He submitted that he purchased the policy when he was already 60 yrs of age. He has come to this forum with a request to get him refunded the amount. During the course of hearing it was pleaded by him that he was issued the policy under the belief that he would be given income tax benefit but on receipt of the policy bond he came to know that such benefit was not available in the policy. Policy was issued on the basis of false promises. He paid only one premium of Rs.25,000. He is a pensioner and cannot afford to pay the premiums. He received the policy bond on 18.01.2012.

3. Representative of the company relied upon the letter placed on record on behalf of the company dated 09.08.2012 wherein company had denied all allegations made in the complaint. Complainant had not approached the insurance company within the free look period.
4. I have considered the submissions of the complainant. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold that policy was missold to the complainant as the same was issued on the basis of false promises. He desired to invest for getting income tax benefits but his hopes were belied. The policy thus missold deserves to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 25,000 subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/153/TATA/12.
In the matter of Sh. Sunil Kumar.
Vs

Tata AIG Life Ins. Co. Ltd.

AWARD Dated 21.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Sunil Kumar (hereinafter referred to as the complainant) against the Tata AIG Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.**
- 2. Complainant submitted that he got the policy bearing no. C103122267 from Vignaharta Direct Insurance Broking Pvt. Ltd. He was informed that policy would be one time investment policy and he would be entitled to bonus and commission every year till the term of the policy but such features were not mentioned in the policy and thus the policy was missold to him. He further submitted that he was not interested in such policy and desired to cancel such policy and refund of the premiums paid. During the course of hearing it was pleaded by the complainant that policy was missold to him because he desired a single premium policy whereas he was issued a regular premium paying policy.**
- 3. Representative of the company submitted that it would not be possible to convert this policy into single premium paying policy.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of matter, I hold that policy was missold to him because whereas he desired to have a single premium paying policy but he was issued a regular premium paying policy. The policy thus missold deserves to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund the premiums received in this policy subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.**
- 5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.**

6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/152/TATA/12.
In the matter of Smt. Rajni.
Vs

Tata AIG Life Ins. Co. Ltd.

AWARD Dated 12.03.2013:- Misselling of policy

- 1. This is a complaint filed by Smt. Rajni (hereinafter referred to as the complainant) against the Tata AIG Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.**
- 2. Complainant submitted that she got the policy bearing no. C103122102 from Vignaharta Direct Insurance Broking Pvt. Ltd. She was informed that policy would be one time investment policy and she would be entitled to bonus and commission every year till the term of the policy but such features were not mentioned in the policy and thus the policy was missold to her. She further submitted that she was not interested in such policy and desired to cancel all such policies and refund of the premiums paid. During the course of hearing it was pleaded by the complainant that policy was missold to her because she desired a single premium policy whereas she was issued a regular premium paying policy.**
- 3. Representative of the company submitted that it would not be possible to convert this policy into single premium paying policy.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. After due consideration of matter, I hold that policy was missold to her because whereas she desired to have a single premium paying policy but she was issued a regular premium paying policy. The policy thus missold deserves to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel the policy and**

refund the premiums received in this policy subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.

5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/149/ING/12.
In the matter of Sh. Vishal Lamba.
Vs

ING Vyasya Life Ins. Co. Ltd.

AWARD Dated 12.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Vishal Lamba (hereinafter referred to as the complainant) against the ING Vyasya Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.
2. Complainant submitted that he had taken two policies bearing no. 02307368 and 02255612 about seven months back. He did not receive the policy documents, meanwhile his family financial condition was not good and he needed money for his family so he surrendered both the policies on 28.03.2012 at Nehru Place branch. Even after waiting for a month, he did not get any refund of his money. Then he visited the branch and met Mr. Hitesh Kumar on 23.04.2012. He was required to submit free look cancellation request at that time. He had received one policy bearing no.02307368 on 19.04.2012. He had given his request for free look cancellation request on 23.04.2012 along with a separate letter and one policy bond. He also gave complaint relating to another policy. He further submitted that his complaint was not redressed. He has come to this forum for intervention. During the course of hearing, it was pleaded by him that he made request for free look cancellation in respect of both the policies only one bond was received by him and that was returned to the company.

3. Company was not represented despite specific information given of the date of hearing.
4. I have considered the submissions of the complainant as mentioned in the complaint and as verbally submitted during the course of hearing. After due consideration of matter, I hold that company was not justified in not acceding to request of the complainant to cancel both the policies. He had received policy bond only in respect of one policy and on receipt of the policy bond, he made request for free look cancellation. He did not receive the policy bond in respect of another policy but requested the company to cancel that policy also. Under the facts and circumstances, in my view company ought to have accepted the request of the policy holder to cancel both the policies. Accordingly an award is passed with the direction to the insurance company to cancel both the policies and refund premiums received in respect of both the policies subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/127/HDFC/12.
In the matter of Smt. Meera Trehan.
Vs

HDFC Life Ins. Co. Ltd.

AWARD Dated 12.03.2013:- Freelook / Cancellation of policy

1. This is a complaint filed by Smt. Meera Trehan (hereinafter referred to as the complainant) against the HDFC Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to free look cancellation.

2. Complainant submitted that she was issued a policy whereas she desired a term deposit. The policy was sold to her stating that policy would be of one year term and it would give a yield 13% approximately. She signed the papers on good faith at her residence in Gurgaon. She had given letter on 07.12.12 regarding non-receipt of policy bond. The policy was handed over without her knowledge in first week of Jan, 2012. She found that the policy was not the one which she desired on verbal request for clarity for the reasons of cancellation a separate letter was delivered to the bank on 13.01.2012. She was assured that refund was in process. During the course of hearing it was pleaded on behalf of the complainant that whereas policy holder desired to have onetime payment policy but she was issued a regular premium paying policy. On receipt of the policy bond, request was made through bank for cancellation of the policy. This policy was sourced through bank and the policy was missold to her as the same was not the one which was assured to her.
3. Representative of the company pleaded that complainant had not approached the insurance company within the free look period. A written reply was also filed on behalf of the company wherein allegations made against the company were denied.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold that policy was missold to the policy holder as she desired to have onetime payment policy but she was issued a regular premium paying policy. Since policy was missold to her, In my view same deserves to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs. 2 lacs subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/148/SBI/12.
In the matter of Smt. Nasreen Sultana.
Vs

SBI Life Ins. Co. Ltd.

AWARD Dated 21.03.2013:- Misselling of policy

- 1. This is a complaint filed by Smt. Nasreen Sultana (hereinafter referred to as the complainant) against the SBI Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.**
- 2. Complainant submitted that she received a phone call on 2nd or 3rd May,2011. The caller was from SBI life, she offered her a plan to invest Rs.50,000 per year and assured that she would get 3,40,000 approximately after 5yrs + whole life insurance cover. She was informed that she would get more than 1,50,000+ whole life insurance cover in case she agrees to pay Rs.30,000 per year. The person who visited her home to collect policy assured her of the same benefits. On receipt of the policy bond she came to know that she would be entitled to only for a sum of Rs.1,03,000 instead of the amount stated to her more than Rs.1,50,000 thus she was misguided and cheated by the caller. She received the policy bond in the last week of May, 2011, she informed the agent that the amount she was informed by him was not mentioned on the policy bond. She made complaint to the company but company had not provided any solution to her problem. She requested the cancellation of the policy and payment of amount. During the course of hearing which was attended by her husband it was pleaded that policy was issued on the basis of false assurances. It was also informed that the insured had paid only one premium of Rs.15,000.**
- 3. Representative of the company submitted that the allegations of misselling were not correct. Complainant had not approached the insurance company within the free look period. Company also filed written reply dated 25.06.2012 wherein allegations leveled by the complainant in the complaint against the company were denied.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold**

that policy was missold as the same was issued on the basis of false promises. The policy thus missold deserves to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs.15, 000 being the premium paid by her subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.

5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.

6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/142/AVIVA/12.
In the matter of Ms. Simmi Kakkar.
Vs

Aviva Life Ins. Co. Ltd.

AWARD Dated 21.03.2013:- Misselling of policy

1. This is a complaint filed by Ms. Simmi Kakkar (hereinafter referred to as the complainant) against the Aviva Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.
2. Complainant submitted that policy was sold to her with oral assurance by the agent. She was given to understand that in case she fails to pay further premium, the policies were converted into a single premium growth policy without life cover, she being a lady person had no reason to disbelieve them. Even the policy proposal was got signed blank by her. She further stated that agent and concerned officers were quite aware that she was an unemployed divorcee and an amount of Rs.1.5 lac was much beyond her annual source of income. She stated further that amount of premium was funded by her 78 yrs old father. She filed the complaint with the company and she was informed that nothing could be done and in the case of non-payment of two more premium entire amount of the 1st premium would stand forfeited. She has requested to

either convert the policy into single premium growth policy or her amount be refunded with suitable interest. During the course of hearing, it was pleaded on behalf of the complainant that policy was issued on the basis of false assurances.

3. Representative of the company pleaded that complainant had not approached the company within the free look period. Company also filed written reply dated 11.02.2013 wherein it was mentioned that complainant had made payment only of 1st premium of Rs. 1.5 lac and had not paid thereafter. Allegations of misselling were denied by the company.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record and also letter dated 31.01.2012 of the complainant addressed to grievance redressal of the company. After due consideration of matter, I hold that policy was missold to her as the policy was issued on the basis of false assurances. There was no provision in the policy for automatic conversion into single premium growth policy. She cannot afford to pay the premium due to insufficient income as stated in the complaint and I have no reason not to believe her. In my considered view the policy deserves to be cancelled as the same was issued on the basis of false assurances. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs.1.50,000 subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.

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DELHI OMBUDSMAN CENTRE
Case No.LI/141/AVIVA/12.
In the matter of Ms. Mehak Khosla.
Vs

Aviva Life Ins. Co. Ltd.

AWARD Dated 21.03.2013:- Misselling of policy

- 1. This is a complaint filed by Ms. Mehak Khosla (hereinafter referred to as the complainant) against the Aviva Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.**

- 2. Complainant submitted that she along with her mother had gone to Netaji Subhash Place, Pitampura Branch office of the company for premature surrender of the policy bearing no. RSG-1472353 due to its very poor performance. She had already paid three annual installments of Rs.54,000 each and three yrs period already elapsed. She further submitted that some officers of the company surrounded them while they were in the branch and informed them that company had launched another policy plan wherein investment would be doubled in 5yrs and therefore she was persuaded to invest amount of earlier policy in the lump sum to redeem earlier losses and to gain maximum profit. She was informed that policy would carry premium of Rs.2 lac per annum for three yrs. She informed to them that her annual income was much less than an amount of Rs. 2 lacs for the proposed policy. She was again assured that in the event of non-payment of premium of the policy, policy would be treated as a single premium paying policy. She had believed them and she signed the blank proposal form, remaining documents were collected from her residence. After 9 or 10 months she had checked the performance, she was shocked to learn that in the event of non-payment of two more annual premiums of Rs.2 lacs, her policy would lapse and entire amount would stand confiscated/forfeited. She has approached the grievance redressal officer of the company for help but her request was rejected. She stated further that the policy under reference was issued after surrender of earlier policy and the policy was given to her showing allurements and false promises. She has come to this forum with a request to refund the premiums paid by her along with the penal interest and other relief. During the course of hearing, it was pleaded on behalf of the complainant that policy was issued on the basis of false promises.**

- 3. Representative of the company submitted reply dated 12.02.2013 wherein allegations of the complainant were denied. It was further mentioned in the**

written reply that complaint filed was false and misconceived and the same deserves to be dismissed.

4. I have considered the submissions of the complainant as well as representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold that policy was missold to the complainant as the same was issued on the basis of false promises. Complainant was not in a position to pay the premium annually for the term of the policy due to insufficient annual income. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund premiums received in this policy.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

Case No.LI/145/AEGON/12.
In the matter of Sh. Jitender Kumar.
Vs
Aegon Religare Life Ins. Co. Ltd.

AWARD Dated 21.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Jitender Kumar (hereinafter referred to as the complainant) against the Aegon Religare Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.
2. Complainant submitted that Sh. Rajiv Kapoor got him issued policy fraudulently. He was assured by Rajiv Kapoor that he would ensure his payment from Tata AIG. He collected two cheques from him for an amount of Rs. 26,700 each. He was given a policy of Aegon Religare Ins. Co. Ltd. He made a complaint against Rajiv Kapoor to the company but company did not take any action against him. He further submitted that Rajiv Kapoor missold the policy to him. Policy was issued to him after telling lies. He was assured benefit kit of the policy but he did not get any. Thereafter Rajiv Kapoor did not pick up his phone when he tried to contact him. He was deceived by him for an amount of

Rs.53, 400. He further submitted that action as required to taken against Sh. Rajiv Kapoor and company be directed to refund him an amount deposited by him. During the course of hearing it was pleaded by him that two policies were issued under false promises. He paid only one premium in each policy.

3. Representative of the company pleaded that complainant had not approached the insurance company within the free look period. Company also filed written reply dated 25.10.2012 wherein it was submitted that complaint was filed by the complainant almost after one year of the policies. Complainant had not approached the insurance company for redressal of his grievance within the free look period available to him and denied the allegations made in the complaint.
4. I have considered the submissions of the complainant as well as of representative of the company. I have also perused the written reply of the company. After due consideration of matter, I hold that policies were missold to him. Since policies were missold, these deserve to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel both the policies and refund total amount of premiums received in these policies amounting to Rs. 53,400 subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE
Case No.LI/36/BIRLA/12.
In the matter of Sh. Ashok. Kr. Yadav.

Birla Sun Life Ins. Co. Ltd.

AWARD Dated 21.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Ashok Kr. Yadav (hereinafter referred to as the complainant) against the Birla Sun Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.

- 2. Complainant submitted that he had taken two policies from Birla Sunlife Ins. Co. Ltd. in Oct,2010. These policies were taken by him through Shashikant Kaushik by trusting him. In respect of the complaint he made against Kotak Life Insurance Co. Ltd., he assured him that he would get his amount transferred in the policies with kotak to new policies but nothing happened. He had totally cheated him. He made several complaints against him with the insurance company but company had not provided any solution. They just stated that free look period was already over. However company agreed to investigate his case and company agreed for free look cancellation of his policy bearing no. 004457944. He also desired similar action in respect of another policy bearing no. 004463207 but the company had not obliged him. Complainant did not attend the hearing despite allowance of two opportunities.**
- 3. Company's representative showed his willingness to resolve the complaint.**
- 4. I have considered the submissions of the complainant as mentioned in the complaint. Complainant did not attend on the date of hearing to argue his case personally. Representative of the company though assured to resolve the grievance of the complainant but did not submit any information in this regard so far. After due consideration of the facts on record and complaint of the complainant, I hold that company ought to have accepted the request of the complainant for cancellation of this policy also as company had cancelled another policy under similar circumstances. Accordingly an award is passed with the direction to the insurance company to cancel the policy bearing no. 004463207 and refund the premium of Rs.25,000 subject to deduction only on account of medical expenses and stamp duty incurred by the company if any.**
- 5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.**
- 6. Copies of the Award to both the parties.**

DELHI OMBUDSMAN CENTRE

Case No.LI/160/RELIANCE/12.
In the matter of Sh. Ashok. Kr. Gupta.

Reliance Life Ins. Co. Ltd.

AWARD Dated 12.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Ashok Kr. Gupta (hereinafter referred to as the complainant) against the Reliance Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling.**
- 2. Complainant submitted that though he was not required for medical checkup but he was forced for the medical checkup. He desired to get a medical report but the same was not furnished to him. Though he was informed that premium paying term would be 7yr, but in the policy different premium paying term was mentioned. Though it was assured that the medical insurance cover would be given in the family and dependent for an amount of Rs.2 lacs each till the term of the policy, but he came to know later on that family was not covered in the policy. He was informed earlier that in the 2nd year premium there will be discount of 50% and thus in the 2nd year he will be required to pay only 50% of premium that was also found to be wrong. He was also assured that there would be 80% loan facility but no such provision was found in the policy. He was informed that he would be entitled to gift if he takes two policies. Two policies were taken 1st in the name of Ashok Kr. Gupta and another in the name of his daughter Komal Gupta. A gift was supposed to be delivered at the residence within 2 months of taking the policy, but nothing of this sort happened and this was found only an assurance. He further submitted that he would not like to continue the policy as there was no moral of the company left. He has come to this forum with a request to settle the issue by paying the principal along with panel interest. During the course of hearing, it was pleaded that both the policies were issued on the basis of false promises.**
- 3. Representative of the company assured this forum that these policies would be cancelled and refund would be issued within 10 days.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have not received any compliance report as**

assured by the representative of the company. Representative of the company clearly assured me during the course of hearing that policies would be cancelled and premiums paid would be refunded but no reply was submitted till date. After due consideration of matter, I hold that both the policies were missold, as the same were issued on the basis of false promises. The policies thus missold, in my view deserve to be cancelled. Accordingly an Award is passed with the direction to the insurance company to cancel both the policies bearing no. 18771688 and 18771586 and refund the premium received in these policies.

5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/183/DO-1/12.

In the matter of Ms. Suraksha Bajaj.

LIC OF INDIA

AWARD Dated 25.03.2013:- Claim of interest for delayed Annuity payment

1. This is a complaint filed by Ms. Suraksha Bajaj (hereinafter referred to as the complainant) against the LIC of India (hereinafter referred to as respondent insurance company) relating to claim of interest for delayed payment.
2. Complainant submitted that she had not received annuity amount which was due to her on 01.02.2012 in respect of policy bearing no. 11391446. She had submitted request to branch manager 11-J on 22.02.2012 but no action was taken. She has come to this forum for necessary action in the matter. The complainant further submitted that she received the annuity amount on 15.01.2013 only after writing to the IPP cell and she desires payment of compensation for delay. Complainant did not attend the hearing.
3. Representative of the company pleaded that complainant was being paid regularly. Company also filed written reply dated 15.03.2013 wherein it was

stated that annuitant applied for yearly mode of pension which became due on 27.01.2011 and it was payable on 01.02.2011. As per records the payment became due on 01.02.2011 which was credited to the bank account of the annuitant on 15.01.2013 and subsequent installment 01.02.2012 was sent to the bank through NEFT on 28.01.2013.

4. I have considered the submissions of the complainant as well as of the representative of the company. I have also carefully perused the written reply of the company dated 15.03.2013 which is placed on record. After due consideration of matter, I hold that complainant deserve to be paid penal interest for delayed payment. As per letter dated 15.03.2013 amount was payable on 01.02.2011 and the same was paid on 15.01.2013 therefore complainant deserve to be paid interest. Accordingly an award is passed with the direction to the insurance company to make the payment of interest at the appropriate rate with effect from 01.02.2011 to 15.01.2013.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/184/ICICI/12.
In the matter of Ms. Pinky Luthra.
Vs

ICICI Prudential Life Ins. Co. Ltd.

- **AWARD Dated 25.03.2013:- Misselling of policy**
 1. This is a complaint filed by Ms. Pinky Luthra (hereinafter referred to as the complainant) against the ICICI Prudential Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling of policy.
 2. Complainant submitted that the policy holders applied for pension policies in March, 2009. Policy bearing no. 11564157 was issued in the name of her son Tanay Luthra. It was submitted that the signatures in the application form were forged. Policy bearing no. 11571146 was issued in her name. Her

communication address was given in the policy bond was not of her but was that of the agent. She pleaded that was deliberately written so that policy bond may not be served upon her and thus she was denied the right of free look period. This address was corrected by the company after her complaint. She continued with this policy. Policy bearing no. 11905087 was also in her name. The product was given wrongly so much so whereas she desired life stage pension but different policy was given, she found that on the document photo of some other person was pasted by the agent, and telephone no. was also wrongly mentioned. She had sent her representation to the grievance redressal officer of the company but her request was refused. She has come to this forum with a request to help her getting refund along with the interest of her premium. During the course of hearing it was pleaded by her that she was not issued the policy which she desired. Her address was wrongly given. She immediately took up the matter she was given different product.

3. Representative of the company showed his willingness to resolve the complaint of the complainant. Company also filed written reply dated 05.07.2012 wherein it was mentioned that complainant was devoid of any merit and was liable to be dismissed.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold that policy bearing no. 11905087 was missold because she was issued a different product from what she desired, since this policy was missold to her, the same deserves to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund the premium received in respect of this policy.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/130/TATA/12.
In the matter of Sh. Arun Kr. Sharma.
Vs

Tata AIG Life Ins. Co. Ltd.

AWARD Dated 25.03.2013:- Misselling of policy

- 1. This is a complaint filed by Sh. Arun Kr. Sharma (hereinafter referred to as the complainant) against the Tata AIG Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling of policy.**
- 2. Complainant submitted that he received a phone call from Ms. Ronak Mishra during 18-27/1/2011 stating that he has been awarded a gift by ICICI bank as he was having SB and FD account in the bank. He was required to come with the family and collect the gift which comprises of free air ticket and stay in star hotel. He believed her and he had gone along with his family to India Info Noida on 29.01.2011 to enquire about the gift. There he met with Sh. Dharmendra Mishra who insisted him to take one policy. He discussed the benefits of the insurance policy. He informed him that he was not interested in the policy as he was left only three yrs of service. He submitted that he has been called by someone to collect the gift and he had come for that purpose. He persuaded him to take the policy and he agreed. Mr. Dharmendra Mishra came to his residence to collect premium of Rs.40,000. He received the policy document in March,2011. After reading it he was shocked that such a policy was for 15 yrs of term and could not be surrendered after three yrs. He tried to contact him but he was not available on phone. He approached company's office at Dwarka on 11.04.2011 and requested to close the policy. However company did not pay attention and thereafter he was informed that free look period was over. He also made the complaint against the agent but company had not taken any action against the agent. Company also declined to refund him his premium. He has come to this forum with a request to investigate this fraud and take action against Ronak Mishra , Dharmendra Mishra and other persons responsible for this fraud. During the course of hearing it was pleaded by him that policy was issued on the basis of false promises. He tried to avail free look cancellation but that was declined. He paid only one premium of Rs.40,000. He handed over the document at the company's office. He was promised to issue a policy of three yrs. Term.**

3. Representative of the company pleaded that complainant had not approached the insurance company within the free look period. Company also filed written reply dated 18.03.2013 wherein it was mentioned that complaint was untenable.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold that policy was issued on the wrong basis of false promises. I have no doubt in my mind that policy was missold and thus it deserves to be cancelled. The complainant had approached the insurance company almost within the free look period to cancel the policy. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs.40,000 subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/750/TATA/12.
In the matter of Sh. Rakesh Kr. Bansal.
Vs

Tata AIG Life Ins. Co. Ltd.

AWARD Dated 25.03.2013:- Misselling of policy

1. This is a complaint filed by Sh. Rakesh Kr. Bansal (hereinafter referred to as the complainant) against the Tata AIG Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling of policy.
2. Complainant stated that as required he had sent his representation to the Grievance Redressal Officer of the company but he did not get any solution. He

submitted further that he got the policy issued by Tata AIG bearing No.U210483051. This policy was sourced through Karur Vysya Bnak Ltd. he was convinced by the agent that there will be 100% allocation of fund in this policy but when he checked from the customer care, he found that company imposed 100% allocation charges and thus company had grabbed his money. He wrote to the company to dispatch him policy document so that he may note the terms and conditions of the policy but company did not sent him the policy documents. He has come to this forum with request to refund the premium paid. During the course of hearing also he submitted that he took the policy in 2010 but he did not receive the policy bond so far.

3. Representative of the company was required to provide evidence for receipt of the policy bond. He also argued that due to wrong address the policy bond could not be served upon the complainant. He also assured me to resolve the issue. Company also filed written reply dated 18.03.2013 wherein it was mentioned that complaint was not tenable and the same deserves to be dismissed.
4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold that policy deserves to be cancelled as the same was issued on the basis of false promises. Moreover policy holder did not receive the policy bond so far. Company did not produce any positive evidence about the service of policy document served upon the complainant. Accordingly an award is passed with the direction to the insurance company to cancel the policy and refund a sum of Rs.50,000 subject to deductions only on account of medical expenses and stamp duty incurred by the company if any.
5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

DELHI OMBUDSMAN CENTRE

Case No.LI/120/TATA/12.
In the matter of Sh. Bebaka Baidya.
Vs

Tata AIG Life Ins. Co. Ltd.

AWARD Dated 25.03.2013 Misselling of Policy

- 1. This is a complaint filed by Sh. Bebaka Baidya (hereinafter referred to as the complainant) against the Tata AIG Life Insurance Co. Ltd. (hereinafter referred to as respondent insurance company) relating to Misselling of policies.**
- 2. Complainant submitted that four policies were taken. Policy bearing nos. U052345881 & U159136142 are in the name of Pravati Baidya. Policy bearing nos. U03466442& C676201576 are in the name of Shishir Baidya. He submitted that these policies were taken by him from Kundan Kumar of Tata AIG Ltd. who missold such policies because he told him to give fixed deposits receipt of 5yrs which could be surrendered after completion of one yr. After completion of one year, he came to know that that these were not FDR's but were life insurance policies. Meanwhile he received a phone call from Mr. Pankaj Thakur who said to him that was from Tata AIG and could resolve the problem because in case he could encash these policies. Mr. Pankaj Thakur sent somebody to him and he handed him over all policy documents. He was assured that his policies were surrendered and money would be transferred to the respective accounts of the policy holders. In fact he had done him a favour by getting one policy issued in the name of his son. He has come to this forum with a request to help him in getting amounts refunded. During the course of hearing it was pleaded that in the name of fix deposits, policies were issued. He came to know when time came for payment of next premium.**
- 3. Representative of the company pleaded that policy holders did not approach the insurance company within the free look period. He further submitted that it is not believable that policies were issued though request was made for FDR's. Company also filed written reply dated 04.02.2013 wherein company had denied all allegations of the complainant made in the complaint.**
- 4. I have considered the submissions of the complainant as well as of the representative of the company. I have also perused the written reply of the company which is placed on record. After due consideration of matter, I hold**

that all the four policies were missold as the policy holders intended to get investment in the fix deposits but instead of issuance of fix deposit, policies were issued to the policy holders . Policies were issued in the garb of FD's. Complainant came to know only after one year when time came for deposit of next premium. Complainant never intended to pay the premium next year as he was under the bonafied belief that he made investment in the FD's. In my considered view all the 4 policies were missold and deserve to be cancelled. Accordingly an award is passed with the direction to the insurance company to cancel all the four policies and refund the premiums received in these polices.

5. The award shall be implemented within 30 days of receipt of the same. The compliance of the award shall be intimated to my office for information & record.
6. Copies of the Award to both the parties.

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

AWARD IN THE MATTER OF

Complaint No.	:	444/22/012/L/06/2012-13
Nature of Complaint	:	Refund of premium
Category under RPG Rules, 1998.	:	12 (1) (c)
Policy No.	:	20270076
Name & Address of the Complainant	:	Smt. Zeenat Parween, BPL Qtr., Block – X, No.8, Sreenagar Chanwari, Asansol – 713 302, District: Burdwan.
Name & Address of the Insurer	:	Met Life India Insurance Co. Ltd., Brigade Seshamahal, 5, Vani Bilas Road, Basavanagudi, Bangalore – 560 004.

Date of hearing : 5th October, 2012.

Date of Order : 8th Octoberer, 2012

AWARD

This petition is filed by the complainant against Met Life India Insurance Co. Ltd for non-refund of premium under the policy no. 20270076 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

1. Complainant

The complainant is the Life Assured (LA) of the policy bearing no.20270076, which was purchased from Met Life India Insurance Co. Ltd. in February, 2010 under "Met Monthly Income" plan.

She has stated in her complaint letter dated 22nd June, 2012 that her husband purchased the above policy on her life by paying a single premium of Rs.60,561/-. Later, her husband died and she started receiving phone calls from the insurer for payment of renewal premium. She has further mentioned that she is not so much literate to understand the terms and conditions of the policy. Only after receiving phone calls, she came to know that the agent misguided her husband and sold a regular premium policy instead of single premium one. She immediately rushed to the local office of the insurer for solving her problem but in vain. She then approached the insurer vide her letter dated 24th May, 2012 for cancellation of the policy and refund of premium but they rejected her appeal. She also mentioned that she is a poor woman with two minor children and it is not possible for her to pay any further premium. So, she approached this Forum seeking appropriate relief and submitted 'P' Forms giving her unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has mentioned in their written submission (SCN) dated 16th August, 2012 that:-

They have issued the policy bearing no.20270076 to Smt. Zeenat Parween under "Met Monthly Income", a ULIP plan with the following policy details, on receipt of a signed proposal form bearing no.303067491 dated 18th February, 2010 along with initial premium for Rs.60,561/-.

She has also signed the 'Customer Declaration Form' as an acknowledgment of the complete understanding the features of the product she has chosen. The policy bond was dispatched to the LA on 15th April, 2010 vide Speed Post No. EH 129848087 IN. They mentioned about the following declarations made by the LA in the proposal form which can easily prove the allegation made by her in the complainant letter as false:-

- That she is a graduate – not an illiterate person.
- That she was the owner of some 'investment' from which she earns an annualized income of Rs.3,63,000/- - Not a poor lady.
- That she has mentioned in the proposal that she was widow at the time of taking the policy – Policy was not purchased by her husband.
- Lastly, they have mentioned that the complainant requested them for cancellation of the policy and refund of premium after a period of over two years from the date of receipt of the policy bond. So, they have rejected her request vide their letter dated 28th May, 2012.

3. Hearing :

Both the parties were called for a personal hearing on 05.10.2012. The complainant attended and submitted the facts and grounds of her complaint. She stated that she is an illiterate person and working as domestic helper. After the death of her husband, she was misled by an insurance agent to buy a policy on the promise that it would give a good return for the benefits of her children. Being illiterate she could not understand the contents of the proposal form, which was filled up by the agent and pleaded that the policy be cancelled considering her acute financial hardship after the death of her husband.

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

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum with allegation of mis-selling of policy by the insurance agent on false promise of high returns and single premium. She has stated that she is an illiterate person working as the domestic helper after the death of her husband. She has no means to pay the premium and forfeiture of the amount will cause great hardship to her. From the policy documents, it is clear that the form was filled up by the agent who has given wrong information regarding her income and education qualification. The insurance agent has not made any need analysis and sold the product without analyzing her insurance needs and ascertaining her financial capacity.

After careful evaluation of all the facts and circumstances of the case, we are of the opinion that possibility of mis-selling cannot be ruled out in this case. She has approached the insurer after two years of the commencement of the policy during which period the insurer has borne the risk of life. Although free look cancellation is not possible, but considering the financial hardship of the complainant we direct the insurance company to cancel the policy and refund 90% of the premium purely on ex-gratia basis within 15 days of the receipt of the order along with consent letter.

The complaint is partly allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : 351/22/003/L/06/2012-13

Nature of Complaint : Refund of premium

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

Policy No. : C-674310126

Name & Address of complainant : Shri Rajiv Kumar Upadhyay,
14, Nimtala Ghat Street,
Kolkata – 700 006.

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

Date of hearing : 12th November, 2012

Date of Order : 14th November, 2012

AWARD

This petition is filed by the complainant against Tata AIA Life Insurance Co. Ltd., for non-refund of premium under the policy no. C-674310126 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 4th June, 2012 that he is the Life Assured (LA) of the policy bearing no.C-674310126 under Maha Life Gold Plan purchased from Tata AIA Life Insurance Co. Ltd. on 18th February, 2011 for SA of Rs. 3,91,000/- with yearly premium of Rs. 34,799/-. The policy was purchased through the broking firm M/S India

Infoline, who had misguided him about the features of the policy and assured him that the policy would not lapse even if the premium is discontinued any time during the policy term. After receiving the policy bond, he found that he was required to pay premium for 15 years. He lodged a complaint with the insurer on 12th April, 2011 for cancellation of the policy and refund of premium, but his request was turned down. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer have stated in their written submission (SCN) dated 31st October, 2012 that on receipt of the duly filled and signed proposal form along with other documents, they have issued to the LA a policy bearing no.C-674310126 on his own life on 28th February, 2011. The LA had submitted his proposal form only after having been duly convinced about the details of the plan and had also submitted other documents as attachment to the proposal form confirming his knowledge and consent of making the proposal for insurance. He had also read and understood the benefit illustration in respect of the policy by putting his signature endorsing that he had been convinced about the contents and features of the policy plan that he had applied for. The policy bond was dispatched to the LA via Speed Post under receipt no.EM708292365 IN and delivered on 28th February, 2011. They have received on 12th April, 2011, beyond the 'free look' period, a letter from the LA regarding mis-selling of the policy and with a request for cancellation of the policy. After necessary investigation at their end, they have not found any discrepancy in their sales process as also mis-selling of the policy to him. Accordingly, they have replied to the LA vide their letter dated 29th April, 2011 mentioning their inability to accede to the request for cancellation of the policy.

3. Hearing :

Both the parties were called for a personal hearing on 12.11.2012. The complainant attended and submitted the facts of his case. He stated that he had first lodged a request with a broker for cancellation of the policy but they did not register his complaint.

Thereafter, he approached the insurer, but his request was turned down due to marginal delay in lodging complaint. He further stated that he is not in a position to pay the premium for 15 years requested for condonation of the delay.

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

4. **Decision :**

We have heard both the parties, considered their written submissions. The complainant has approached this forum alleging mis-selling of the policies which could not be established by him. The policy was issued on the basis of valid proposal form and other documents duly signed by the LA. However, we find that there is a marginal delay of few days in applying for free look cancellation, which is explained by the delay on the part of the broker, who was first approached by the petitioner. The petitioner is unable to continue the policy for 15 years and considering his education and financial background; we condone the delay and allow cancellation of the policy with full refund of premium. The insurer is directed to refund the premium within 15 days from the receipt of this order along with consent from the complainant.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No.	:	295/22/010/L/05/2012-13
Nature of Complaint	:	Refund of premium
Category under RPG Rules, 1998	:	12 (1) (c)
Policy No.	:	19142578

Name & Address of the Complainant : **Mrs. Arpita Sarkar,
44, Kamalapur, Purba Dum Dum,
North 24-Parganas,
Kolkata – 700 028.**

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

Date of hearing : **21st November, 2012**

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

AWARD

This petition is filed by the complainant against Reliance Life Insurance Co. Ltd., for non-refund of premium under the policy no. 19142578 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in her petition dated 25th May, 2012 that she purchased a policy bearing no.19142578 from Reliance Life Insurance Co. Ltd. on 13th July, 2011. The policy bond was received by her within two weeks and she went through the same but was not satisfied with the terms and conditions embodied therein. She, then, submitted the policy bond to the office of the insurer along with an application for cancellation of the policy as per "Cooling-Off" provision. She also submitted a cancelled cheque and other documents for this purpose. She received back all the documents but the insurer did not refund the premium amount paid by her. Being aggrieved, she approached this Forum seeking appropriate relief and submitted 'P' Forms giving her

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

2. Insurer

The insurer have stated in their written submission (SCN) dated 18th October, 2012 that the complainant chose to avail herself of the "Reliance Cash Flow Plan" on clear terms and conditions of the said plan as envisaged in the policy application/proposal form, which was duly signed and submitted by her to the company. The policy document along with photocopy of the policy application form (policy no.19142578) was dispatched to the complainant on 15th July, 2011 by Expressit Courier bearing AWB No.20026779290 and was delivered to the complainant on 22nd July, 2011. The complainant has acknowledged receipt of the policy bond within two weeks from the date of issuance of the policy. A letter dated 8th December, 2011 from the complainant requesting for cancellation of the said policy was received and acknowledged by them on 27th March, 2012. The desired cancellation was negated by them as per their letter dated 29th March, 2012 stating that the complainant had approached them after the expiry of the 'free look' period of 15 days. It is pertinent to mention here that the complainant had approached them for cancellation of the policy after a period of 120 days from the date of receiving the policy bond.

3. Hearing :

Both the parties were called for personal hearing on 21.11.2012. The complainant attended the hearing and explained the facts and grounds of her complaint. She stated that she was forced to take a policy with false promise of gift by the company's representative. She is not much knowledgeable about this matter and was attracted by the offer of the company. She further stated that immediately on receiving the policy bond, she lodged a complaint with the broker within 15 days stating that she is not satisfied with the terms and conditions of the policy.

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

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum alleging mis-selling of the policy by the insurance company. She has stated that she had taken the policy on the promise of gift by the broker, but after receiving the policy documents she realized that the policy was mis-sold to her. She immediately approached the broking firm from where she had purchased the policy and lodged her complain on 27.08.2011. As the broker company did not take any action on her complaint, she subsequently lodged complaint with the insurance company on 08.12.2011 requesting for cancellation of the policy and refund of premium. Her request was denied by the insurance company on the ground that the free look cancellation period has expired.

After considering rival submissions, we are of the opinion that the insurance company's decision is not fair and justified. The policyholder had lodged the complaint and submitted the policy bond to the broking firm within a reasonable period, but the same remained unattended for quite some time. She was not properly guided by the broker due to which her complaint to the insurance company was delayed. The company has not taken any cognizance of the complainant filed with the broker which is not proper. We therefore, set aside the decision of the insurance company and direct them to cancel the policy and refund the premium after deduction the administrative charges and mortality charges as per the IRDA guidelines.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : 317/22/011/L/05/2012-13

Nature of Complaint : Refund of premium

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

Policy No. : 02206906

Name & Address of the Complainant : Mr. Lakshman Paladhi,
634/B, G.T. Road, Kalitala,
Serampore,
District: Hooghly,
Pin: 712 201.

Name & Address of the Insurer : ING Vysya Life Insurance Co. Ltd.,
ING Vysya House, 5th Floor,
22, M.G. Road,
Bangalore – 560 001.

Date of hearing : 21st November, 2012

Date of Order : 23rd November, 2012

AWARD

This petition is filed by the complainant against ING Vysya Life Insurance Co. Ltd., for non-refund of premium under the policy no. 02206906 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant stated in his petition dated 30th May, 2012 that he purchased a policy bearing no.02206906 from ING Vysya Life Insurance Co. Ltd. The sales person had offered to settle his investments in other insurance companies provided he takes a new

policy from the present insurer. He had also promised that he would arrange for refund of his premiums within a year through his special initiative. He also assured him that an amount of Rs.52,000/- per Rs.1,00,000 of investment is guaranteed to be received by him. Persuaded by him he invested Rs.15,000/- in the above policy. Since the agent did not keep his commitment of arranging refund of the premium in old policies, he is not in a position to continue the new policy. He requested for refund of premium which was rejected by the Insurer. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has stated in their written submission (SCN) dated 9th July, 2012 that the complainant Mr. Lakshman Paladhi, who is working as a Senior Manager Custom Officer at Pentaflight Private Limited, had submitted proposal for insurance to M/s. Vighnaharta Direct Insurance Broking Private Limited, Insurance Broker, on 8th June, 2011 proposing for "New Fulfilling Life Anticipated Whole Life Plan". The features of the said plan were explained in detail to the complainant and only after understanding the same, the complainant had opted for the said plan. The premium opted by the proposer/complainant was Rs.14,772/- to be paid annually for the policy and the premium paying term for the policy was 16 years. Based on the duly signed proposal form including the declaration provided therein, they had issued a policy bearing no.02206906 on 13th June, 2011 along with the terms and conditions under the policy and a welcome letter to the complainant. It is to be noted that the date bearing on the welcome letter is the date on which a copy of the same is reprinted for the purpose of producing before the Hon'ble Ombudsman and not the real date bearing on the original welcome letter which was issued to the complainant. The complainant approached them first on 29th March, 2012 requesting for cancellation of his policy as being mis-sold as a single premium policy by executives of M/s. Vighnaharta Direct Insurance Broking Private Limited, Insurance Broker. A reply to the above complaint was sent by them on 19th April, 2012 explaining that the policy cannot be cancelled as the same is out of free look period as he never came

back to them within 15 days of receipt of the policy bond, with any complaint about any of the terms and conditions or for any other reason. It was, therefore, presumed legally that he was satisfied with the policy issued to him.

3. Hearing :

Both the parties were called for a personal hearing on 21.11.2012. The complainant did not attend the hearing. We therefore, propose to deal with the matter ex-parte on the basis of his written submissions.

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

4. Decision :

We have heard representative of insurance company and considered the written submissions of the complainant. The complainant has approached this forum alleging mis-selling of the policy which however, could not be established by him with any satisfactory evidence. As per copy of the proposal form submitted by the insurance company, we find that the complainant is a post graduate and his annual income is Rs.3.00 lakhs. This fact has not been disputed by the complainant. Looking at his background it is difficult to believe, how he could be misled by the agent/broker's baseless and absurd promises. The letter for cancellation of the policy was submitted after 10 months of the issue of the policy, which is much beyond the free look cancellation period. The representative of the insurance company has pointed that it is not possible to convert the plan to a single premium policy with Rs.15,000/-. However, considering that the complainant has suffered huge loss by investing in multiple policies in similar manner (about 12 in different companies), we allow cancellation of the policy purely on ex-gratia basis and direct the insurance company to pay 80% of the premium paid within 15 days of receiving the consent letter.

The complaint is partly allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : **320/22/008/L/05/2012-13**

Nature of Complaint : **Refund of premium**

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

Policy No. : **2306482**

Name & Address of the Complainant : **Mr. Lakshman Paladhi,
634/B, G.T. Road, Kalitala,
Serampore,
District: Hooghly,
Pin: 712 201.**

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

Date of hearing : **21st November, 2012**

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

AWARD

This petition is filed by the complainant against Kotak Mahindra Old Mutual Life Insurance Ltd., for non-refund of premium under the policy no. 2306482 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 30th May, 2012 that he purchased a policy bearing no.2306482 from Kotak Mahindra Old Mutual Life Insurance Ltd. The sales person had offered to settle his investments in other insurance companies provided he takes a new policy from the present insurer. He had also promised that he would arrange for refund of his premiums within a year through his special initiative. Persuaded by him he invested Rs.20,000/- in the above policy. Since the agent did not keep his commitment of arranging refund of his premium in old policies, he is not in a position to continue the new policy. He requested for refund of premium which was rejected by the Insurer. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has stated in their written submission (SCN) dated 26th July, 2012 that the complainant, after thoroughly understanding the features, terms and conditions of Kotak Surakshit Jeevan Plan, had proposed for the said life insurance policy through a duly filled in and signed proposal form dated 27th May, 2011. The said proposal form, as per column no.3, clearly mentions the terms of the policy as 10 years and the premium of Rs.20,000/- only is payable annually during the entire policy term. As a proof of understanding the details of the plan, the complainant had also signed and executed a benefit illustration dated 27th May, 2011 which thoroughly explains the number of premiums that he has to pay and the returns he can expect from the said policy. Since the request for cancellation of the policy was received by them on 29th March, 2012 i.e. after more than 10 months from the expiry of 'free look' period, they informed the complainant as per their letter dated 3rd April, 2012 about their inability to cancel the policy as per the provisions of IRDA Regulations.

3. Hearing :

Both the parties were called for a personal hearing on 21.11.2012. The complainant did not attend the hearing. We therefore, propose to deal with the matter on ex-parte

basis for him. The representative of the insurance company attended and reiterated the points as mentioned in the SCN and discussed above.

4. Decision :

We have heard the representative of the insurance company and considered the written submission of the complainant. The complainant has approached this forum against the decision of the insurance company not to cancel the policy and refund the premium. From the facts presented to this forum, we find that the complainant had taken the policy from the broking firm M/s. BMA Wealth Creators on payment a premium of Rs.20,000/-. Although he has alleged mis-selling of the policy, but the allegation could not be established with any convincing evidence. From the proposal form, we find that he is a post graduate with an annual income of Rs. 3.00 lakh. This fact has not been disputed by the complainant. Looking at his background, it is very difficult to believe that he agreed to take the policy just on the verbal promise of some vague and absurd services offered by the broker. The representative of the insurance company has pointed that it is not possible to convert the plan to a single premium policy with Rs.20,000/-. Although he has applied for cancellation of the policies much beyond the free look period, but considering that he has suffered huge loss by investing in multiple policies in a similar manner (about 12 with different companies), we allow cancellation of the policy purely on ex-gratia basis and direct the insurance company to pay 80% of the premium paid within 15 days of receiving the consent letter.

The complaint is partly allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : 690/24/001/L/08/2012-13

Nature of Complaint : **Repudiation of death claim**

Category under RPG 12(1)(e) Rules, 1998. : **12 (1) (b) [Wrongly admitted under**

Policy No. : **531888198**

Name & Address of the Complainant : **Smt. Sandhya Mishra "Bharti",
W/o Late Sunil Kumar Mishra,
Ram Babu Chowk, Ward No.17,
Station Road, P.O. & P.S. Samastipur,
District: Samastipur,
Bihar – 848 101.**

Name & Address of the Insurer : **Life Insurance Corporation of India,
Muzaffarpur D.O., Jeevan Prakash,
Umashankar Prasad Marg,
Muzaffarpur – 842 002.**

Date of hearing : **28th November, 2012 (Camp: Patna)**

Date of Order : **4th December, 2012**

AWARD

The petition has been filed by the complainant against Life Insurance Corporation of India, for non-receipt of death claim under the policy no. 531888198 and the same has been admitted under Rules 12(1) (b) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in her complaint dated 13.08.2012 that she is the wife of the Deceased Life Assured (DLA) Late Sunil Kumar Mishra and nominee of the policy bearing no.531888198 purchased from Life Insurance Corporation of India, Muzaffarpur in December, 1997. Her husband expired at All India Institute of Medical Sciences (AIIMS), New Delhi, on 1st March, 2003. The death claim was repudiated by the insurer due to suppression of material fact regarding his health at the time of effecting the revival of the

policy. She approached higher office of the insurer at Kolkata and Patna for reconsideration of their decision but did not receive any response for the last nine years. Being aggrieved, she approached this Forum seeking appropriate relief and submitted 'P' Forms giving her unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has stated in their written submission (SCN) dated 18th October, 2012 that the LA expired on 1st March, 2003 at AIIMS, New Delhi, due to Cirrhosis of liver. The policy was revived on 7th February, 2002 by paying premiums for the dues from 12/1999 to 12/2001 (9 quarterly premiums). At the time of revival of the policy, the LA suppressed the material information regarding his health in the instrument of effecting the revival. He was admitted to AIIMS, New Delhi, for the treatment of prolonged abdominal disorder, which resulted into cirrhosis of liver. He did not disclose this fact at the time of revival of the policy. As a result, they repudiated the claim but admitted the claim for paid-up value secured by the policy before revival of the same. They have also informed their decision of repudiation to the complainant vide their letter dated 30th October, 2004.

3. Hearing:

Both the parties were called for a personal hearing at our camp office, Patna on 28.11.2012. The complainant attended and submitted the facts and grounds of complaint. She stated that her husband died due to brain hemorrhage and not of liver cirrhosis, which was detected after the revival of the policy.

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

4. Decision

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum against repudiation of death claim on the ground of suppression of material facts

at the time of revival of the policy. From the facts presented to this forum, we find that the duration of the policy was 5 years 2 months 3 days before the date of death and premium for 5 years 3 months were paid under the policy. The policy got lapsed due to non-payment of the premium and was revived on 07.02.2002 after payment of 2 years premium and submission of the declaration of good health (DGH). The DLA expired on 01.03.2003 at All India Institute of Medical Science (AIIMS). As per the Claim form 'B' dated 31.07.2003 certified by AIIMS authority, it is seen that primary cause of death was intracranial bleed and intracranial pressure and secondary cause was cirrhosis of liver. They have also certified that the LA was suffering from abdominal distention for the last 2 years before his death. Thus it is clear that LA has been suffering from abdominal problems which led to liver cirrhosis much prior to the date of revival of the policy. We also find from the hospital certificate that the DLA was under treatment of some private practitioner for his abdominal problem. The complainant has stated that liver cirrhosis was detected after revival of the policy but she could not produce any documentary evidence (prescriptions, test reports etc.) to establish her contention. Her argument that the cause of death was not liver cirrhosis is also not tenable as the secondary cause of death was 'cirrhosis of liver' which is a long standing disease.

After careful evaluation of all the facts and circumstances of the case, we are of the opinion that suppression of material facts has been established by the insurer with strong documentary evidence. The doctrine of good faith is applicable to the insurance contract and any mis-declaration and concealment of material facts in the revival document are sufficient to void the contract. The decision of the insurance company to repudiate the claim is in order and the same is upheld. The competent authority has already admitted the claim for paid up value and considering the financial hardship of the widow, we allow the refund of the revival premium on purely ex-gratia basis. The insurer is directed to refund the revival premium within 15 days from the date of receipt of this order along with consent from the complainant.

The complaint is disposed off.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : **460/22/005/L/06/2012-13**

Nature of Complaint : **Refund of premium**

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

Policy No. : **14703460**

Name & Address of the Complainant : **Shri Rajiv Ranjan,
Flat No.208, Hardi Estate,
Bank Road, Near New Police Line,
Patna – 800 001 (Bihar).**

Name & Address of the Insurer Compound, : **HDFC Standard Life Insurance Co. Ltd.,
11th Floor, Lodha Excelus, Apollo Mills
N.M. Joshi Marg, Mahalaxmi,
Mumbai – 400 011.**

Date of hearing : **7th January, 2013**

Date of Order : **9th January, 2013**

AWARD

This petition is filed by the complainant against HDFC Standard Life Insurance Co. Ltd. for non-refund of premium under the policy no. 14703460 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 20th June, 2012 that he purchased a policy bearing no.14703460, on payment of premium of Rs.29,530/- from HDFC Standard Life Insurance Co. Ltd. under "HDFC SL Samporn Samridhi" plan. He was assured by the agent by means of a hand-written calculation sheet that sum assured under the policy would be seven times of the first premium amount. The first premium of Rs.30,000/- under the policy was paid by him and the sum assured would have been Rs.2,10,000/- as per the agent's assurance. However, the policy bond received by him shows the sum assured as Rs.1,06,000/-. Considering this as mis-selling he contacted the insurer several times through personal visits/telephone for cancellation of the policy but no response from them was received. Ultimately, he received a letter from the insurer expressing their inability to cancel the policy on the ground of expiry of "free look" period. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer through their written submission dated nil, received by us on 6th August, 2012 has stated that based on the duly filled in proposal form dated 31st October, 2012 along with illustrations, they issued a policy bearing no.14703460 under 'HDFC SL Samporn Samridhi' plan for yearly premium of Rs.30,442/- and the term of 5 years, to the complainant. The policy bond was delivered to the complainant through Sri Chakra Transtech Courier as per POD No.B66662921 on 10th November, 2011. Also a letter containing the "Option to Return" clause which gives the policyholder the option to return the policy bond stating the reasons thereof within 30 days from the date of receipt of the policy bond if he is not agreeable to the provisions stated in the policy, was sent to the complainant. The complainant lodged his complaint of mis-selling of the policy first time on 26th March, 2012. As per their letter dated 5th April, 2012, they expressed their inability to cancel the policy, since the request for cancellation was received by them after the "free look" period of 30 days.

3. Hearing :

Both the parties were called for a personal hearing on 07.01.2013. The complainant attended the hearing and submitted the facts and grounds of complaint. He alleged mis-selling of the policy and stated that he had lodged his complaint through telephone and also visited the insurer's office several times. He referred to the calculation given to him by the agent where the sum assured was shown as Rs.2.10 lakhs but the policy was issued with sum assured of Rs.1.06 lakhs. He requested for cancellation of the policy on the grounds of mis-selling.

The representative of the insurance on the other hand reiterated their stand as mentioned in the SCN and discussed above. He however, could not give any satisfactory explanation for discrepancies pointed out by the complainant.

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum with allegation of mis-selling and produced a hand written document by the agent containing the details of the policy sold to him. In this note the benefits under the policy were highlighted which shows the life insurance coverage of Rs.2.10 lakhs for natural/accidental death claim up to 99 years of age. However, the policy was issued with life coverage of Rs.1.06 lakhs. This discrepancy has not been disputed by the insurance company and even the benefit illustration shows the sum assured of Rs.2.10 lakhs. Hence, mis-selling cannot be ruled out. Under the circumstances, the insurance company is directed to cancel the policy and refund the premium within 15 days of receiving this order along with consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : 394/22/005/L/06/2012-13

Nature of Complaint : Refund of premium

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

Policy No. : 14953481

Name & Address of the Complainant : Shri Arunava Ray,
35, Pioneer Park,
Barasat, Dist. North 24-Parganas,
Kolkata – 700 124.

Name & Address of the Insurer : HDFC Standard Life Insurance Co. Ltd.,
11th Floor, Lodha Excelus,
Apollo Mills Compound,
N.M. Joshi Marg, Mahalaxmi,
Mumbai – 400 011.

Date of hearing : 7th January, 2013

Date of Order : 9th January, 2013

AWARD

This petition is filed by the complainant against HDFC Standard Life Insurance Co. Ltd. for non-refund of premium under the policy no. 14953481 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 14th June, 2012 that he is a customer of HDFC Bank having four separate accounts. He was approached by two

employees of the said bank to purchase HDFC Bank's SIP product for which he was required to invest Rs.2,000/- every month but initially, he had to pay 12 months' deposit i.e. Rs.25,000/- at a time. Thereafter, he got a life insurance policy bond bearing no.14953481 for yearly premium of Rs.25,000/- from HDFC Bank and immediately, he asked the said person to cancel the policy as he was not interested in HDFC Life Product. He was asked to sign some papers for cancellation of the policy but after about three weeks, they informed that the policy could not be cancelled. As they had misguided him by providing wrong/false statement, he is not at all interested to continue the policy. He made several follow-ups a considerable time was lost in the process. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

As per their written submission dated nil, received by us on 3rd August, 2012, the insurer has stated that based on the proposal form dated 20th February, 2012 and illustrations, duly signed by the complainant, they issued a policy bearing no.14953481 to the complainant under 'HDFC Standard Life Classic Assure' plan with yearly premium of Rs.25,000/- for a policy term of 10 years and premium paying term of 7 years. The policy document for policy no.14953481 along with a letter containing "Option to Return" clause was delivered to the complainant through Sri Chakra Transtech Courier on 27th February, 2012 as per POD No.ZE1673012. The complainant submitted a letter for cancellation of the policy on the plea of mis-selling, first time on 9th April, 2012. As per their letter dated 26th April, 2012, they expressed their inability to cancel the policy since the complainant's letter dated 9th March, 2012 was received by them after the expiry of 'free look' period of 30 days. In reply to the complainant's further representation dated 10th May, 2012, they conveyed the same division as contained in their earlier letter dated 26th April, 2012.

3. Hearing :

Both the parties were called for a personal hearing on 07.01.2013. The complainant did not attend the hearing. We therefore, propose to deal with the matter ex-parte on the basis of his written submissions.

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

4. **Decision :**

We have heard the insurer, considered the written submissions by both the parties and verified the documents submitted to this forum. The complainant has approached this forum alleging mis-selling by the corporate agent of the insurer which could not be substantiated by him with any convincing argument or documentary evidence. He is a known customer of the bank and is well educated to understand the difference between a bank and an insurance product. Therefore, his allegation of mis-selling is not tenable. However, we find that he received the policy in the end of February and submitted his proposals for cancellation of the policy on 09.04.2012. As per the written submissions of the insurer, the free look period is within 30 days and the complaint has submitted his request for cancellation of the policy just after 11 days from the date of expiry of free look period. Since the delay is marginal, the policy should be cancelled and premium is to be refunded after deduction of administrative and mortality charges. The insurer is directed to make the payment within 15 days of receiving this order along with consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : **523/22/003/L/07/2012-13**

Nature of Complaint : **Refund of premium**

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

Policy Nos. : **U018194380 & C072363429**

Name & Address of the Complainant : **Shri Sadhan Ghosh,
LB-5, O.D.R.C. Estate,
Behala,
Kolkata – 700 038**

Name & Address of the Insurer : **Tata AIA Life Insurance Co. Ltd.,
Legal Department,
5th Floor, "Chowringhee Court",
55, Chowringhee Road,
Kolkata – 700 1071.**

Date of hearing : **18th January, 2013.**

Date of Order : **21st January, 2013**

AWARD

This petition is filed by the complainant against Tata AIA Life Insurance Co. Ltd. for non-refund of premium under the policy nos. U018194380 & C072363429 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 9th July, 2012 that he had purchased two policies bearing nos.U018194380 and C072363429 from Tata AIA Life

Insurance Co. Ltd. on payment of premiums of Rs.30,000/- each with the assurance from the concerned agent that the policies would be on single premium basis only. On receiving the policy documents on 16th January, 2012, he observed that the policies were issued on regular premium basis with 15 years premium paying term. On 18th January, 2012, he handed over his letter for cancellation of the policies and refund of premiums to the concerned agent but the letter was not forwarded by the agent to the insurance company. On 28th March, 2012, he submitted his grievance to the company but the latter did not take any action to cancel the policies. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

In their written submission dated 10th January, 2013, the insurer has stated that they issued policies bearing nos.U018194380 and C072363429 under 'United Ujjawal Bhavishya Supreme' and 'Maha Life Gold' respectively. As per their records, the policy bearing no.U018194380 was issued on 30th December, 2011 and the policy document was dispatched on 9th January, 2012 through SRK Courier under POD NO.70084049 and delivered to the complainant on 13th January, 2012. The policy bearing no.C072363429 was issued on 5th January, 2012 and the policy document was dispatched on 10th January, 2012 through SRK Courier under 70098332 and delivered to the complainant on 17th January, 2012. The LA/Payor in their letter dated 28th March, 2012 addressed to the insurer, has mentioned that they have received the policy documents on 16th January, 2012 and 17th January, 2012 respectively. On 28th March, 2012 and 30th March, 2012 they received complaints from the LA/Payor regarding mis-selling and allegation against the concerned agent. They (LA/Payor) have also mentioned that they have submitted the policy documents to the agent for cancellation on 18th January, 2012. The insurance company has asked the complainant through a letter dated 30th March, 2012 to assist them with any documentary evidence like an acknowledgement receipt proving that the policy documents were handed over to the agent in order to investigate the matter further. However, they did not receive any document from the complainant regarding

submission of the policy bonds to the concerned agent. They again sent a letter dated 9th April, 2012 explaining that they could not cancel the policies as his request for cancellation was received by them on 28th March, 2012 i.e. beyond the 'free look' period. As against the complainant's further letter dated 4th May, 2012 conveying the same allegation against the concerned agent and request for cancellation of the policies but not sending the documentary evidence as called for by them earlier, they have closed the complaint as per their letter dated 15th June, 2012 as no evidence has been provided by the LA/Payor in support of their contention.

3. Hearing :

Both the parties were called for a personal hearing on 18.01.2013. The complainant attended and submitted the facts and grounds of his complaint. He stated that the company's agent misled him that these were single premium policies, but both were issued for 15 years. As he is a retired person aged about 75 years and suffering from serious diseases, the policies are not suitable for him and he is not in a position to pay Rs.60,000/- for 15 years. On receiving the policy documents, he contacted the same agent but she kept the policies with her and did not forward his application to the company. As a result he could not submit his application within the free look cancellation period. He also stated that the said agent was sacked by the company after receiving his complaint.

The representative of the insurance company reiterated their stand as mentioned in the SCN and discussed above. She was asked to submit a report on the action taken by the company against the said agent for mis-selling the policies, as stated by the complainant within a week.

4. Decision :

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. The complainant has approached this forum alleging mis-selling of two policies by the Company's corporate agent. From the facts submitted to this forum, we find that the complainant, a retired 75 yrs old senior citizen had intended to make a onetime investment with primary objective of earning some income, but the Company issued him two policies under regular plan for 15 years without giving due consideration for his advance age and premium paying capacity. He had

agreed for the investment on the assurance of the agent that the policies were one time investment. On receiving the policy documents, he found that these were regular policies for 15 years and considering his financial capacity, adverse health condition and advance age, it is not possible for him to continue the policy for such a long period. From the documents submitted to this forum, we find that he received the policies on 17.01.2012 and immediately wrote to the Company on 18.01.2012 requesting them for cancellation of the policies and refund of the premium. The letter was addressed to the Manager/Director of TATA AIG Life Insurance Co. Ltd., but handed over to the Corporate Agent who accepted the letter along with both the policy bonds. It is surprising that neither the Agent nor the Company replied or returned the policy documents to the petitioner. The Agent assured him that due action would be taken on his application. For nearly three months she kept the policy documents with her due to which the free look cancellation period had lapsed. The petitioner has submitted his medical record which shows that he is suffering from several serious diseases like COPD, coronary artery disease etc. Considering his economic background and advance age, it was highly improper for the agent to suggest two policies for 15 years. Although the policies were issued in the name of Mallar Ghosh son of the petitioner, but the premiums were paid by the father out of his own bank account. The representative of the insurance company was asked to submit a report regarding the allegation that the services of the said Agent were terminated by the company on the basis of the petitioner's complaint. But till date no report has been received from the Company in this respect. After careful evaluation of all the facts and circumstances of the case, we are of the opinion that mis-selling of policies cannot be ruled out in this case. From the correspondences made by the petitioner with the Company/Agent, it is clear that he had submitted his request for cancellation of the policies within one day of receiving them, but due to the delay caused by the Corporate Agent in forwarding his application to the company he lost substantial time in lodging his complaint to the company. Under the circumstances, the decision of the company not to allow free look cancellation is not fair and the same is set aside. They are directed to cancel the policies and refund the premium to the petitioner as per IRDA guidelines within 15 days.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : 582/22/005/L/07/2012-13

Nature of Complaint : Refund of premium

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

Policy No. : 14899059

Name & Address of the Complainant : Smt. Anindita Majumdar,
CJ 309, Sector – II,
Salt Lake City, Bidhan Nagar,
Kolkata – 700 091.

Name & Address of the Insurer : HDFC Standard Life Insurance Co. Ltd.,
11th Floor, Lodha Excelus,
Apollo Mills Compound,
N.M. Joshi Marg, Mahalaxmi,
Mumbai – 400 011.

Date of hearing : 18th February, 2013

Date of Order : 19th February, 2013

AWARD

This petition is filed by the complainant against HDFC Standard Life Insurance Co. Ltd for non-refund of premium under the policy no. 14899059 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in her petition dated 25th June, 2012 that she had purchased a policy bearing no.14899059 from HDFC Standard Life Insurance Co. Ltd. on payment of premium of Rs.2,03,100/-. Later on, she came to know that it was a regular

premium policy and the yearly premiums of Rs.2,00,000/- are to be paid for 10 years though at the time of taking the policy, she was told that the policy would be on single premium basis. Thereafter, she wrote to the insurance company to cancel the policy and refund the premium paid thereunder but the company rejected her appeal.

Being aggrieved, she approached this Forum seeking appropriate relief and submitted 'P' Forms giving her unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer through their written submission dated 14th September, 2012 has stated that based on duly filled in and signed proposal form dated 31st January, 2012 and benefit illustration they issued a policy bearing no.14899059 under "HDFC Savings Assurance Plan" with yearly premium of Rs.2,03,100/- payable for 10 years. The policy bond under the said policy along with a letter containing the "Option to Return" clause was sent to the complainant through Sri Chakra Transtech Courier on 7th February, 2012, vide P.O.D. No.ZE1647249 which was received by A. Majumdar. The complainant, vide her letter dated 9th March, 2012, for the first time had made the request to cancel the policy and made the allegation of mis-selling. Through their letter dated 17th March, 2012, they had denied the allegation of mis-selling as the terms and conditions of the policy were explained clearly to the complainant and expressed their inability to cancel the policy as the application for cancellation of the policy was received by them after the 'free look' period of 15 days.

3. Hearing :

Both the parties were called for a personal hearing on 18.02.2013. The complainant attended with her father who stated the facts and grounds of the complaint. He alleged mis-selling of the policy by the Bank Manager, HDFC Bank. He had intended to invest in fixed deposit but the funds were diverted to insurance policy without their consent. He further submitted that he had taken several policies from HDFC and every time he was

misguided by the Bank Manager. He requested that his policy may be cancelled as there was a marginal delay of 15 days in applying for free look cancellation.

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

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum against the decision of the insurance company to deny free look cancellation of the policy. From the facts presented to this forum, we find that the complainant is in the habit of buying insurance policies from HDFC Standard Life Insurance Company Ltd., and she has purchased several policies from their corporate agent. She has alleged mis-selling of the policy, but could not establish her allegation with any satisfactory evidence. The policy was issued on the basis of the proposal form duly signed by the complainant. The policy bond was delivered on 07.02.2012 and the complainant immediately submitted a letter for cancellation of the policy on 09.03.2012. Thus there was a delay of 16 days after expiry of the free look cancellation period which is quite marginal and can be attributed to postal delay. The complainant has further stated that she is not employed and totally dependent on her parent's income. The insurance company refused to cancel the policy and refund of premium as the request for cancellation was received beyond free look cancellation period.

After careful evaluation of all the facts and circumstances, we are of the opinion that the allegation of mis-selling is not established in this case. However, considering the facts that the complainant has no independent source of income and she is unable to finance the policy and also there was marginal delay of few days, we direct the insurance company to cancel the policy and refund the premium after deduction as per IRDA guidelines as an ex-gratia measure. The payment should be made within 15 days of receiving this order along with consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER

Complaint No. : 617/22/012/L/07/2012-13

Nature of Complaint : Refund of premium

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

Policy Nos. : 20791920 & 20792859

Name & Address of the Complainant : Shri Soumya Banerjee,
73/3/D, Ramkrishna Road,
Panpara Chatra, Baidyabati,
Serampore, District: Hooghly,
Pin: 712 204.

Name & Address of the Insurer : Met Life India Insurance Co. Ltd.,
Brigade Seshamahal,
5, Vani Vilas Road,
Basavanagudi, Bangalore – 560 004.

Date of hearing : 18th February, 2013

Date of Order : 19th February, 2013

AWARD

This petition is filed by the complainant against Met Life India Insurance Co. Ltd., for non-refund of premium under the policy nos. 20791920 & 20792859 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 26th July, 2012 that he had purchased two policies bearing nos. 20791920 and 20792859 from Met Life India Insurance Co. Ltd. on payment of premiums of Rs.24,577.95 and Rs.25,272.52 respectively. On receiving the policy documents, he observed that the premium paying term under both the policies is 15 years though at the time of taking the policies, he was advised by the agent that premium under both the policies would be payable for 5 years only and the policy term would be 15 years. Accordingly he requested the insurance company on 13th June, 2012 to cancel the policies and refund the premiums paid there under but the insurer rejected his request.

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

2. Insurer

The insurer have stated in their written submission dated 22nd October, 2012 that based on duly filled in and signed application form, benefit illustration and initial payment of Rs.24,577.95 and Rs.25,272.52 made by the complainant, they issued policies bearing nos. 20791920 and 20792859 to him. The policy bearing no.20791920 was issued to the complainant on 28th March, 2012 and the policy documents including the detailed terms and conditions were dispatched to his mailing address through XPS Courier with P.O.D. No.40369830771 dated 3rd April, 2012 but the same was returned to them undelivered. The policy documents were resent by Speed Post with P.O.D. No.EK426847908 IN. The policy bearing no.20792859 was issued to the complainant on 31st March, 2012 and the policy documents including the detailed terms and conditions were dispatched to the complainant on 4th April, 2012 through Blue Dart Courier with P.O.D. No.40369837082 but the same were also returned undelivered. They resent the policy documents on 28th May, 2012 as per Speed Post No.EK426847939 IN.

On receiving the allegation from the complainant about mis-selling and with the request for cancellation of the policies through 'free look' provision, they initiated investigation and it was revealed that the financial advisor under both the policies was his father. Accordingly, they rejected the request of the complainant as per their letter dated 28th June, 2012.

3. Hearing :

Both the parties were called for a personal hearing on 18.02.2013. The complainant attended the hearing and stated the facts and grounds of complaint. He stated that his request for cancellation of the policy was made within 15 days of the receipt of the policy bond.

The representative of the insurance company was absent. We therefore propose to deal with the matter on the basis of their written submissions made to this forum.

4. Decision :

We have heard the complainant and considered the written submissions of both the parties. From the facts submitted to this forum, we find that the policy documents sent by the insurance company through speed post was received by the complainant on 01.06.2012 and his request for cancellation was lodged on 13.06.2012. Since his request was made within the free look cancellation period, he is entitled to cancellation of the policy and refund of premium. The decision of the company is set aside and they are directed to refund the premium within 15 days of receiving this order along with consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER

Complaint No. : 506/22/006/L/07/12-13

Nature of Complaint : Refund of premium

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

Policy No. : 005412411

Name & Address of the Complainant : Shri Nikhilesh Kr. Biswas,
B-7/5, Uttarayan Housing Estate,
102, B.T. Road,
Kolkata – 700 108.

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

Date of hearing : 25th February, 2013

Date of Order : 26th February, 2013

AWARD

This petition is filed by the complainant against Birla Sun Life Insurance Co. Ltd., for non-refund of premium under the policy no. 005412411 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 4th July, 2012 that he took a policy bearing no.005412411 from Birla Sun Life Insurance Co. Ltd. for a short term of three

years on good faith and paid a sum of Rs.75,000/- by two Account Payee Cheques of Rs.37,000/- and Rs.38,000/- respectively. He received the policy documents in first week of March 2012 and found that the policy was issued in the name of his grandson, Diptomit Biswas, with the complainant as the proposer on a yearly premium of Rs.75,000/- for a term of ten years. Since it was not possible for him to continue the policy with his pension income, he first took up the matter with the representative of the insurer and then approached the insurer for cancellation of the policy on 23rd April, 2012 and 10th May, 2012. In response to it, the insurer requested him to review the features once again and stated that "... in case we do not receive a reply within 8 weeks from the date of our response; your concern will be considered as resolved". However, they have not taken any action in this regard. Being aggrieved, he approached this Forum seeking appropriate relief and submitted "P" Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer have stated in their written submission dated 8th February, 2013 that the complainant proposed to them to insure the life of his grandson, Diptomit Biswas, for taking a policy under "Platinum Advantage" plan with a sum assured of Rs.12,62,321/- and had agreed to pay premium of Rs.75,000/- in yearly premium mode. Accordingly, a policy bearing no.005412411 was issued to the complainant on 29th February, 2012 and received the same by the complainant on 9th March, 2012. The insurer received the first complaint on 23rd April, 2012 from the complainant with respect to the above mentioned policy via phone call to Birla Sun Life Insurance Co.'s Customer Service i.e. after 44 days from the receipt of the policy. Later, he made one more complaint on 10th May, 2012 with the same allegation that the advisor had convinced him for a short term fixed deposit and he had issued two cheques amounting to Rs.75,000/- but the policy terms were inconsistent with what he was explained as the pay term was for 18 years. So, he wanted to cancel the policy.

The insurer stated that the policy was issued to him after providing the sales illustration and the policy pay term along with the benefits were clearly explained in the sales illustration. The complaint was received by the insurer after a lapse of 44 days. Since the complainant could not avail the 'free look' option of 15 days, they denied cancellation of the policy.

3. Hearing :

Both the parties were called for a personal hearing on 25.02.2013. The complainant attended the hearing and stated the facts and grounds of complaint. He stated that he had written a letter for cancellation of the policy within two days to the Agent who did not take any action. There was a delay of one and a half month, which was due to the fact that the Agent did not advise him correctly. He pleaded for sympathetic consideration of his case considering his advance age of 80 years.

4. Decision :

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. The complainant has approached this forum alleging mis-selling of the policy. From the facts presented to this forum, we find that he intended to take a short term fixed deposit but was misguided to take a life insurance policy in the name of his grandson, who a minor child is studying in class VII. The complainant, an octogenarian with declared pension income of Rs. 3 lakh was taken as the proposer for the policy with regular premium liability of Rs. 75,000/- (25% of annual income) for a term of 18 years. The insurance company has failed to justify the suitability of the product sold to the complainant. There is a serious underwriting flaw on the part of the company as they failed to consider the premium paying capacity of the proposer and his advance age. Thus the possibility of mis-selling in this case cannot be ruled out. Moreover, the company has not considered that the complainant had first approached the Agent (a normal practice) who did not advise him correctly. As a result there was a slight delay in applying for free look cancellation of the policy.

In view of the above, denial of free look cancellation is not justified. We set aside the company's decision and direct them to cancel the policy and refund the premium as per IRDA guidelines. The payment should be made within 15 days of receiving this order along with consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER

Complaint No. : 509/22/009/L/07/12-13

Nature of Complaint : Refund of premium

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

Policy No. : 0263116843

Name & Address of the Complainant : Shri Arunangsu De,
9/12/1, Sitanath Bose Lane,
Salkia,
Howrah – 711 106.

Name & Address of the Insurer : Bajaj Allianz Life Insurance Co. Ltd.,
Bajaj Finserve, Survey No.208/B-1,
Behind Weikfield IT Building,
Viman Nagar, Nagar Road,
Pune – 411 014.

Date of hearing : 25th February, 2013

Date of Order : 26th February, 2013

AWARD

This petition is filed by the complainant against Bajaj Allianz Life Insurance Co., for non-refund of premium under the policy no. 0263116843 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his complaint that he had taken a policy bearing no.0263116843 under Bajaj Allianz Smart Insurance plan-111 on 28th March, 2012 for sum assured of Rs.70,00,000/- with yearly premium of Rs.10,00,000/- and premium paying term of 6 years. He received the policy document on 23rd April, 2012 and on the very next day i.e. on 24th April, 2012 he applied for 'free look' cancellation request. He stated in his petition dated 9th July, 2012 that as he was not aware of the IRDA Regulations, he failed to explain the reason for cancellation of the policy. In his first letter dated 24th April, 2012 addressed to the insurer, he expressed his financial problems for which he wanted to cancel the policy. In response to his letter, the insurer rejected the cancellation request on the ground that the reason cited by the complainant in the 'free look' request letter does not reflect his dissatisfaction with the terms of the policy. Subsequently, the complainant submitted two more letters to the insurer dated 7th May, 2012 and 4th June, 2012 stating that he was interested in taking a single term investment and not a regular premium policy but the insurer did not agree to cancel the policy.

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

2. Insurer

The insurer has submitted their written submission dated 12th February, 2013 confirming the fact that the policy bearing no.0263116843 was issued on 28th March,

2012, as per the proposal form duly signed by the policyholder with premium payment term of 6 years and benefit term of 10 years. The premium payment frequency is opted as 'Yearly'. The policy document was issued and sent to the mailing address of the policyholder on 16th April, 2012 via Speed Post Courier with consignment no. EH457515565 IN. The policyholder indicated in his complaint letter that he had received the policy document in time. The insurer further stated that they have received three 'free look' cancellation requests from the policyholder and the gist of the complaint letter is given as follows:-

- (a) First 'free look' cancellation request received on 24th April, 2012 stated that the policyholder wanted to cancel the policy due to financial reason.
- (b) Second 'free look' cancellation request received on 7th May, 2012 stated that the policyholder wanted to cancel the policy as it was a regular premium policy instead of single premium.
- (c) Third 'free look' cancellation request received on 4th June, 2012 stated that the policyholder wanted to cancel the policy as he was not satisfied with the clauses related to foreclosure, surrender value and discontinue value.

As per the clause 17 (Free Look Cancellation Clause) under the provisions of IRDA Guidelines, the policy can be cancelled only if the policyholder is dissatisfied with any of the terms and conditions for any reason given in the policy document. But the policyholder applied for the 'free look' cancellation request within the 'free look' cancellation period due to financial reasons. So, the cancellation request was not accepted by the insurer.

As per the details provided under the proposal form, the policyholder is a well educated person with annual income of Rs.82,00,000/- and so, they felt that the policyholder can continue the policy and has understood the terms and conditions of the policy.

3. Hearing :

Both the parties were called for a personal hearing on 25.02.2013. The complainant attended the hearing and stated the facts and ground of his complaint. He stated that he

has submitted the request for cancellation of the policy within free look cancellation period. He requested for the refund of the premium paid by him.

The representative of the insurance company attended the hearing and reiterated their stand as mentioned in the SCN and discussed above. He also agreed that the complainant had sent a request within free look period but the ground shown was financial reason which does not allow for cancellation of the policy.

4. Decision :

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. The complainant has approached this forum seeking free look cancellation of the policy. From the facts presented to this forum we find that this policy was dispatched by the insurer on 16.04.2012 and reportedly received by the complainant on 23.04.2012 and the first request for cancellation was sent on 24.04.2012 wherein the policyholder wanted to cancel the policy due to financial reason. However, he gave the second request on 07.05.2012 for cancellation of the policy stating that the terms did not suit him. Considering that he had expressed his dissatisfaction with the policy in both letters and these were received within the free look cancellation period, the decision of the insurer is not justified.

We therefore set aside the decision of the company and direct the insurer to cancel the policy and refund the premium within 15 days of receiving this order along with consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER

Complaint No. : 524/22/006/L/07/12-13

Nature of Complaint : Refund of premium

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

Policy No. : 005369229

Name & Address of the Complainant : **Shri Dilip Kumar Dey,
Marvel Castle, E/2,
547B, Garia Gardens,
Kolkata – 700 084**

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

Date of hearing : 25th February, 2013

Date of Order : 26th February, 2013

AWARD

This petition is filed by the complainant against Birla Sun Life Insurance Co. Ltd., for non-refund of premium under the policy no. 005369229 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 10.07.2012 that he had purchased a policy bearing no.005369229 under Platinum Advantage Plan of Birla Sun Life Insurance

Co. Ltd. on the life of his wife Smt. Champa Dey (67 years old). He took the policy on 13.02.2012 as one time deposit of Rs.30,000/- for five years. But on receipt of the policy document on 17th February, 2012, he realized that it was not one time deposit policy and he will have to pay yearly premium of Rs.26,470/- for consecutive five years. Immediately, he pointed out the irregularities and requested the insurer to make the necessary correction on 19th February, 2012 (which was received by the concerned agent on 20th February, 2012). Subsequently, he started communicating with the insurer vide several e-mails and letters dated 20th March, 2012, 8th April, 2012 and 30th April, 2012 onwards for correction of the policy document or cancellation of the policy. In spite of several follow ups, he received no response from the insurer.

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

2. Insurer

The insurer have stated in their written submission dated 8th February, 2013 that the complainant had proposed to Birla Sun Life Insurance Co. Ltd. to insure the life of his wife under policy bearing no.005369229 with sum assured of Rs.1,85,290/-. He had paid an initial premium of Rs.30,000/- as per the proposal dated 6th February, 2012. He had agreed to pay premium of Rs.26,470/- in annual premium mode. The insurer received the first complaint on 3rd April, 2012 i.e. almost after two months and then on 30th April, 2012 but as the complaint was received after two months with respect to the issuance of the policy they did not allow the policyholder to avail the 'free look' option. The policyholder was also provided with the Sales Illustrations along with the policy document and he had signed the benefit illustration on his free will which implies that he had given his consent to the terms and benefits of the policy.

3. Hearing :

Both the parties were called for a personal hearing on 25.02.2013. The complainant attended the hearing and stated the facts and grounds of complaint. He stated that he had written a letter for cancellation of the policy within two days to the agent who did not take any action. The complaint to the company was lodged within one month after receiving the policy document. He pleaded sympathetic consideration of his case as he is an advance age of 73 years.

4. Decision :

We have heard both the parties, considered their written submissions and verified the documents submitted to this forum. The complainant has approached this forum alleging mis-selling of the policy but he could not substantiate his allegation with any satisfactory evidence. However, considering that his request for cancellation of the policy was lodged with the Agent (a normal practice) within two days of receiving the policy bond and there was a marginal delay in lodging his complaint to the company, we are of the opinion that denial of free look cancellation is not justified. We set aside the company's decision and direct them to cancel the policy and refund the premium after deduction of administrative charges as per IRDA guidelines. The payment should be made within 15 days of receiving this order along with consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER

Complaint No. : 619/22/006/L/07/12-13

Nature of Complaint : Refund of premium

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

Policy No. : **005596904**

Name & Address of the Complainant : **Shri Satyendra Singh,
592/1/4, R.B.C. Road,
P.O. Garifa,
District: North 24-Parganas,
Pin: 743 166.**

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

Date of hearing : **11th March, 2013**

Date of Order : **12th March, 2013**

AWARD

This petition is filed by the complainant against the decision of Birla Sun Life Insurance Co. Ltd., not to refund the premium under the policy no. 005596904 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 28th July, 2012 that he had purchased a "Rainbow Plan" policy bearing no.005596904 from Birla Sun Life Insurance Co. Ltd. on 30th May, 2012 on payment of single premium of Rs.60,000/-. He was under the impression that it would earn interest @ 9% p.a. On receiving the policy document on 25th June, 2012, he found that the rate of interest is 4.7% p.a. only, which did not match with the verbal assurance given to him at the time of taking the policy. He was out of station till 6th July, 2012 and on return to Kolkata, he requested the insurer to cancel the policy within 12 days vide e-mail dated 7th July, 2012 alleging mis-selling of the above policy. But the insurer refused to receive the free look document.

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

2. Insurer

The insurer has stated in their written submissions dated 1st March, 2013 that the complainant had taken a policy under "Rainbow Plan" with sum assured of Rs.2,91,010/- and agreed to pay a one time premium of Rs.60,000/- for a policy term of five years. Accordingly, a policy bearing no.005596904 was issued to the complainant on 30th May, 2012, which was received by the complainant on 25th June, 2012.

The insurer received the first complaint letter from the complainant vide e-mail dated 7th July, 2012. After receiving the said e-mail, the insurer requested the complainant to submit the free look cancellation form, policy bond along with his consent for cancellation in their nearest branch within 15 days from free look period. But the complainant submitted his written complaint along with requisite document on 13th July, 2012. Since his request for cancellation was delayed by 3 days from the free look period, he was not allowed to cancel the policy.

3. Hearing :

Both the parties were called for a personal hearing on 11.03.2013. The complainant attended and stated the facts and grounds of complaint. He requested for early refund of premium.

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

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum alleging mis-selling of the policy which could not be substantiated by him. However, we find that he received the policy documents on 25.06.2012 and made a request for cancellation through e-mail on 07.07.2012 i.e. within 12 days of receiving the policy documents. This fact has been confirmed by the insurance company. Thus his request for cancellation of the policy was within the free look cancellation period which should have been accepted by the insurance company. They are therefore, directed to allow free look cancellation of the policy and refund the premium as per IRDA rules within 15 days of receiving this order along with consent.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER

Complaint No.	:	1004//22/004/L/10/12-13
Nature of Complaint	:	Refund of premium
Category under RPG	:	12 (1) (c) Rules 1998.
Policy No.	:	16310601
Name & Address of the Complainant	:	Shri Paresh Nath Chatterjee, Flat No.3E, Block – 5, Srijan Midland Housing Complex, 83, Jessore Road, Kolkata – 700 132.
Name & Address of the Insurer	:	ICICI Prudential Life Insurance Co. Ltd., Legal Department, Vinod Silk Mills Compound, Chakravarthy Ashok Nagar, Ashok Road, Kandivali (East),

Mumbai – 400 101.

Date of hearing : 11th March, 2013

Date of Order : 12th March, 2013

AWARD

This petition is filed by the complainant against the decision of ICICI Prudential Life Insurance Co. Ltd., not to refund the premium under the policy no. 16310601 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 5th October, 2012 that he had purchased a policy bearing no.16310601 from ICICI Prudential Life Insurance Co. Ltd. on payment of a premium of Rs.3,00,000/-. He received the policy document on 27th January, 2012 and found that the terms of the policy were not in conformity with the verbal assurance made to him. He is a Non-Resident Indian (NRI) and has taken the above policy after continuous persuasion of a bank employee of ICICI Bank. He further added that the fact of deduction of service tax, education cess etc. from his premium amount every year was not disclosed to him at the time of taking the policy. So, he applied for cancellation of the policy on 3rd February, 2012 i.e. within 7 days from the date of receipt of the policy bond and requested the insurer for refund of premium paid by him. Subsequently, he made several correspondences through e-mail dated 7th February, 2012, 15th February, 2012 etc., but did not get any positive reply from the insurer.

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

2. Insurer

The insurer has stated in their written submissions dated 20th February, 2013 that without getting into the merits of the case and without admitting any liability, as an exceptional case, they have agreed to cancel the policy and convert the entire premium of Rs.3,00,000/- to a single premium policy. They have communicated the same to the complainant vide their letter dated 20th February, 2012 and have asked for his consent.

3. Hearing :

Both the parties were called for a personal hearing on 11.03.2013. The complainant attended and stated that he wants cancellation of the policy and refund of full premium.

The representative of the insurance company did not attend the hearing. We therefore propose to deal with the matter as ex-parte on the basis of written submissions.

4. Decision :

We have heard the complainant, considered the written submissions made by both the parties and examined the documents submitted to this forum. The complainant has approached this forum requesting for free look cancellation of the policy. The company has agreed to accept his request and offered him to convert the policy into a single premium policy. However, the complainant has not agreed to accept the offer. He has requested that the policy should be cancelled and the premium should be refunded. Since he has applied within the free look cancellation period, the company is directed to refund the premium as per IRDA guidelines within 15 days of receiving this order along with consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : 742/22/019/L/08/2012-13

Nature of Complaint : Refund of premium

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

Policy No. : 120313497628

Name & Address of the Complainant : Shri Bijay Kr. Chakraborty,
11/51, Rishi Aurobinda Park,
P.O. Birati,
Kolkata – 700 051.

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

Date of hearing : 15th March, 2013.

Date of Order : 18th March, 2013

AWARD

This petition is filed by the complainant against the decision of Aegon Religare Life Insurance Co. Ltd for non-refund of premium under the policy no. 120313497628 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 27th August, 2012 that he purchased a policy bearing no.120313497628 from Aegon Religare Life Insurance Co. Ltd. in March, 2012 by paying yearly premium of Rs.45,000/-. He alleged mis-selling of the policy by the representative of the insurer who assured him that on investment of Rs.45,000/- in their company, he would arrange the refund of Rs.1,00,000/- invested by him in another lapsed policy with ICICI Prudential Life Insurance Co. Ltd. in April, 2008. He intended to nominate the policy in favour of his son who did not sign the proposal form. Only his name was mentioned in the proposal form. He has further stated that he was out of station from 17th April, 2012 to 25th July, 2012 and the policy bond was received by the members of his family in his absence. Later he learnt that the policy was issued in favour of his son as Life Assured (LA) and declaring him as the proposer of the policy. Being dissatisfied, he approached the insurer vide his letter dated 6th August, 2012 for cancellation of the policy and refund of premium. But the insurer rejected his appeal vide their letter dated 14th August, 2012. Being aggrieved, he approached this Forum seeking appropriate relief and submitted 'P' Forms giving his unconditional and irrevocable consent for the Hon'ble Insurance Ombudsman to act as a mediator between the insurer and the complainant for resolution of the complaint.

2. Insurer

The insurer has stated in their written submission dated 30th October, 2012 that on the strength of a filled in and signed proposal dated 30th March, 2012 along with other required documents, they have issued a policy bearing no.120313497628 under "Aegon Religare Educare Plan" with yearly premium of Rs.45,000/-. The complainant has also signed a consent letter for paying extra premium for non-standard age proof (Voter Card) of the LA (his son). The policy bond was dispatched to the mailing address of the LA on 14th April, 2012 through Blue Dart Courier vide AWB No.44988314615 and the same was delivered on 16th April, 2012. The first request for cancellation of the policy was received by them on 7th August, 2012. Since the said request was made beyond the 'free look' period, the same is beyond the provision of Policyholders' Interest Regulations.

3. Hearing :

Both the parties were called for a personal hearing on 15.03.2013. The Complainant attended and submitted the facts and grounds of complaint. He alleged mis-selling of the policy and pointed out other discrepancies in the policy document. He also stated that Educare policy was sold to his son (LA) who is a service holder and hence it was not suitable for him.

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

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum against the decision of the insurance company not to allow free look cancellation of the policy. He has alleged mis-selling of the policy which could not be substantiated with any documentary evidence. However, from the copy of the proposal form we find that it does not bear the signature of the LA. Only the proposer has signed the proposal form. The LA has only written his name in capital letters which cannot be taken as his authentic signature. His specimen signature as per PAN card is totally different but that was overlooked by the insurer. Moreover, we find that no need analysis was done by the sales person and an Educare policy meant for education purpose was sold to a 32 years old service holder who has nominated his mother in the policy. Hence the policy was not suitable either for the proposer or for the LA. Thus the underwriting lapse is clear in this case.

After careful evaluation of all the facts and circumstances of the case, we are of the opinion that the representative could not explain how the policy was accepted on the basis of the proposal which was not signed by the LA. In our opinion the basic document was not correct and as a result, the contract has become invalid. We accordingly direct the

insurer to cancel the policy and refund the amount within 15 days of receiving this order along with consent. The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : 830/23/001/L/09/2012-13

Nature of Complaint : Dispute with policy terms and conditions

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

Policy No. : 578248515

Name & Address of the Complainant : Shri Shyamal Kr. De Roy,
40/3A, A.P.C. Roy Road, Kamal Park,
P.O. Birati, P.S. Nimta,
Kolkata – 700 051.

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

Date of hearing : 20th March, 2013

Date of Order : 21st March, 2013

AWARD

This petition is filed by the complainant against Life Insurance Corporation of India for dispute with policy terms & conditions under the policy no. 578248515 and the same has been admitted under Rules 12(1)(d) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 10th September, 2012, that he purchased a policy bearing no.578248515 from Life Insurance Corporation of India, (CBO-6) under 'Samridhi Plus' (T-804) plan on payment of premium of Rs.1,00,000/-. He was given to understand that the policy would extend risk coverage and accident benefit of Rs.5,00,000/- each. On receiving the First Premium Receipt (FPR), he observed that 'Risk Cover' under the policy was for only Rs.1,10,000/- and 'Accident Benefit' cover was not mentioned in it though in the proposal form he had opted for basic sum assured of Rs.5,00,000/- with Accident Benefit Coverage. He immediately pointed out these irregularities to the insurer but did not receive any satisfactory reply.

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

2. Insurer

The insurer have stated in their written submission dated 2nd January, 2013 that in the original proposal form, sum proposed was written as Rs.5,00,000/- which was struck off and re-written as Rs.1,10,000/- under single premium mode. Since Rs.1,00,000/- was deposited as premium, the sum assured of Rs.1,10,000/- was correct as per the conditions of the particular plan opted by the complainant (Samridhi Plus). They sent a letter to the complainant on 23rd November, 2011 explaining these facts. Further, no medical report was received by them. The policy was accepted under Non-Medical General Scheme. As the sum assured was written as Rs.1,10,000/- in the proposal form, the 'Accident Benefit Cover' will be extended for Rs.1,10,000/- only in the policy. The matter has been forwarded to Software Development Centre, Pune, for inclusion of the Accident Benefit.

3. Hearing :

Both the parties were called for a personal hearing on 20.03.2013. The complainant attended and submitted the facts and grounds of complaint. He stated that he was not

satisfied with the terms & conditions of the policy as it did not provide for risk coverage and accidental benefit up to Rs.5.00 lakhs. The authorized agent of the insurer had advised him to undergo certain medical tests (Glucose fasting and ECG) at the KCM Clinical Diagnostic Centre. He further admitted that he was not advised by the insurance company to undergo medical tests and the cost of the tests was also not reimbursed by them. He further mentioned that the policy bond, which was collected by the agent, has not yet been received by him. He requested for cancellation of the policy and refund of premium.

The representative of the insurance company on the other hand reiterated their stand as mentioned in the SCN and discussed above. They stated that the applicant had applied for the policy without risk coverage, basically for investment purpose. He submitted a proposal for S.A. of Rs. 1,10,000/- with accident cover, which was inadvertently not included. They have now taken steps to include the accident benefit upto Rs. 1,10,000/-. He further clarified that since the proposer did not sign the option for medical examination at the end of the proposal form, the proposal was accepted in non-medical category for which the maximum S.A. under single premium mode was Rs.1,10,000/-. Although he submitted his complaint within the cooling off period, he did not ask for cancellation of the policy.

4. **Decision:**

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum alleging certain irregularities regarding sum assured and risk coverage benefit. From the facts presented to this forum, we find that the complainant had applied for a policy under Samridhi Plus (Table-804) under single premium plan with Basic S.A. for Rs 5.00 lakhs, which was changed to Rs. 1,10,000/- being maximum coverage for single premium policy under non medical category. The complainant has contended that he was advised by the agent to undergo medical tests for availing higher SA of Rs. 5 lakh but we find that such tests were not advised by the insurance company. His age as on date of proposal was 51 years and since he did not sign the consent for medical examination in

the proposal form, the proposal was accepted under Non-medical General scheme for S.A. of Rs.1,10,000/-. This is in conformity with the existing underwriting guidelines of the company. Since he paid Rs.1,00,000/-, the policy was issued with S.A. of Rs.1,10,000/- i.e. 1.10 times of the single premium of Rs.1.00 lakh which is in order. However, the accident benefit was not included and the insurer has accepted their mistake. Further we find that after receiving the policy documents through his agent on 24.06.2011, he lodged a complaint on 04.07.2011 i.e. within the cooling off period expressing his dissatisfaction for not allowing the accident benefit and risk coverage upto Rs.5 lakh. The insurance company did not allow the cooling off cancellation of the policy on the technical ground that he did not ask for such cancellation. However, from the nature of complaint filed by him with the insurer, it is very clear that he was not satisfied with the policy terms & conditions and asked for a clarification vide his letter dated 04.07.2011. This letter was not replied by the insurance company.

After careful evaluation of all the facts and circumstances of the case, we are of the opinion that the policy was issued in accordance with the existing guidelines of the company. Since the complainant did not opt for medical examination, the policy was issued under Non-Medical category. However, he has lodged his complaint within the cooling off period and is entitled to cancellation of the policy and refund of premium. Accordingly, the insurer is directed to cancel the policy and refund the premium within 15 days of receiving this order along with the consent as per rules.

The complaint is allowed.

INSURANCE OMBUDSMAN

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

AWARD IN THE MATTER OF

Complaint No. : 660/22/005/L/08/2012-13

Nature of Complaint : Refund of premium

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

Policy No. : 15242541

Name & Address of the Complainant : Shri Abhijit Sengupta,
Flat No.C1 (Ground Floor),
111/2C, Selimpur Road,
Kolkata – 700 031

Name & Address of the Insurer : HDFC Standard Life Insurance Co. Ltd.,
11, Floor, Lodha Excelus,
Apollo Mills Compound,
N.M. Joshi Marg, Mahalaxmi,
Mumbai – 400 011.

Date of hearing : 20th March, 2013

Date of Order : 21st March, 2013

AWARD

This petition is filed by the complainant against the decision of HDFC Standard Life Insurance Co. Ltd., not to allow free look cancellation and refund the premium under the policy no. 15242541 and the same has been admitted under Rules 12(1)(c) of the RPG Rules 1998.

Facts and Submissions

1. Complainant

The complainant has stated in his petition dated 14th August, 2012, that he had purchased a policy bearing no.15242541 from HDFC Standard Life Insurance Co. Ltd. on

payment of premium of Rs.15,000/-. On receiving the policy document, he observed that the terms and conditions mentioned therein differed from those proposed by him earlier. He requested the insurance company for cancellation of the policy but the latter declined his request on the plea that the renewal premium under the policy was received by them.

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

2. Insurer

The insurer through their written submissions dated nil, received by this Forum on 5th March, 2013, has stated that based on the duly filled in proposal form along with benefit illustration and 'Most Important Documents, they issued a policy bearing no.15242541 under "HDFC SL Savings Assurance" plan where premiums are payable on yearly basis for 10 years @ Rs.15,000/-. The policy documents were delivered to the complainant through Sri Chakra Transtech Courier on 30th June, 2012, vide AWB No.P0154923805. The complainant lodged his first complaint through e-mail dated 19th July, 2012 demanding cancellation of the policy and refund of the entire premium paid by him. In reply, they expressed their inability to cancel the policy as per their letter dated 13th August, 2012 since the request for cancellation was received by them after the expiry of 'free look' period.

3. Hearing :

Both the parties were called for a personal hearing on 20.03.2013. The complainant attended and submitted the facts and grounds of complaint. He stated that the plan is not suitable for him and he is unable to continue the same.

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

4. Decision :

We have heard both the parties, considered their written submissions and examined the documents submitted to this forum. The complainant has approached this forum against the insurer's decision not to allow the free look cancellation of the policy. From the facts presented to this forum, we find that the complainant received the policy on 30.06.2012 and lodged his complaint on 03.07.2012 wherein he had expressed his doubt and dissatisfaction with the scheme. In the absence of any clarification by the insurer he finally applied for cancellation on 19.07.2012. The actual delay is only for four days which is marginal and is condoned. Accordingly, we set aside the decision of the insurance company and direct them to cancel the policy and refund the premium within 15 days of receiving this order along with the consent letter.

The complaint is allowed.

INSURANCE OMBUDSMAN

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/24-005-507/2011-12

Muhammed Yoonus Ali

Vs

HDFC Std. Life Ins. Co. Ltd

AWARD No. IO/KCH/LI/066/2012-13 dated 05.10.2012

The complainant had taken a Policy from the Respondent-Insurer with Half-yearly premium of Rs.50000/- believing that he can withdraw the amount after 3 years. He paid only the initial premium. When he approached the insurer after 3 years for return of premium , it was informed that nothing was payable. Therefore, the complaint.

The complainant submitted that he is entitled to get the refund of premium paid with interest.

The insurer submitted that the policy was issued to the complainant on the basis of the application submitted by him.The policy document specifically states that half-yearly premium payable is Rs. 50000/- and the payment term is 10 years.There was no request

for free look cancellation.. On account of non-payment of further premiums, the policy lapsed and there was no revival. After deduction of surrender charges, nothing is payable to the complainant.

Decision:- This is a case where Provision 5 (ii) (c) of the policy conditions is applicable and as such, the complainant is not entitled to any amount from the insurer. Here, the complainant after remitting Rs. 50000/-, is left without any benefit. Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 25000/- to the complainant as ex-gratia within the prescribed period, failing which the amount shall carry interest @9% per annum from the date of complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/22-005-515/2011-12

Susan Abraham

Vs

HDFC Std. Life Ins. Co. Ltd

AWARD No. IO/KCH/LI/067/2012-13 dated 08.10.2012

The complainant had taken a policy from the Respondent –Insurer by paying Rs. 5 lacs believing it to be a single premium policy. When the policy was received, it was revealed that it was a regular premium policy . When she contacted the insurer, she was assured that the mistake will be rectified. Later her request for return of premium was turned down. Therefore, the complaint.

The complainant submitted that the entire proposal form was filled up by the officers of the Respondent and she had simply put her signature in it. The insurer had not acted in Good Faith. The policy is vitiated and she is entitled for the return of premium.

The insurer submitted that the policy was issued based on the application form submitted by the complainant. Policy clearly reveals that half-yearly premium payable is Rs. 5 lacs and date of final premium is 25.03.2018. No request for free look cancellation was received. The policy was lapse terminated and surrender value of Rs. 32675.43 was sent to the complainant which was not encashed. No more amount is payable

Decision:- Insurance Contracts are contracts of ‘Utmost Good faith’. Both the parties must observe “Good Faith”. The complainant had set up a case all along that she wanted a single premium policy only and accordingly paid the premium. In the proposal form under Plan details, in the column for annual premium amount, Rs. 1000000/- is written

and then scored off and signed by the complainant. So the annual premium amount of Rs. 10 lacs stated by the insurer is not requested by the complainant in the proposal form. The lady being a house wife the insurer was supposed to ascertain and verify the financial capacity of the life assured to pay annual premium of Rs.10 lacs for 10 years before issuing the policy. All the material evidence points to the fact that there was no proper underwriting before issuing the policy. The insurer knowingly allowed the insured to run the risk of the policy to her detriment. So there is complete lack of Good Faith on the part of the insurer in issuing the policy. In the result, an award is passed directing the Respondent-Insurer to pay an amount of Rs. 500000/-to the complainant within the prescribed period, failing which the amount shall carry interest @9% per annum from the date of filing of the complaint till payment is effected . No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-009-492/2011-12

T Rajeswari

Vs

Bajaj Allianz Life Ins. Co. Ltd

AWARD No. IO/KCH/LI/069/2012-13 dated 09.10.2012

The complainant had taken Capital Unit Gain Policy from the Respondent-Insurer by paying Rs. 12000/- as 1st premium. Due to financial problems, further premiums were not paid. After 3 years when the complainant approached the insurer for refund, it was informed that nothing was payable. Therefore, the complaint.

The complainant submitted that the stand taken by the insurer is not legal and proper and has no support of the policy conditions. She is at least entitled for the refund of premiums paid by her

The insurer submitted that the policy was issued on the basis of the proposal form submitted by the complainant. The policy document was dispatched to the complainant. On account of non-payment of further premiums, the policy lapsed and as there was no revival, it was terminated. As per policy conditions, no amount was payable to the complainant.

Decision:-The complainant had paid only the initial premium. On scrutiny of the policy conditions , it is revealed that the stand taken by the insurer is legal and has the support of policy conditions. So the complainant is not entitled to refund of the premium sought by her. In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-001-530/2011-12

Hameed M K

Vs

LIC of India

AWARD No. IO/KCH/LI/070/2012-13 dated 17.10.2012

The complainant had taken a Health Plus policy from the Respondent-insurer. He underwent Coronary Artery Bypass Surgery and submitted a claim seeking Major Surgical Benefit. The insurer settled the claim for Rs. 8400/- and Major Surgical Benefit was not provided. Therefore , the complaint.

The complainant submitted that as per policy conditions , he is eligible for Rs. 2 lac for Coronary Artery Bypass Grafting. . The denial of the claim on the ground that the complainant had suffered only Single Vessel Disease is not legal and proper. He may be provided Major Surgical Benefit.

The insurer submitted that as the surgery was for Single Vessel Disease, the complainant is not entitled to Major Surgical Benefit under the policy. The surgery underwent by the complainant is not a major surgery listed in the policy conditions. The repudiation of MSB claim is legal and proper.

Decision:- Discharge summary shows the diagnosis as CAD, Single vessel Disease, Systemic Hypertension, Diabetes Mellitus. The procedure underwent is Coronary Artery Bypass Grafting. Coronary Bypass Surgery relating to Single vessel Disease is not included in the list of major surgeries attached to the policy conditions. When the policy conditions specifically state that to constitute major surgery, 2 or more Coronary arteries are to be bypassed, a case where only one Coronary artery is bypassed, cannot claim Major Surgical Benefit. In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

**Complaint No. IO/KCH/LI/21-006-406/2011-12
& IO/KCH/LI/21-006-407/2011-12**

K Rajan & Jessy Rajan

Vs

Birla Sun Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/072/2012-13 dated 30.10.2012.

The complainants had taken Gold Plus Policy from the Respondent-Insurer paying Rs. 1 lac each. Their cheques for 2nd premium of Rs. 4500/- each were returned. Again as per the suggestion from the insurer's end, they sent cheques for Rs. 20000/- each along with Certificate of Insurability, which was also returned. Now the complainant have approached this forum for getting the premium paid by them less whatever amount already given.

The complainant submitted that no reason was attributed by the insurer for not accepting their subsequent payments. There was no omission on their part in remitting premium.

The insurer submitted that the policies were issued on the basis of the proposal forms submitted and there was no request for free look cancellation. Lapsation and termination of the policies are due to omissions on the part of the complainants in remitting required premiums in time and also in submitting COI required by the insurer. No more amount is payable.

Decision:- The policies were issued based on the proposals submitted by the complainants. The term was for 8 years with premium paying term as 3 years and annual premium as Rs. 1 lac. The insurer had denied receipt of COI from the complainants and no evidence is adduced by the complainants to contradict the same. The policy conditions govern the rights and liabilities of the parties to the Contract of Insurance. The complainants have violated the policy conditions. The insurer on the expiry of 3 policy years, had provided the surrender value payable to the respective insured. The surrender value received by the respective complainant is not under challenge. Hence the complainants are not entitled to any relief in the complainants. In the result, the complaints are dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-022-544/2011-12

Dr. George & E.J.Kunjamma

Vs

Bharti Axa Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/074/2012-13 dated 02.11.2012.

Agent and Manager of the Respondent-Insurer met the complainants and forced them to take policies. They were told that the policy will be single premium. After payment, they were issued with 4 policies and they were maturing in 2048 only. They wanted to get back the premiums paid by them which the insurer did not allow. Therefore, the complaint.

The insurer submitted that the policies were issued strictly based on the proposal form submitted by the complainants They had opted for premium frequency semi-annual @ Rs. 37500/-. The premium paying term was 10 years and 20 years respectively. There was no request for cancellation during the free look period. As the further premiums were not paid, the policies lapsed. As the complainants have sought cancellation of policies after a span of 16 months, they are not entitled to get the refund of premiums.

Decision:- The policies were issued as per the proposal forms submitted by the complainants. In the complaint there is no allegation of any vitiating circumstance which would render the policies void and no evidence for the same is adduced also. So the request for cancellation of policies at this point of time cannot be entertained and consequently, the request for refund of premiums cannot be allowed. Due to non-payment of further premiums, the policies were lapsed and terminated and as per section 3.6 of the policy conditions the complainants are entitled to surrender value on completion of the 3rd policy year. The relief sought by the complainants cannot be allowed. In the result, the complaint is dismissed with direction to the complainants to seek surrender value under the policies, if they so desire, as provided under the policy conditions. As and when the same is made, the insurer shall provide surrender value as provided under the policy conditions. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-006-550/2011-12

Zainuddeen

Vs

Birla Sun Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/075/2012-13 dated 14.11.2012.

The complainant had taken Dream Plan Policy from the Respondent-Insurer through Bajaj Capital Insurance Broking Ltd. He was told that he has to pay annual premium of Rs. 10000/- each for 3 years and then he will get Rs. 15000/- each for the next 3 years. On completion of 3 years, the insurer told that the value available is only Rs. 21753/- Therefore, the complaint.

The complainant submitted that the promised benefit was not provided to him by the insurer. He had been cheated by the insurer.

The insurer submitted that the complainant never raised any objection to the policy received by him and there was no request for cancellation of policy during Free look period. The alleged promise given to the complainant is a fictitious one. As per policy he has to pay premium for 20 years.

Decision:- It is seen that the policy is issued in tune with the request made by the complainant in the proposal form where the policy term is 20 years. There was no request for cancellation of the policy within the free look period. The complainant continued to pay further premiums for 3 years. The complainant failed to bring in any acceptable evidence or circumstance which would indicate that the insurer had played fraud on him or cheated him. In the circumstance, he is not entitled to refund of premium paid by him. The policy conditions provide for surrender of the policy without any surrender charge after 3 years. In the result, the complaint is disposed of with a direction to the complainant to surrender his policy, if he so desires, to receive the surrender value which is the policy Fund Value. The insurer shall promptly process the same and pay the surrender value without any delay. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-006-562/2011-12

Gomathy Viswambaran

Vs

Birla Sun Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/076/2012-13 dated 16.11.2012.

The complainant had taken Gold Plus Policy from the Respondent-Insurer. She had invested Rs. 320000/- towards premium. Her efforts to get back, atleast the amount invested by her was not successful. Therefore, the complaint.

The complainant submitted that only the positive side of the policy was explained to her at the inception. She had been cheated by the insurer and she is entitled to get back the premium paid by her.

The insurer submitted that there was no compulsion for taking the policy and as per the proposal form submitted by the complainant , the policy was issued for annual premium of Rs. 3 lacs for 3 years. She failed to pay the further 2 premiums. The policy was lapse terminated and the surrender value had not been paid to the complainant.

Decision:- The policy is issued as per the proposal form submitted by the complainant and there was no request for free look cancellation. The complainant has failed to substantiate any ground or circumstance which would amount to "cheating" resulting in vitiation of the policy. So, she cannot claim return of premiums paid by her. The insurer had no right to invest the Rs. 20000/- received after lapsation of the policy. Hence the complainant is entitled to receive back the entire amount of Rs. 20000/- paid by her. As per policy conditions, the insured is entitled to receive surrender value as of the lapse date after expiry of the revival period. In the result, an award is passed directing the Insurer to pay to the complainant, surrender value as of 24.12.2008 with interest at 9% per annum from 24.12.2010 till the date of filing of the complaint and Rs. 20000/- towards refund of excess amount paid within the prescribed period failing which the entire amount shall carry further interest @9% per annum from the date of filing of the complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-013-595/2011-12

Manu Varghese Alexander

Vs

Aviva Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/077/2012-13 dated 21.11.2012.

The complainant had taken Lifesaver Policy from the Respondent-Insurer. As per the policy he was entitled to reduce the 2nd and 3rd premium payable to Rs.10000/-. But the insurer did not accept the same. In Dec.2010, he received a cheque for Rs. 33438/-. He has approached this forum for getting his policy continued at the reduced premium rates.

The complainant submitted that now he is interested only in getting back the entire premium paid

The insurer submitted that the policy was issued based on proposal form submitted by the complainant. The premium paying term was 10 years and the annual premium Rs. 1 lac. There was no request for free look period cancellation. The policy lapsed due to non-payment of subsequent premiums and later lapse terminated and surrender value settled.

Decision:-There is no dispute regarding the policy issued to the complainant. He was well aware of the premium and premium payment term. There was no proper initiative from the side of the complainant for reduction of premium amount. The termination of the policy and payment of surrender value by the insurer are as per the policy conditions. But this is a case where the complainant had invested his hard earned money of Rs. 1 lac and after a lapse of 3 years, he was given a meager amount as surrender value. A substantial amount had been levied by the insurer towards various charges. In these circumstances, to meet the ends of justice, Rule 18 of RPG Rules provides for ex-gratia payment. In the result, the complaint is disposed of with direction to the Respondent-Insurer to pay Rs. 15000/- to the complainant as ex-gratia within the prescribed period, failing which the amount shall carry interest @9% per annum from the date of complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-009-543/2011-12

K K Koshy

Vs

Bajaj Allianz Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/078/2012-13 dated 22.11.2012.

The complainant had taken a policy from the Respondent-Insurer in 2006 with initial premium of Rs. 3037/- . The term was 5 years and sum assured was Rs. 25000/-. On maturity he got Rs. 28403/- only .The amount was much lower than what he had paid and he had been cheated by the insurer. Hence, the complaint.

The complainant submitted that if he had invested the amount in Bank FD , he would have got much higher amount. Several letters he had sent to the insurer were not attended to or replied.

The insurer submitted that as per policy conditions, the complainant is entitled to receive the sum assured and bonus that may be declared by the insurer on maturity. The same was paid promptly. The policy was having life cover also.

Decision:- Investment / payment in policy cannot be compared with fixed deposit made in a bank. In a bank deposit, one has to make lumpsum payment whereas in a policy the premiums are paid in instalments. A policy provides life cover also. So there is no point in comparing fixed deposit with insurance policy. The benefits payable under the policy are enumerated in clause 1 of the policy conditions. Discharge form would reveal that apart from sum assured and reversionary bonus, the insurer had provided terminal bonus also. The policy conditions govern the rights and liabilities of the insured and the insurer and in the present case, it can be concluded that the payment effected is in accordance with the policy conditions. As the complainant is not entitled to any further relief under the policy, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-013-570/2011-12

P Kunhimon

Vs

Aviva Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/079/2012-13 dated 22.11.2012.

The complainant had taken a policy from the Respondent-Insurer in 2007. He paid 3 half-yearly premiums of Rs. 25000/- each and thereafter he could not pay premiums. When he approached the insurer in 2011 for redemption of the policy, he was informed that the policy had lapsed and nothing is payable. Therefore, the complaint.

The complainant submitted that he is entitled to get back all the premiums remitted by him.

The insurer submitted that the policy was issued as per the proposal form submitted by the complainant and there was no request for free look period cancellation. The policy was lapsed without paying 2 years premiums and hence no surrender value had acquired. So nothing is payable as per the policy conditions.

Decision:- There was no request for free look cancellation and also no vitiating circumstances are alleged. So, the complainant has not established any ground for refund of the premiums remitted by him.

As per policy conditions, to acquire surrender value, payment of premium for the first 2 policy years is a condition precedent. In the instant case, the complainant had paid only 3 half yearly premiums. So, as per policy conditions, the complainant is not entitled to any benefit under the policy. As per the available statements, it can be seen that the policy holder who had invested Rs. 75000/- is deprived of any benefit under the policy whereas the insurer has gained enormously. In these circumstances, to meet the ends of justice, Rule 18 of RPG Rules provides for ex-gratia payment. In the result, the complaint is disposed of with direction to the Respondent-Insurer to pay Rs. 40000/- to the complainant as ex-gratia within the prescribed period, failing which the amount shall carry interest @9% per annum from the date of filing of complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-009-578/2011-12

Rajin Edward Lawrence

Vs

Bajaj Allianz Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/080/2012-13 dated 26.11.2012.

The complainant had taken a policy from the Respondent-Insurer in 2003 with initial premium of Rs. 2317/- .She paid 7 quarterly premiums and discontinued thereafter due to financial problems. Her request for return of premium was not heeded by the insurer. Hence, the complaint.

The complainant submitted that the insurer has not been responding properly to her communications and their service was not satisfactory.

The insurer submitted that the policy was issued as per the proposal form submitted by the complainant for a term of 19 years with sum assured of Rs. 1 lac. The policy lapsed from 1.03.2005 due to non- payment of premiums. As per section 4 of the Terms and Conditions, the policy can be surrendered only if 3 full year's premiums are paid. As 3 full year's premiums are not paid in this case, nothing is payable.

Decision:- The rights and liabilities of the insured as well as the insurer are governed by the policy conditions which form part of the contract. As per the policy conditions, for the policy to continue even as a paid up policy, it has to acquire a surrender value. As per clause 4 of the policy conditions, surrender value will be acquired only on payment of three full year's premium. Here as the premiums have been paid for less than 2 years , the policy has not acquired a surrender value. Hence the policy can only be treated as a lapsed policy without any benefits. Non- forfeiture clause is also not attracted, since the policy has not acquired a surrender value. So the complainant is not entitled to any relief under the policy. In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-001-603/2011-12

C K Ebrahim

Vs

LIC of India

AWARD No. IO/KCH/LI/081/2012-13 dated 28.11.2012

The complainant had taken 2 Health Plus policies from the Respondent-Insurer. He underwent hospitalization and treatment for the period 13.4.2011 to 3.5.2011 for multiple ailments. His claim for Hospital Cash Benefit under the policies were repudiated by the insurer. Therefore, the complaint.

The complainant submitted that he suffered multiple ailments and on the advice of the doctor he was admitted in the hospital. Investigations were done for proper diagnosis of the ailments.

The insurer submitted that during hospitalization, the complainant had undergone various cross consultations which are routinely done on outpatient basis. There was no active treatment during hospitalization. The repudiation of the claim is legal and proper.

Decision:- Discharge summary shows the diagnosis as Hypertension, Folliculitis, Pyoderma, Osteoarthritis of hip and Somatization disorder. The list of medicines provided and advised to continue after discharge are mentioned in it. The hospital bill would reveal that he was put under traction. There is nothing to show that he was hospitalized for the mere sake of hospitalization.. The wisdom of the doctor who advised hospitalization and treatment cannot be challenged without proper evidence . Active line of treatment is that treatment which is adequate and necessary for a particular ailment diagnosed. So, the repudiation of the claim by the insurer is not proper and not based on policy conditions. In the result, an award is passed directing the insurer to pay an amount of Rs.54625/- to the complainant within the prescribed period failing which, the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI /21-003-593/2011-12

Dr. Amrit Jude

Vs

TATA AIA Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/083/2012-13 dated 29.11.2012

The complainant had taken Health First Plan Policy from the Respondent-Insurer in 2009. He suffered heart attack and undergone angioplasty in 2010. The claim was repudiated by the insurer on the ground that there was suppression of material facts in the proposal form. Therefore, the complaint.

The complainant submitted that he had suffered Rheumatic Fever at the age of 13 and was completely cured. The Heart attack has no connection with Rheumatic Fever. At the time of submission of proposal form or earlier he had not suffered any ailment related to heart or circulatory system. The repudiation is baseless.

The insurer submitted that in the discharge summary issued from SUT, Hospital , there is mention of history of Rheumatic fever since 16 years and treatment for the same for 7 years . As these facts were not disclosed in the proposal form , the claim was repudiated.

Decision:- .In the discharge card issued from Medical College Hospital ,TVM, when the complainant was 13 years old, the provisional diagnosis is shown as Rheumatic Carditis. There is nothing to show that Rheumatic Carditis was finally diagnosed. So, there is nothing in evidence to show that he had suffered any ailment relating to heart or circulatory system in 1992. In the discharge summary issued from SUT, Hospital, in the history portion, it is specifically stated that "No history of Exertional angina/CVA/TIA or ACS in past., History of Rheumatic fever at age 16 years". So, it is evident that he had not suffered Rheumatic Heart disease or had history of Exertional angina or any ailment connected with heart and circulatory system. Rheumatic fever can occasionally lead to Rheumatic Heart disease, but the same is convincingly ruled out in the discharge summary from SUT, Hospital. But in the Critical Illness benefit under the policy , Angioplasty is specifically excluded. So, the only available benefit will be the Daily Hospital Benefit. In the result, an award is passed directing the insurer to pay an amount of Rs.2500/- with cost of Rs. 1000/- to the complainant within the prescribed period failing which, the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI /21-001-624/2011-12

Kunhappu

Vs

LIC of India

AWARD No. IO/KCH/LI/085/2012-13 dated 30.11.2012

The complainant had taken New Janaraksha Policy with sum assured of Rs. 50000/- on 28.12.2003 from the Respondent-Insurer and paid premium upto March, 2006. On 27.09.2006 , he met with a road traffic accident and suffered fractures and injuries. Presently he is totally and permanently disabled. His claim seeking Disability benefit was repudiated by the insurer. Therefore, the complaint.

The complainant submitted that he had lost his earning capacity and he is entitled to the benefit provided under Clause 10 (a) of the policy conditions.

The insurer submitted that there was inordinate delay in submitting the claim. The disability certificate reveals that the disability is only 47%. He had not suffered total and permanent disability as provided under clause 10 (a) of the policy conditions. The repudiation is legal and proper.

Decision:- The discharge card from Medical College Hospital, Thrissur would reveal that he was continuously treated as inpatient for more than 3 ½ months after the accident. It shows that apart from the 4 fractures , he had suffered various injuries also. Permanent physical impairment (whole body) is assessed at 47%. The definition of "Total disablement" given in the Workmen's Compensation Act can be profitably applied here. From the medical evidence, it is seen that the complainant will not be able to engage in any decent work to earn a satisfactory livelihood. For all practical purposes, the disability being suffered by the complainant is total and permanent and there is remote possibility for improvement in his physical condition and ability. As the delay caused in making the claim is not deliberate , it can not be taken as a ground for repudiating the claim. In the result, an award is passed directing the Respondent-Insurer to provide to the complainant Disability Benefit as provided under Clause 10 (a) (i) & (ii) of the policy conditions. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI /21-005-281/2012-13

B Sudesh

Vs

HDFC Std Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/086/2012-13 dated 04.12.2012

The complainant had taken Young Star Supreme Policy from the Respondent-Insurer. The complainant was not satisfied with the policy received by him and several discrepancies were there. His request for refund of premium was turned down by the insurer. He had preferred the present complaint before this Forum on 16.07.2012.

Decision:- In the complaint itself, it is mentioned that he had already filed a complaint before the CDRF, Trivandrum in relation to the same subject matter. As per Rule 13 (3) (c) of RPG Rules, as the complainant had approached the CDRF on the same subject matter, this Forum ceases to have jurisdiction to entertain the complaint. So, the present complaint is not maintainable before this Forum.. In the result, the complaint is dismissed as . not maintainable.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI /21-006-611/2011-12

H Raghurama Pai

Vs

Birla Sun Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/087/2012-13 dated 06.12.2012

The complainant had taken a Unit-Linked Policy from the Respondent-Insurer paying Rs. 10000/- as initial premium. He could not make payment of subsequent premiums. After 3 years, when he approached the insurer for refund of amount paid by him, he was told that nothing was payable. Therefore, the complaint.

The complainant submitted that he never wanted the insurer to invest the money in Units. He is entitled to get atleast refund of premium paid by him.

The insurer submitted that as per the proposal form submitted by the complainant, the policy was issued. He had applied for a policy with premium paying term of 20 years and annual premium Rs. 10000/- . Due to non-payment of subsequent premiums, the policy lapsed and was terminated in 2011. As the fund value is less than the surrender charge , no surrender value is available.

Decision:- The policy is issued strictly as per the proposal form and no free look cancellation request was received by the insurer. The complainant had not alleged any vitiating ground which would invalidate the contract of Insurance. The policy conditions govern the rights and liabilities of the parties to the contract. Scrutiny of the policy conditions reveal that no surrender value is available under this policy So, as per the policy conditions, the complainant is not entitled to receive any amount from the insurer. This is a case , where the insurer had substantially benefited and the complainant had lost the entire investment. Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 5000/- to the complainant as ex-gratia within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI /21-006-653/2011-12

K R Syamkumar

Vs

Birla Sun Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/088/2012-13 dated 07.12.2012

The complainant had taken a Policy from the Respondent-Insurer paying Rs. 15000/- as initial premium. He had not received the policy till now. He came to know from the lapsation notice that the mode of payment is quarterly. His request for refund of amount paid by him was turned down by the insurer.. Therefore, the complaint

The complainant submitted that he never wanted a policy with quarterly mode of premium payment. No policy has been received by him so far. He is entitled to refund of the premium.

The insurer submitted that the complainant had applied for a policy with annual premium Rs. 60000/- and mode of payment quarterly. Due to non-payment of premium, the policy was lapse terminated on 28.04.2012. The claim for refund of premium is without any basis.

Decision:- The complainant vide his letter dt. 5.5.2010 to the insurer, has alleged that he has not received the policy and the mode of payment intended by him was Yearly. He has also alleged forgery of his signature in the so called acknowledgement letter with the insurer. The insurer took more than 15 months time to inform the complainant regarding hand delivery of policy document on 12.12.2009. When the complainant had disputed delivery of policy, the burden is entirely on the insurer to prove otherwise. No reliable proof has been produced by the insurer in this regard. In spite of the instructions from this forum , the insurer has failed to produce the policy copy, welcome letter and documents relating to dispatch atleast to exhibit their bonafides in this regard. In sending the policy documents to the insured , the insurer had not acted in Good Faith. The exercise of a valuable right by the insured had been defeated by the insurer on account of that omission. The circumstances available against the insurer are sufficient to vitiate the Contract of Insurance. So, the insured is entitled to receive back the premium paid. In the result an award is passed directing the Respondent-Insurer to return the premium of Rs.15000/- with @9% interest from the date of filing of the complaint till the date of this award within the prescribed period failing which the amount shall carry further interest @9% per annum from the date of award till payment is effected and Cost of Rs. 1500/-.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI /21-005-598/2011-12

C Preetha

Vs

HDFC Std Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/089/2012-13 dated 11.12.2012

The complainant had taken a policy from the Respondent –Insurer in 2008 with premium of Rs. 50000/- believing it to be a single premium policy. When she approached the insurer after 3 years, it was informed that nothing was payable under the policy. Therefore, the complaint.

The complainant submitted that she was misled by the officers of the insurer in taking the policy and she did not go through the contents of the policy documents. She is entitled to receive back atleast the premium paid by her.

The insurer submitted that the policy was issued strictly as per the proposal form submitted by the complainant. The term was for 25 years and annual premium was Rs. 50000/-. Due to non-payment of subsequent premiums, the policy was lapse terminated. The premium paid had been adjusted towards charges as per mutually agreed terms and conditions. Nothing is payable now.

Decision:- The policy conditions govern the rights and liabilities of the insured and the insurer. Policy conditions are to be construed strictly and compassion or sympathy has no role in it. Here the policy is lapsed and terminated as per policy conditions due to non-payment of subsequent premiums. The complainant is entitled to receive only 5 % of the fund value towards surrender value. So, the outcome of the facts narrated above would indicate that the policy was taken by the complainant only for payment of charges. A really embarrassing situation had been created here in the case of the complainant. It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to provide surrender value if any and Rs. 20000/- towards ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI /21-005-652/2011-12

T K Johnson

Vs

HDFC Std Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/090/2012-13 dated 11.12.2012

The complainant had taken a policy from the Respondent –Insurer in 2008 with premium of Rs.99999/-.The policy lapsed due to non-payment of subsequent premiums and revived later by paying 2 premiums after reducing it to Rs. 50000/- Thereafter the policy was terminated and Rs. 99221/- was paid to him saying that the fund value has come down. Therefore, the complaint.

The complainant submitted that he had taken the policy believing it to be a Single premium one. He is entitled to receive back atleast the premium paid by him.

The insurer submitted that the policy was issued strictly as per the proposal form submitted by the complainant. The term was for 10 years and annual premium was Rs. 99999/-.On his request the premium was reduced later. Due to non-payment of subsequent premiums, the fund value came below the threshold limit and the policy was terminated and fund value paid . Nothing more is payable now.

Decision:- The rights and liabilities of the insured as well as the insurer are controlled and governed by the policy conditions . Policy conditions are to be construed strictly and compassion or sympathy has no role in it. On a scrutiny of the entire facts and the policy conditions, it is seen that the insurer had paid the amount strictly in accordance with the policy conditions. So, legally the complainant is not entitled to any further amount from the insurer. There was moral responsibility on the part of the insurer to provide proper guidance to the insured which could have saved the entire Rs. 1 lac paid by the complainant for revival. Here the insurer had gained substantially at the cost of the complainant. It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 20000/- as ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-009-499/2012-13

K Viswanathan

Vs

Bajaj Allianz Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/094/2012-13 dated 18.12.2012

The complainant had taken two policies from the Respondent-Insurer. He surrendered the policies in 2011. The insurer did not make any payment. He made a complaint to the insurer and received a reply dated 11.08.2011. There was no communication between the complainant and the insurer thereafter. He had preferred the present complaint before this Forum on 08.10.2012.

Decision:- As per Rule 13 (3) (b) of RPG Rules, as the present complaint had been filed beyond one year from 11.08.2011, the complaint is barred by limitation. In the result, the complaint is dismissed as barred by limitation. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-005-616/2011-12

K A Mercily Williams

Vs

HDFC Std Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/091/2012-13 dated 12.12.2012

The complainant had taken two policies from the Respondent-Insurer and paid initial premium of Rs. 3 lacs each. He paid premium of Rs. 10000/- each under the policies for 2 more years. The insurer later cancelled the policies and issued cheques of Rs. 2.30 lacs each. The cancellation of the policies is without his consent and knowledge. Therefore, the complaint.

The complainant submitted that he is entitled to receive back atleast the premium paid by him with interest.

The insurer submitted that the policy was issued strictly as per the proposal submitted by the complainant. The annual premium was Rs. 3 lacs and term 10 years. There was no request for free look period cancellation. Due to non-payment of premium after 2010, the policy lapsed and

attained paid-up status. The policy was cancelled as per Clause 5(iii)(d) of the policy conditions. Nothing illegal was done by the insurer.

Decision:- The rights and liabilities of the insured as well as the insurer are controlled and governed by the policy conditions. The complainant can not contend that he was not aware that the amount deposited by him will be invested in units when the same is clearly mentioned in the policy. Clause 4(ii), 5(iii)(a) and 5(iii)(d) of the policy conditions clearly mentions about the effect of non-payment of premium. It is seen that the cancellation of the policies is based on the policy conditions. When a situation has arisen as provided under the policy conditions, the prior consent of the insured is not at all necessary for cancellation of the policies. The payment effected by the insurer are legal and proper and the complainant is not legally entitled to any further amount. But the complainant has lost substantial amount in the 2 policies. It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 25000/-each under the 2 policies as ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

**Complaint No. IO/KCH/LI/21-013-620/2011-12
& IO/KCH/LI/21-013-621/2011-12**

Biju Manikoth & C.P. Gayathri

Vs

Aviva Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/092/2012-13 dated 13.12.2012

The 1st and 2nd complainants had taken Easy Life Plus Policy from the Respondent-Insurer paying Rs. 50000/- each believing it to be single premium policies. When they contacted the insurer after 3 years , it was told that nothing was payable. Hence, the complaint.

The complainants submitted that they are entitled to receive atleast the premium paid by them.

The insurer submitted that the policy was issued strictly as per the proposal submitted by the complainants. The annual premium was Rs. 50000 and term 15 years. There was no request for free look period cancellation. Due to non-payment of 2nd premium onwards the policies were lapsed and later terminated as there was no revival. Nothing is payable as per policy conditions.

Decision:- There is no trace of evidence to substantiate the contention of the complainants that there was cheating and mis-representation. The policy conditions stipulate that , the policy will acquire surrender value if only more than one regular premium had been paid in the policy. Here as only 1st premiums were paid , the policies have not acquired surrender value. So, the stand taken by the insurer is proper and based on the policy conditions. The account statements reveal that the insurer has gained substantially from the policies whereas the insured have lost their entire premium. A situation has arisen which eminently requires invocation of Rule 18 of RPG Rules to

ease the magnitude of loss suffered by the complainants. In the result, to meet the ends of justice, the complaints are disposed of with a direction to the Respondent-Insurer to pay Rs. 20000/-each under the 2 policies as ex-gratia to the complainants within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-009-638/2011-12

K A Hamsa

Vs

Bajaj Allianz Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/095/2012-13 dated 18.12.2012

The complainant had taken a policy from the Respondent –Insurer with premium of Rs. 50000/- believing it to be a single premium policy. Later when he came to know that this was a regular premium policy , he made a complaint to the insurer. There was no response from the insurer.. Therefore, the complaint.

The complainant submitted that he did not understand the contents of the policy documents as it was in English. He is entitled to receive back atleast the premium paid by him Now he is suffering from liver disease and a compassionate view should be taken..

The insurer submitted that the policy was issued strictly as per the proposal form submitted by the complainant. The term was for 10 years and annual premium was Rs. 50000/-. Due to non-payment of subsequent premiums, the policy was lapse terminated. As the fund value was less than the surrender charge , the complainant is not entitled to any amount.

Decision:- There was no free look cancellation request from the side of the complainant. There is no evidence of any vitiating circumstance which would render the policy null and void. So, the question of cancellation of the policy does not arise at this point of time. A scrutiny of the policy conditions reveal that no surrender value is available under the policy. The stand taken by the insurer is based on the policy conditions.

But here the complainant is severely sick and devoid of any income and he has lost his entire premium of Rs. 50000/-. A situation has arisen which eminently requires invocation of Rule 18 of RPG Rules to ease the magnitude of loss suffered by the complainant. In the result, to meet the ends of justice, the complaint are disposed of with a direction to the Respondent-Insurer to pay Rs. 18000/- as ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-011-599/2011-12

Dr. K B Rameshan

Vs

ING Vysya Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/096/2012-13 dated 18.12.2012

The complainant had taken a Policy from the Respondent-Insurer by paying Rs. 1 lac. Later he found out from the Account statement that only Rs.59000/- was invested by the insurer. He did not get satisfactory reply from the insurer in this regard. Hence, the complaint.

The complainant submitted that though he received the policy, he did not go through its contents. Later when he surrendered the policy, then also full premium paid was not received. He was kept in dark by the insurer.

The insurer submitted that the policy conditions provide for realization of allocation charge from the premium paid. There are other charges also. Only first premium was paid under the policy and after 5 years it was surrendered at the request of the party. The eligible surrender value was paid to him as per policy conditions.

Decision:- The rights and liabilities of the insured as well as the insurer are controlled and governed by the policy conditions. It can be seen from the Annexure of charges that the allocation charge is 40% in this case. It can be seen that the deduction of allocation and initial policy charges from the initial premium paid by the complainant is based on the policy conditions. Also the surrender value paid is in order. In this case , on perusal of the policy, policy conditions and the facts involved, it can be found that the insurer had not violated any of the policy conditions. If the insurer had acted more consumer friendly in responding to the queries of the party, this dispute could have been avoided. Here, the complainant is not entitled to any relief. In the result, the complaint is dismissed No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-004-692/2011-12

Basher Valiyaparampil

Vs

ICICI Prudential Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/097/2012-13 dated 20.12.2012

The complainant had taken a policy from the Respondent-Insurer paying Rs. 150000/- in 2008 believing it as a single premium one and that it will double in 3 years. In 2011 he received a cheque for Rs. 39983/- towards policy value on termination. He was cheated by the insurer and hence, the complaint.

The complainant submitted that as he was cheated by the insurer, he is entitled to get back the amount paid by him

The insurer submitted that the policy was issued based on proposal form submitted by the complainant. The annual premium was Rs. 1.50 lacs. There was no request for free look period cancellation. The policy lapsed due to non-payment of subsequent premiums and after 3 years lapse terminated and surrender value settled as per policy conditions.

Decision:- Apart from the bald allegations made by the complainant, he has miserably failed to substantiate the allegations of cheating and misrepresentation. It is seen that the policy was issued as per the proposal form submitted by the complainant and he did not raise any objection with regard to the policy till 2011. The surrender value settled by the insurer is proper as per clause 10 and 4 of the policy conditions. So, the complainant is legally entitled to Rs. 39983/- only. But on an analysis of the allocation and surrender charges levied by the insurer, it can be seen that the insurer has gained substantially at the cost of the insured who had invested his hard earned money of Rs. 1.50 lacs. It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 40000/- as ex-gratia along with surrender value of Rs. 39983/- to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-007-642/2011-12

K P Krishnan Namboothiri & K Umadevi

Vs

Max Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/098/2012-13 dated 21.12.2012

The complainants had taken 2 policies from the Respondent-Insurer one under Unit Linked plan and the other under whole-life plan. Only first premiums were paid under the policies. When they approached the insurer for refund of premium after 3 years, it was revealed that nothing was payable. Therefore, the complaint.

The complainant submitted that they got eligible amounts from similar policies of other insurance companies. They are entitled for the same here also.

The insurer submitted that the policies were issued based on proposal forms submitted by the complainants.. There was no request for free look period cancellation. The policies lapsed due to non-payment of subsequent premiums and was not revived. As per policy conditions nothing is payable under the two policies.

Decision:- In the case of the ULIP policy on a joint reading of clause 16.2 (a), 16.2 (c) , 5 and 3B, it is seen that the complainant is eligible to receive an amount equal to 75% of the Fund value as at 12.08.2009 ie, the date of lapse.

In the case of the 2nd policy , as per clause 14 on Non Forfeiture options, premiums are to be paid for at least 3 full years for the policy to be converted as a reduced paid up policy. Here, since only the first premium is paid, the complainant can not claim any relief under this option. As per clause 12 of the policy conditions, as 3 full years premiums have not been paid, the complainant is not eligible for cash surrender value also. In the result, the complaint is disposed of with a direction to the Respondent-Insurer to pay an amount equal to 75% of the fund value as on the date of lapse to the 1st complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost. The 2nd complainant is not found entitled to any relief. Hence that portion of the complaint is dismissed.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-004-634/2011-12

Sindhu Jayakumar

Vs

ICICI Prudential Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/099/2012-13 dated 21.12.2012

The complainant had taken a policy from the Respondent-Insurer by paying Rs. 20000/- in 2007. This was terminated by the insurer after 4 years without any intimation to the complainant and a cheque for Rs. 4100/- was sent to her which was dishonoured. Therefore, the complaint.

The complainant submitted that she had suffered mental agony on account of the omissions on the part of the insurer. She is entitled to return of premium with interest.

The insurer submitted that the policy was issued based on proposal form submitted by the complainant. The premium paying term was 10 years. There was no request for free look period cancellation. The policy lapsed due to non-payment of subsequent premiums and foreclosed under clause 9 of the policy conditions. and eligible surrender value settled .

Decision:- The rights and liabilities of the parties to the contract of insurance are governed by the terms and conditions of the policy. The effect of non-revival of the policy is mentioned in clause 9. As only the 1st premium was paid in the policy , clause 9 is applicable here and surrender value as per clause 2.2 is payable.It is seen that the amount paid as foreclosure amount is in order as per policy conditions. The cheque was dishonoured by the insurer for reasons best known to them alone. So the complainant is entitled to interest. There are flagrant omissions on the part of the insurer. So, the complainant is entitled to compensation for mental agony caused and confusion created and also cost. In the result an award is passed directing the Respondent-Insurer to pay to the complainant Rs. 4100/- with interest @9% per annum from 28.12.2010 till the date of award with compensation of Rs. 1500/- and cost of Rs. 1000/- within the prescribed period failing which the amount shall carry further interest @9% per annum from the date of award till payment is effected.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-012-643/2011-12

C M Manoharan

Vs

Met Life India Insurance Co. Ltd

AWARD No. IO/KCH/LI/100/2012-13 dated 21.12.2012

The complainant had taken a policy from the Respondent-Insurer paying Rs. 100000/- in 2007 believing it as a single premium one. After 3 years when he approached the insurer for surrendering the policy it was told that nothing was payable, Hence, the complaint.

The complainant submitted that he had complied with all the formalities required for re-instatement of the policy. The omissions on the part of the insurer can not be taken as a ground for denying the benefits under the policy. He is atleast entitled to refund of premium paid by him.

The insurer submitted that the policy was issued based on proposal form submitted by the complainant. It was a regular premium policy with premium paying term as 53 years. There was no request for free look period cancellation. The policy was lapsed due to non-payment of subsequent premiums and policy could not be re-instated as the complainant did not undergo the required Medical check-up. So the revival amount was returned .

Decision:- The ingredients of cheating and misselling could not be established by the complainant. It is seen that the complainant had satisfied all the three requisites for re-instatement of the policy. The insurer had miserably failed to produce any letter demanding the insured to undergo medical check-up as a condition precedent for getting the policy re-instated. There was inordinate delay in refunding the revival amount. If at all , allowing revival of a policy is a discretion of the insurer, it must be exercised judiciously. Here the insurer had not acted in Good Faith. Though no motive can be attributed, there is apparent deficiency in service. This is a clear case where the insurer had committed deficiency in service and spoiled the Contract of Insurance. So, the complainant is entitled to refund of the initial premium paid by him. In the result, an award is passed directing the insurer to refund the initial premium paid by the complainant after deducting initial incidental expenses within the prescribed period failing which the amount shall carry interest @9% per annum from the date of filing of complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-013-654/2011-12

K Rajan

Vs

Aviva Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/103/2012-13 dated 01.01.2013

The complainant had taken a policy from the Respondent-Insurer paying Rs. 50000/- believing it to be a single premium one. Later when he came to know that this was a regular premium one, he was compelled to reduce the premium to Rs. 20000/- and paid the 2nd premium. After 3 years it was informed that nothing was payable under the policy. Therefore, the complaint.

The complainant submitted that he is entitled to receive back the premium paid with interest and profits.

The insurer submitted that the policy was issued based on proposal form submitted by the complainant. It was a regular premium policy with premium Rs. 50000/- and term 20 years. There was no request for free look period cancellation. The premium was reduced to Rs. 20000/- at the request of the complainant. The policy lapsed due to non-payment of subsequent premiums and as there was no revival, attained "Early lapse not payable" status. Nothing is payable as per policy conditions.

Decision:- By making the request for reduction of premium, the complainant had negated his stand that he took the policy believing it as a single premium one. As per policy condition Article 2 (b) (ii)(2), the complainant is entitled to Surrender value as provided under Article 5 of the policy. The complainant as well as this Forum was not provided with the Statement of Accounts on the date of termination of the policy. Only the fund value statement as on 26.07.2008 is available. What actually transpired thereafter, no piece of evidence is forthcoming from the side of the insurer. The insurer has failed to convince this Forum as to the non-availability of Surrender value payable to the complainant. Taking into consideration the irresponsible attitude of the insurer, I am satisfied that this is a fit case where Rule 18 of RPG Rules can be invoked. In the result, the complaint is disposed with a direction to the insurer to pay Surrender value as on termination of the policy to the complainant or Rs. 30000/- as Ex-gratia whichever is higher within the prescribed period failing which the amount shall carry interest @ 9% from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-013-670/2011-12

Assan Koya K P

Vs

Aviva Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/104/2012-13 dated 04.01.2013

The complainant had taken a policy from the Respondent-Insurer and paid Rs. 30000/- as premium for a period of 5 years. When he approached the insurer for getting back his amount, it was told that he is entitled to only Rs. 8000/- .Later he received a cheque for Rs. 6000/- towards closure of the policy. Therefore, the complaint.

The complainant submitted that he is atleast entitled to get back the premium paid with accrued profits.

The insurer submitted that the policy was issued as per the proposal form submitted. The term was for 10 years. Due to non-payment of premiums, the policy was auto foreclosed when the fund value fell below first year premium and the eligible amount was paid to the complainant as per policy conditions.

Decision:- While the insurer is contending that the cash value had fallen below the 1st year premium, it is incumbent on them to furnish the unit statement to the complainant to convince him about the fate of the policy. The insurer had miserably failed in this aspect. The surrender request was received by the insurer on 8.11.2011. Why the request made by the complainant was not considered under Article 7.2.3 is not explained by the insurer. The fund value available as on date of termination of the policy is also not available.. The insurer had not approached this Forum with clean hands. So, the complainant is entitled to ex-gratia payment as provided under Rule 18 of RPG Rules. In the result, an award is passed directing the insurer to pay an amount of Rs.12000/- (surrender value + ex-gratia) to the complainant within the prescribed period failing which, the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-008-774/2011-12

Dr. K S Krishna Kumar

Vs

Kotak Mahindra Old Mutual Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/102/2012-13 dated 31.12.2012

The complainant had taken a policy from the Respondent-Insurer through 'Suprashesh Insurance Brokers' believing it to be a single premium one. He paid Rs. 5 lacs as premium. As he was not provided with the desired policy, he approached the brokers firm and the insurer several times without any success. Therefore, the complaint.

The complainant submitted that he had no intention or financials to apply for a regular premium policy. The insurer and the Brokers have played fraud on him and the contents and the signature in the alleged letter dt. 5.08.2009 was forged. He is entitled to refund of the premium with interest.

The insurer submitted that the policy was issued based on proposal form submitted by the complainant. It was a regular premium policy with premium Rs. 5 lacs and term 10 years. There was no request for free look period cancellation. There was a request dt. 5.08.2009 from the complainant to reduce the premium. This itself shows that he asked for a regular premium policy. Now he can not request for cancellation of policy. Considering the nature of allegations and reliefs sought in the complaint, Ombudsman is not having jurisdiction to entertain the complaint. It was also submitted that RPG Rules do not allow appearance of Advocate before this Forum.

Decision:- By an interim order, the signature on the alleged letter dt. 5.08.2009 was sent for comparison with the signature of the complainant to the Forensic Science Lab for their report. The report of the handwriting expert was received on 14.11.2012.

The dispute raised by the complainant is basically and essentially a dispute regarding the premium payable and the no.of premiums. So, this would come within Rule 12(1)(c) of the RPG Rules. Also Rule 14 of the RPG Rules empowers the Ombudsman to take any form of evidence whatsoever for the fair and equitable disposal of the complaint..The extent of powers under Rule 14 was considered by the Hon'ble High Court of Kerala in Nandini Jayarajan Vs Ins. Ombudsman reported in 2011(3) KLT 131. Also there is no provision in the RPG Rules which expressly bars appearance of Advocate for and on behalf of the parties to the complaint. It is the right of the Advocate to appear before any Judicial Forum/ Quasi Judicial Forum.

The complainant is relying on circumstantial evidence to substantiate the allegations of lack of Good faith, mis-representation and fraud on the part of the insurer. The complainant had admitted his signature in the proposal form but denied the contents of it. Many details are alleged to be untrue or incorrect. Here there is no scope for drawing the presumption under Section 118 of the NI Act, as no Negotiable Instrument is involved. Subscribing signature in a document is not the "due execution" of the that document. It is signing after fully understanding the contents of the document. The insurer had miserably failed in establishing the "due execution" of the proposal form by the complainant.

The insurer is solely relying on the letter for reduction in premium, purported to be written by the complainant. The complainant denied execution of the same and forgery was alleged. The authoritative opinion of the hand writing expert is that the disputed signature is a forged one. The report fully supports the contention of the complainant that he had not sent the disputed letter to the insurer and the signature therein is forged one. There are several other suspicious circumstances appearing in the disputed document. The complainant had succeeded in establishing umpteen circumstances so as to complete the chain of circumstantial evidence in favour of his contentions. So, the very inception of the Contract of Insurance is vitiated. No proper service was rendered to the complainant. He is entitled to reasonable cost for the hardships occasioned to him by the insurer. . In the result, an award is passed directing the insurer to return the premium of Rs.500000/- to the complainant with cost of Rs. 5000/- within the prescribed period failing which, the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-003-679/2011-12

Dr. P K Sreedevi

Vs

TATA AIA Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/106/2012-13 dated 08.01.2013

The complainant had taken a Health Policy from the Respondent-Insurer since 2005 onwards. She suffered a dim vision and admitted for surgery in Giridhar Eye Hospital for 2 days. The claim for Rs. 34809/- was settled only for Rs. 625/- . Therefore, the complaint.

The complainant submitted that she was treated for Macular Hole in the left eye and the surgery underwent was a major surgery. She is entitled to Surgical Benefit, Daily cash benefit and post hospitalization benefit.

The insurer submitted that the Surgical Benefit is not available as the surgery underwent is not a 'covered surgery' listed in the policy. The complainant had been provided with Daily Hospital benefit and Post Hospitalisation Benefit as per policy conditions.

Decision:- Discharge summary shows the diagnosis as Full Thickness Macular Hole Stage III left eye. She had underwent Virectomy. Clause 3 of the policy deals with Surgical Benefit. The covered surgeries are given in the table which forms part of the policy conditions. As surgeries relating to eye as a whole are omitted from the Table of Surgeries, Virectomy done is outside the scope of surgical benefit provided under the policy. Therefore, the complainant is not entitled to surgical benefit provided in the policy. As per policy conditions, the complainant is entitled to reimbursement of Rs. 625/- only. In the result, the complaint is disposed of with a direction that if the cheque already received by the complainant is returned and new cheque is sought, the insurer shall issue a fresh cheque for Rs. 625/- to the complainant without causing any delay. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-001-603A/2011-12

C K Ebrahim

Vs

LIC of India

AWARD No. IO/KCH/LI/108/2012-13 dated 15.01.2013

The complainant had taken 2 Health Plus policies from the Respondent-Insurer. He underwent hospitalization and treatment for the period 10.02.2011 to 26.02.2011 for multiple ailments. His claim for Hospital Cash Benefit under the policies were repudiated by the insurer. Therefore, the complaint.

The complainant submitted that he suffered multiple ailments and on the advice of the doctor he was admitted in the hospital. Investigations were done for proper diagnosis of the ailments.

The insurer submitted that the hospitalization was only for investigations. The treatment could have been done on OP basis. There was no active treatment during hospitalization. The claim is hit by exclusion Clause 6(1)(xvi) of the policy conditions. The repudiation of the claim is legal and proper.

Decision:- Discharge summary shows the diagnosis as Atherosclerotic Vascular Disease with carotid stenosis, Cervical Spondylosis, Dyslipidemia, Acute Bronchitis, Hypertension and Lumbar spondylosis. The nature of the final diagnosis reveals that consistent observation by the treating doctor was necessary in the case of the complainant. The complainant suffered from multiple ailments during hospitalization.. The wisdom of the doctor who advised hospitalization and treatment cannot be challenged without proper evidence Also it is seen that the ailments mentioned while repudiating the claim doesnot relate to the present hospitalization. So, the repudiation of the claim by the insurer is not proper and not based on policy conditions. In the result, an award is passed directing the insurer to pay an amount of Rs.38875/- to the complainant within the prescribed period failing which, the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-005-757/2011-12

Sijo Joseph

Vs

HDFC Std. Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/110/2012-13 dated 22.01.2013

The complainant had taken a policy from the Respondent-Insurer paying Rs. 150000/- believing it to be a single premium one. On receipt of renewal premium notice only, he realized that he had to pay 2 more years premium. His request for cancellation of the policy was turned done by the insurer. Therefore, the complaint.

The complainant submitted that when the policy document was received, he was abroad and later on only he came to know that this was a regular premium policy. He never wanted a regular premium policy and he is entitled to refund of premium paid.

The insurer submitted that the policy was issued based on the proposal form submitted by the complainant and there was no request for free look period cancellation. As he had paid only the initial premium, the policy was lapsed and as per policy conditions, nothing is payable.

Decision:- The policy was issued as per the proposal submitted by the complainant and the term is for 15 years. Also there was no request for free look cancellation. The complainant had not succeeded in establishing any vitiating circumstances for cancellation of the policy. Also as per policy conditions surrender charge is 100% of the

fund value as only the 1st premium was paid. So, as per policy conditions, the complainant is not entitled to receive any amount from the insurer. Here the insured had lost everything invested by him whereas the insurer had gained substantially. It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 50000/- as ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-005-664/2011-12

Dr. C Mohammed Ashraf

Vs

HDFC Std. Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/111/2012-13 dated 22.01.2013

The complainant had taken a policy from the Respondent-Insurer paying Rs. 1 crore believing it to be a single premium one. It is alleged that the Sales Manager of the Insurer had manipulated the documents so as to issue a regular premium policy where he has to remit Rs. 1 crore every year. His demand for refund of premium paid was turned down by the insurer. Therefore, the complaint.

The insurer has expressed his doubt about the maintainability of the complaint before this forum.

Decision:- One among the reliefs sought by the complainant is refund of premium of Rs. 1 crore. As per Rule 16(2) of RPG Rules, the pecuniary jurisdiction of this Forum is only Rs. 20 lacs. As the relief sought is beyond the pecuniary jurisdiction of this Forum, the complaint can not be entertained. The complainant had submitted that on the same subject matter, he had approached the National Consumer Redressal Commission, New Delhi. As per Rule 13(3)(c), this Forum ceases to have jurisdiction, if the same complaint is filed before any other Forum. In view of these facts, the complaint is dismissed as not maintainable. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-001-729/2011-12

A I Chacko

Vs

LIC of India

AWARD No. IO/KCH/LI/113/2012-13 dated 23.01.2013

The complainant had taken Bima Kiran Policy from the Respondent-Insurer. He remitted a total amount of Rs. 4096/- and failed to remit further premiums. His request for cancellation of the policy and return of premium was turned down by the insurer. Therefore, the complaint.

The complainant submitted that he paid 4 half-yearly premiums and is entitled to get back at least the premium paid by him.

The insurer submitted that due to non-payment of 5th premium, the policy lapsed on 10.01.2003. The policy had not acquired paid-up value. As per policy conditions nothing is payable to the complainant.

Decision:- As per Clause 3 of the policy conditions, when the policy is lapsed on account of non-payment of premium even within the grace period, the policy does not acquire any paid-up value. There is no provision regarding non-forfeiture of the policy. So, it is evident that the policy had not acquired any paid-up value. The complainant had not succeeded in establishing any ground for cancellation of the policy. The complainant is not entitled to any relief in the complaint. In the result, the complaint is dismissed.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-020-758/2011-12

Anoop Mathew

Vs

Canara HSBC OBC Life Ins. Co. Ltd

AWARD No. IO/KCH/LI/114/2012-13 dated 29.01.2013

The complainant had taken Whole Life Plan Policy in the name of his wife from the Respondent-Insurer in 2011 believing that he will get back the proceeds after 5 years. It was revealed that the insurer has played fraud in issuing the policy. His request for refund of premium was not successful. Hence, the complaint.

The complainant submitted that he wanted a pure investment policy. The insurer had played fraud on him. He is entitled to get back the premium paid.

The insurer submitted that the proposal form was electronically filled and the printout was signed by the insured after reading it. A proposal amendment form was also submitted duly signed for making certain corrections. There was no request for cancellation during free look period. Now she can surrender the policy with applicable charges and payment will be made after 5th policy year.

Decision:- Filing of proposal amendment form itself would suggest that the proposer had gone through contents of the proposal form and demanded amendments. What is the misrepresentation or fraud played by the officers of the insurer, is not stated in the complaint. Proposal form is submitted by the insured. So, the evidence must be to the effect that the misstatements were made at the instance of the insurer with purpose/intention..The complainant failed to establish the existence of any vitiating circumstance even by the Rule of preponderance of probability. Though they have received the policy in time, there was no request for free look period cancellation. It is seen that the policy was issued in tune with the proposal submitted. It was reported that due to non-payment of further premium, the available amount Rs. 169000/- was transferred to discontinued policy fund. So, as per the policy conditions the wife of the complainant can surrender the policy, if she so desires and get the amount after the lock in period subject to deduction of charges provided in the policy. The relief sought by the complainant in the complaint can not be allowed. In the result, the complaint is dismissed.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-008-759/2011-12

K Johny

Vs

Kotak Mahindra Old Mutual Life Ins. Co. Ltd

AWARD No. IO/KCH/LI/115/2012-13 dated 05.02.2013

The complainant had taken a Policy from the Respondent-Insurer paying Rs. 50000/- as initial premium. He paid 3 premiums and when he requested for return of the investment, it was told that he won't get back the 1st premium paid. Therefore, the complaint.

The complainant submitted that he was never told that the 1st premium will not be returned back. He is entitled to get back the same .

The insurer submitted that the policy was issued as per the proposal form submitted and there was no request for free look cancellation. As per policy conditions, the 1st year premium is set apart for Assured Additional Benefit and the same is payable only on maturity. The complainant surrendered the policy in 2011, after payment of only 3 premiums and surrender value of Rs. 90112.62 was paid to him. Nothing more is payable to him now.

Decision:- The insured and the insurer are bound by the policy conditions which form part of the policy. Here the complainant had paid premiums for 3 years and later surrendered the policy. Now he can not contend that he does not know the policy conditions. A conjoint reading of Clause 4, 6, 8 and 14 of the policy conditions would reveal that the 1st year premium is set apart for providing Fixed Addition Benefit to the policy holder and the same is payable on maturity when all the originally contracted premiums have been paid in full. This is not invested in units. Here the policy term and premium paying term are 20 years. But the policy was surrendered after payment of 3 year's premium. When the policy is terminated on account of surrender, no maturity benefit is available to the policy holder. So, the complainant is not entitled to claim any benefit based on the initial premium of Rs. 50000/- paid by him. The stand taken by the insurer is legal and based on the policy conditions. In the result, the complaint is dismissed.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-008-768/2011-12

S Haridasn

Vs

Kotak Mahindra Old Mutual Life Ins. Co. Ltd

AWARD No. IO/KCH/LI/116/2012-13 dated 06.02.2013

The complainant had taken a single premium policy from the Respondent-Insurer in 2007 by paying an amount of Rs. 40000/-. When he approached the insurer in 2011 for return of premium, it was informed that the fund value is zero and hence no amount is payable. Therefore, the complaint.

The complainant submitted that the stand taken by the insurer is against the policy conditions and natural justice. He is entitled to refund of the premium.

The insurer submitted that the policy was issued as per the proposal form submitted by the complainant. He applied for a policy with premium paying term 4 years and term 10 years. As he paid only the initial premium, the policy had not acquired surrender value and therefore, he is not entitled to receive any amount.

Decision:- There is no legal basis or evidence for the contention advanced by the complainant that he had applied for a single premium policy but was issued with a regular premium one. As per the policy conditions, as the complainant had paid only the initial premium, the policy did not acquire any surrender value. So the rejection of the claim made by the insurer is legal and based on policy conditions. Here the insured had lost everything invested by him whereas the insurer had gained substantially. It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 20000/- as ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-001-763/2011-12

David Sekhar

Vs

L I C of India

AWARD No. IO/KCH/LI/117/2012-13 dated 06.02.2013

The complainant had taken Health Insurance Policy from the Respondent-Insurer. He underwent surgery for replacement of Aortic Valve. His claim for Hospital Cash Benefit and Major Surgical Benefit were rejected by the insurer on the ground that it was a congenital problem. Therefore, the complaint.

The complainant submitted that he had not suppressed any ailment in the proposal form and had not undergone any treatment prior to submission of the proposal form. There is no evidence that the ailment was a pre-existing one. The repudiation of the claim is based on imaginary grounds.

The insurer submitted that the complainant was a known case of Marfan's Syndrome with supernumerary digits in both hands and feet. Degeneration of Aortic Valve is a complication which arose from this congenital disorder. So, it is a pre-existing disease and therefore, the claim would come under the exclusion clause. So, the repudiation of the claim is in accordance with the policy conditions.

Decision:- In the absence of any reliable evidence regarding existence of any ailment and in the absence of evidence regarding treatment for any ailment prior to the submission of the proposal, it is absurd to enter a finding that the complainant suffered pre-existing ailment and he had not disclosed the pre-existing ailment in the proposal form. Therefore, exclusion clauses 6(1)(i) and 6(II)(ii) are not attracted.

The discharge summary from MCH, Kottayam shows the diagnosis as severe AR and Annuloaortic ectasia. The procedure done is Bentall Debono Procedure. In the discharge summary , it is not stated that AR and degeneration of aortic root are due to Marfan's Syndrome. In the treating doctor's report and certificate also it is specifically mentioned that the condition for which the complainant underwent surgery was not present at birth. The doctor had suggested only the possibility of existence of Marfan's Syndrome and had not given a conclusive opinion. Also there is no conclusive evidence to prove that the present ailment was a result of this disorder. There is consistent evidence that the surgery performed was not for congenital disease. The treating doctor is the most competent person to provide opinion in this regard. In the result, an award is passed directing the insurer to pay Rs 191880/- to the complainant within the prescribed period failing which,

the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-009-765/2011-12

G Anand

Vs

Bajaj Allianz Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/118/2012-13 dated 08.02.2013

The complainant had taken a policy paying Rs. 50000/- from the Respondent-Insurer believing it be a single premium one. When he later realized that it was a regular premium one, he requested the insurer for return of premium without any success. Therefore, the complaint.

The complainant submitted that as he was issued a policy which he has not applied for he is entitled to get the return of premium paid by him.

The insurer submitted that the policy was issued as per the proposal form submitted by the complainant. The term was for 10 years and mode of payment chosen was yearly. There was no request for free look period cancellation. Due to non-payment of subsequent premiums, policy was foreclosed and the eligible amount of Rs. 14353/- as per policy conditions was paid to him. He is not entitled to any further relief.

Decision:- It is seen that the policy was issued based on the proposal form submitted by the complainant. He had applied for a regular premium policy with premium paying term of 10 years. There was no request for free look cancellation from the side of the complainant. The signature in the proposal form is admitted by him. Subsequent premiums were not paid and there was no request for revival. The policy was terminated as per policy conditions and the eligible amount was paid to him. There is no allegation of fraud or misrepresentation on the side of the insurer in issuing the policy. The calculation of foreclosure value is done as per policy conditions. So, there is no vitiating ground, so as to cancel the policy. The policy is no more in existence and hence it can not be converted into a single premium one. So, the complainant is not entitled to any relief in the complaint. In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/22-012-778/2011-12

Jessy thomas

Vs

Met Life India Insurance Co. Ltd

AWARD No. IO/KCH/LI/120/2012-13 dated 14.02.2013

The complainant had taken Met Bhavishya policy from the Respondent-Insurer in 2005. She paid premiums till 2009. No service tax was collected from her. But in 2010 and 2011 , she was asked to pay service tax. As there was no contract between them to pay service tax, she is not liable to pay the same. As per the letter from the insurer, the premium is kept in suspense account for want of service tax due. Therefore, the complaint.

The insurer submitted that service tax was levied as per Finance Act 1994 and the same is remitted to the Govt. There is no violation with respect to the terms of the insurance contract. Since service tax component was not paid along with Nov. 2011 due , it was kept in suspense account. Later she paid the same on 12.01.2012 and premium was adjusted. She has also paid the Nov. 2012 due along with service tax on 17.12.2012. Now the policy is in live status.

Decision:- Now it is revealed that the situation alleged in the complaint had changed and the policy is very much live. The complainant is paying the service tax component along with the premium. Next premium is due in Nov. 2013 only. As the situation stated in the complaint no more exists and the complainant had not sought any relief in the complaint, the complaint has become infructuous. In the result the complaint is dismissed as infructuous. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-001-766/2011-12

K Surendrakurup

Vs

LIC of India

AWARD No. IO/KCH/LI/119/2012-13 dated 11.02.2013

The complainant had taken Jeevan Surabhi policy from the Respondent-Insurer. He had a motorcycle accident and lost the sight of one eye. His claim for disability benefit was rejected by the insurer. Therefore, the complaint.

The complainant submitted that he is disabled totally and permanently. He has no earning capacity. Repudiation of the claim is illegal and against the policy conditions.

The insurer submitted that the doctor who treated the complainant had certified that the visual disability is only 30%. He had suffered only partial permanent disability. So, this will not come under the situation contemplated under Clause 10.2(a) . The repudiation is based on the policy conditions.

Decision:- The insurer had not considered the cumulative effect of the multiple fractures suffered by the complainant in the two accidents . They had merely considered the visual disability suffered by him. Clause 10.2 of the policy conditions deals with disability benefit. From the various medical records , it is evident that on account of the multiple fractures suffered by the complainant, his mobility is almost curtailed. As per the Apex court decisions, the avocation that the life assured could be able to engage in after the accident must be one, which he can ever sufficiently do or follow to earn or obtain wages to lead a decent life. He had lost vision of left eye. All these injuries would cumulatively render the life assured totally and permanently disabled as stated in Clause 10.2 (a) of the policy conditions. The repudiation of the claim is therefore, not sustainable. In the result, the insurer is ordered to provide Extended Permanent Disability Benefit to the complainant as provided in Clause 10(2)(a)(i) of the policy conditions. The insurer shall comply with the award within the prescribed period. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-003-771/2011-12

P A Prahladan

Vs

TATA AIA Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/121/2012-13 dated 18.02.2013

The complainant had taken Invest Assure Gold Plan policy from the Respondent-Insurer with annual premium of Rs. 50000/- through Muthoot Fin corp. He paid 3 annual premiums only. The policy was terminated and Rs. 32715.31 was paid to him by the insurer on 17.08.2011. This action of the insurer is arbitrary. Therefore, the complaint.

The complainant submitted that there was no reason to auto surrender the policy. He is entitled to receive back atleast the premium paid by him.

The insurer submitted that as the 4th year premium was not paid , the policy was kept in Premium Holiday Mode. As the surrender value fell below the annual premium, the policy was auto surrendered as per policy conditions.

Decision:- The policy is issued as per the proposal submitted by the complainant and there was no request for free look cancellation. There is complete lack of any of the vitiating circumstances which would render the policy null and void. The complainant can not now dispute the policy conditions. Policy conditions form part of the policy. It is seen that the insurer had acted on the basis of the policy conditions and the payment of Rs. 32715.31 made is in order. But in this case the insurer had received an enviable amount of more than Rs. 151000/- towards various charges whereas the complainant who invested Rs. 150000/- has to contend with Rs. 32715./-. It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 60000/- as ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-005-830/2011-12

G Unnimon

Vs

HDFC Std Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/122/2012-13 dated 22.02.2013

The complainant had taken a policy from the Respondent-Insurer through Indian Bank paying Rs. 50000/- as initial premium. He paid one more premium of Rs. 50000/- and another payment of Rs.10000/- was not accepted by the insurer. He received a cheque for Rs. 51187.75 in Aug 2011. Therefore, the complaint.

The complainant submitted that he is entitled to get back at least the premium paid by him.

The insurer submitted that the policy was issued strictly based on the proposal submitted by the complainant. He has to pay half-yearly premium of Rs. 50000/- for 20 years. Due to non-payment of premium in the 2nd policy year, the policy was lapse terminated and the Unitised fund value less surrender charges was paid to the complainant as per policy conditions.

Decision:- Policy conditions form part of the policy and they govern the rights and liabilities of the parties to the contract of insurance. There is no evidence to the effect that the premium was reduced to Rs. 10000/- as alleged by the complainant. As per provision 5(ii)(c) , if a lapsed policy is not revived, the unitized fund value as on the date of lapsation less surrender charge as specified would be paid to the life assured. Here the fund value as on date of lapsation is Rs. 78762.75 and surrender charge is Rs. 25000/-. So the eligible amount would come to Rs. 53762.75 whereas he was paid Rs. 51187.75 only. On account of the delay and hardships caused , the complainant is entitled to interest and cost. In the result, an award is passed directing the insurer to pay a further amount of Rs. 2575/- with 9% interest from 20.07.2011 till the date of award with cost of Rs. 2000/- within the prescribed period failing which Rs. 2575/- shall carry further interest at 9% per annum from the date of award till the payment is effected.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-005-761/2011-12

M K Yosuf

Vs

HDFC Std Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/123/2012-13 dated 22.02.2013

The complainant had taken a policy from the Respondent-Insurer by investing Rs. 5 lacs as 1st premium. He paid 2 more premiums of Rs. 10000/- each and thereafter did not pay any premiums. On 7.10.2011, he received a cheque for Rs. 441267.76 after the policy was unilaterally closed. Therefore, the complaint.

The complainant submitted that he is entitled to get back the entire premium paid by him with benefits.

The insurer submitted that the policy was issued strictly based on the proposal submitted by the complainant. He has to pay yearly premium of Rs. 5 lacs for 10 years. Later premium was reduced to Rs. 10000/- at the request of the complainant. Due to non-payment of premiums, the policy lapsed and when the fund value fell below the minimum level, it was Paid-up terminated and the Unitised fund value less surrender charges was paid to the complainant as per Clause 5 (iii)(d) of the policy conditions.

Decision:- As per the policy issued to the complainant, the minimum fund value to be maintained is Rs. 5 lacs. When the policy conditions are read along with the contents of the unit statement, it would reveal that the complainant had been issued with a cheque for the amount which was legally entitled to him. The payment effected was as per the policy conditions. The minimum fund value to be maintained in the policy was fixed on the assumption that the insured will pay 10 annual premiums of Rs. 5 lacs. It is unlikely that at any point of time, the unitized fund value will be above the minimum fund value to be maintained , when the premium was reduced to a very small amount as in the present case. If there was proportionate reduction in minimum fund value along with premium reduction , a situation contemplated in Clause 5(iii)(d) would not have arisen. It can not be said that the insurer had acted fairly and equitably. Here the insurer had collected Rs. 125000/- towards allocation charge in addition to other regular charges. It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 30000/- as ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected. No cost

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-013-794/2011-12

M T Thomas

Vs

Aviva Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/124/2012-13 dated 01.03.2013

The complainant had taken a policy from the Respondent-Insurer and it matured on 18.11.2011. It was informed that compulsory pension only will be given as the maturity of the policy is over. Therefore, the complaint.

The complainant submitted that he paid 3 annual premiums and policy matured in 2011. He was never informed before that he will have to compulsorily go for pension after maturity. He is entitled to maturity value with interest.

The insurer submitted that as per Article 4 of the policy conditions, after maturity the insured can get only pension. The maturity value available is Rs. 44136/-. In spite of repeated reminders , the complainant had not exercised the option and the amount is kept in suspense account.

Decision:- The maturity intimation letter sent by the insurer contains a caption "Payment method – If no option is exercised then refund would be processed through cheque". A close reading of the caption would reveal that if the options are not exercised , then the insurer would process refund through cheque. This would invariably indicate that even after maturity, the benefit of refund is available. In the present case no option has been exercised by the complainant. Then the course action available to the insurer was to process refund. After the 2nd letter dated 6.10.2011, no intimation was sent to the complainant informing the status of the maturity fund. It can not be said that the insurer had protected the interest of the insured. The omissions on the part of the insurer is not befitting a responsible insurer. In these circumstances, I am satisfied that the complainant is entitled to get disbursement of the entire maturity value of Rs. 44136/-. In the result, an award is passed directing the insurer to pay an amount of Rs 44136/- to the complainant within the prescribed period failing which, the amount shall carry interest @ 9% per annum from the date of filing of the complaint till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-011-747/2011-12

Maria Virginia

Vs

ING Vysya Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/125/2012-13 dated 04.03.2013

The complainant had taken a policy in the name of her daughter from the Respondent-Insurer paying Rs. 40000/- believing it to be a single premium one maturing after 5 years. The policy was issued as annual premium mode Later she was defrauded into foreclosing the same and a new policy for Rs. 12000/- was issued. Therefore, the complaint.

The complainant submitted that she never wanted a regular premium policy and she was defrauded in taking the 2nd policy. She is entitled to receive back the premium paid by her.

The insurer submitted that the policy was issued as per the proposal submitted that the complainant and due to non-payment of premium it was terminated. The amount was transferred to a new policy as per the proposal submitted by the complainant. She is not entitled to return of premium paid.

Decision:- As per the policy schedule, the complainant is the proposer and her major daughter is the life assured. As per the insurer, as there was no payment of further premiums, the policy was terminated as per Clause 4.3. If at all surrender value was available , the insurer ought to have paid the same to the life assured and not to the proposer. Now it is revealed that the surrender value in the 1st policy had been utilized for issuing the 2nd policy. This is said to be at the request of the proposer . In the request though the amount to be transferred is noted as Rs. 13000/-, the policy was issued for Rs. 12000/-.All these are in violation of the basic principles of insurance. When the life assured in the 1st policy was entitled to receive the fund value in the policy, the very inception of the 2nd policy in the name of the complainant utilizing the fund value of the 1st policy is irregular and illegal and the very inception of the second policy is vitiated. In the result, an award is passed directing the insurer to pay Rs. 13000/- with 9% interest from 03.02.2011 till the date of award with cost of Rs. 2000/- to Smt. Remya Joseph, the life assured in the 1st policy within the prescribed period failing which Rs. 13000/- shall carry further interest at 9% per annum from the date of award till the payment is effected

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-011-287/2012-13

Santosh Kuruvila

Vs

ING Vysya Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/126/2012-13 dated 04.03.2013

The complainant had taken a policy from the Respondent-Insurer and paid 5 half yearly premiums and discontinued payment due to financial constraints. When he approached the insurer for refund of premium, it was told that nothing was payable. Therefore, the complaint.

The complainant submitted that he was never informed that to get surrender value, he has to pay premiums for 3 years. He is entitled to refund of premium paid by him.

The insurer submitted that the policy was issued as per the proposal submitted. There was no free look cancellation request from the complainant. Due to non- payment of premiums , the policy lapsed and no surrender value is available as 3 full years premium was not paid.

Decision: -It is seen that the policy was issued as per the proposal form submitted by the complainant. The rights and liabilities of the parties to the contract are controlled by the policy conditions. Here the policy was lapsed due to non-payment . Clause 5 of the policy conditions deals with non-forfeiture provisions and Clause 4 deals with Guaranteed surrender value. It is specifically provided that at least 3 years premium has to be paid for applying both the above provisions. Here the complainant had not paid 3 full years premiums. So, Non- forfeiture and Guaranteed Cash Surrender Value provisions are not applicable in this case. So, the stand taken by the insurer in this regard is in consonance with the policy conditions. But here a situation has arisen where no amount is payable to the complainant though he had paid nearly Rs. 180000/- . It is to deal with such situations, Rule 18 of RPG Rules empower the Insurance Ombudsman to provide ex-gratia payment to the insured in appropriate cases. In the result, to meet the ends of justice, the complaint is disposed of with a direction to the Respondent-Insurer to pay Rs. 90000/- as ex-gratia to the complainant within the prescribed period, failing which the amount shall carry interest @ 9% per annum from the date of award till payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-018-818/2011-12

Balakrishnan K Nair

Vs

IDBI Federal Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/129/2012-13 dated 11.03.2013

The complainant had taken Retireassure Pension Policy from the Respondent-Insurer paying Rs. 5 lacs and believing it to be a single premium one. He paid one more premium at the reduced rate of Rs. 375000/- and later on requested for cancellation of the policy and return of premium. The request was turned down by the insurer. Therefore, the complaint.

The complainant submitted that he had paid the 3rd premium of Rs.3.75 lacs also. There was no reason or occasion to withdraw the earlier offer made by the insurer to cancel the policy. He is entitled to receive back Rs. 12.50 lacs with interest.

The insurer submitted that the policy was issued as per the proposal submitted by the complainant for a term of 10 years, premium paying term of 3 years and annual premium of Rs. 5 lacs. There was no request for cancellation of the policy during the free look period. Also the subsequent premiums were reduced at the request of the complainant and he paid the same also. There is no ground or reason to allow the prayer for cancellation of the policy after nearly 18 months from the inception. Now he had paid the entire premiums payable under the policy. He can now seek only the reliefs as provided in the policy conditions.

Decision:- It is seen that the policy is issued as per the proposal form submitted by the complainant. Considering the stature and the status of the complainant, it is highly improbable that he did not know about the contents of the proposal form and policy received by him. To crown all this, he requested for a premium reduction and paid the reduced premium also. The complainant made a complaint regarding the policy to the insurer only 09.11.2011 wherein he alleged mis-representation at the time of sale. When the complainant had made allegations against the issuance of policy, he must adduce evidence to substantiate the allegations. Any indefiniteness in the communications received from the insurer can not be used by the complainant to derive any undue advantage. The complainant had miserably failed to establish any ground which would vitiate the policy. The insurer can not be faulted for not canceling the policy and allowing refund of premium. As the entire premiums had been paid by the complainant, he can seek appropriate relief from the insurer based on policy conditions. In the result, the complaint is dismissed. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-001-864/2012-13

V Vijayakumar

Vs

LIC of India

AWARD No. IO/KCH/LI/131/2012-13 dated 21.03.2013

The complainant had taken a Jeevan Aadhar policy from the Respondent-Insurer for the benefit of his handicapped son. When the policy matured , he was informed that the benefits will be available to the beneficiary, only after the complainant's death. After having several correspondence with the insurer, he had again written a letter to the insurer on 18.02.2011 explaining his condition and requesting for maturity value. There was no communication between the complainant and the insurer thereafter. He had preferred the present complaint before this Forum on 07.02.2013.

Decision:- As per Rule 13 (3) (a) & (b) of RPG Rules, as the present complaint had been filed beyond one year from 18.02.2011, the complaint is barred by limitation. The complaint is therefore, not maintainable. In the result, the complaint is dismissed as barred by limitation. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-001-718/2012-13

M George Kurien

Vs

LIC of India

AWARD No. IO/KCH/LI/132/2012-13 dated 22.03.2013

The complainant and his daughter had taken 12 Market Plus policies from the Respondent-Insurer . They had taken it believing that one policy each with single premium will be receiving. On auto surrender of the policy, they suffered substantial loss. Therefore, the complaint.

The complainant submitted that they were issued multiple policies with regular premium mode as against single premium one they desired. He is entitled to atleast the premium paid by him.

The insurer submitted that as per the request from the complainant, multiple policies were issued and in the proposal form annual premium was mentioned. Due to non-payment of subsequent premiums, the policy was foreclosed and eligible amount was paid to the complainant.

Decision:- It is seen that the issuance of policies are based on the requests made by them along with the proposal form submitted. As the policies were issued as desired by the complainant, he can no more contend that the policies received were not those desired by him. As the renewal premiums were not paid, the policies lapsed and as there was no revival , they were terminated as per Clause 9(II)(I) of the policy conditions and the surrender value was paid. The payments made are in order except that there was delay in payment of surrender value. On account of delayed payment the complainant is entitled to 9% interest from the date of foreclosure till the payment date(13.01.2011). This is to be paid within the prescribed period failing which the amount shall carry further interest at 9% per annum from the date of complaint till the payment is effected. No cost.

OFFICE OF THE INSURANCE OMBUDSMAN, KOCHI

Complaint No. IO/KCH/LI/21-002-787/2011-12

P Baisal

Vs

SBI Life Insurance Co. Ltd

AWARD No. IO/KCH/LI/133/2012-13 dated 28.03.2013

The complainant's 3 Housing Loan A/c.s with SBI was insured under Super Suraksha policy issued by the Respondent-Insurer. Though the outstanding amounts were less , excess premium was recovered by the insurer. Therefore, the complaint.

The complainant submitted that as per the policy the insurer can collect premium based on outstanding principal loan amount only and interest portion is not covered .So for the interest portion of the loan amount, premium is not payable. He is entitled to refund of the excess premium deducted.

The insurer submitted that the Master policy holder-SBI had provided the statements of accounts. Based on the consent of the complainant and on the basis of the statements , the insurance cover was provided to outstanding loan amounts.. No excess premium was collected.

Decision:-From the Certificate of Insurance , it is quite evident that the Sum Assured is equal to the outstanding loan amount. In the Master policy , the sum assured is defined as the outstanding home loan account, including interest. So there is no scope for ambiguity in the definition of sum assured. In the statements given by the Bank to the insurer and consented by the complainant, the outstanding loan amount as on 26.11.2003 is shown as that which is inclusive of interest portion also .It is seen that premiums were collected as per the outstanding loan amounts and are perfectly in order. The complaint is based on a misconception of the complainant regarding the term "the outstanding loan amount". As such, he is not entitled to any relief. In the result, the complaint is dismissed. No cost.