

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1516-0019 SB Claim

Sri Himanshu Bhusan Nanda Vrs LIC of India, Cuttack

Award dated 19th October,2015

Facts: The complainant received 1st Survival Benefit (SB) on 27.03.2014 which was due in 03/2010. On enquiry he was informed that OP paid due SB amount of Rs.50,000/- through cheque being handed over to LIC Agent Sri Pratap Kumar Das, who instead of handing over the cheque to him returned it to the OP. So the complainant claimed interest for delay payment, but the OP did not respond. On the other hand, the OP filed SCN and stated that the Branch prepared 1st SB cheque on 28.03.2010 and it was received by the agent Sri Pratap Kumar Das. The agent did not hand over the cheque to the policyholder and the cheque became stale in due course of time. However, finally it was paid along with the 2nd SB claim through NEFT on 27.03.2014.

On a minute scrutiny of the available documents it is found that the policy commenced on 28.03.2006 for a sum assured of Rs. 5,00,000/- having policy term 20 years. It is quite apparent from the face of the policy bond that Survival Benefit is payable for policy term 20 years at the rate of 10% of the sum assured at the end of each 4th, 8th, 12th and 16th policy year. Calculated on that basis, the 1ST Survival Benefit of Rs. 50,000/- fell due on 28.03.2010. Admittedly, the OP caused inordinate delay in making payment of the 1st Survival Benefit and paid it on 27.03.2014. Obviously, the Insurer is liable to pay interest on the said amount to the complainant w.e.f. 28.03.2010 till the date of actual payment i.e. 27.03.2014 at a rate 2% above the bank rate prevalent in the beginning of the relevant financial year.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing, appropriate interest as indicated above is hereby awarded to be paid by the Insurer to the Insured, towards full and final settlement of the claim.

Hence, the complaint is treated as allowed accordingly.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1516-0095 SB Claim

Sri Dillip Kumar Das Vrs LIC of India, Bhubaneswar

Award dated 30th November,2015

Facts: The complainant did not receive the 1st Survival Benefit from the OP which was due on 28.02.2011. So he wrote to OP for payment of the said survival benefit. Unfortunately, there was no response . Finding no alternative he approached this Forum. On the other hand, the OP filed SCN and stated that the aforesaid S.B. claim was paid in advance on 15.01.2011 through cheque. But the cheque was fraudulently encashed by another Dillip Kumar Das. In such a circumstance the SB amount of Rs. 5000/- and delayed interest of Rs. 2494/- totaling Rs. 7494/- has already been paid to the complainant through NEFT.

It is quite apparent from the document placed for perusal that on 21.11.2015 a sum of Rs. 7494/- has been paid to complainant in respect of the aforesaid policy. Also the complainant himself admits to have received the amount. He reiterates that he has no further grievance against the OP. Since the grievance has already been resolved in the meanwhile, the complaint deserves dismissal.

AWARD

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

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1516-0211 SB Claim

Sri Benia Min Munda Vrs M/S. LIC of India, Cuttack

Award dated 30th December,2015

Facts: The complainant had taken a Money Back policy from the OP in March 2011 for a term of 16 years. As per terms and conditions of the policy, the OP had to pay certain percentage of Sum Assured as Money Back on completion of every fourth year. Accordingly the 1st Money Back was due on March 2015. But the OP did not pay him the Money Back due in March 2015. In spite of repeated complaint to the local office of the OP, he did not get any response. Finally he took shelter of this Forum to redress his grievance. On the other hand, the OP filed SCN and stated that the claimed amount of Rs.7500/- had already paid to the complainant through NEFT.

As it appears, the claimed amount of Rs.7500/- has already been paid by the insurer to the complainant through NEFT. Perhaps in view of such payment the complainant does not come forward to ventilate his grievance further. Since the money back amount has already been paid, the complainant has no further grievance. Thus, the complaint deserves dismissal.

AWARD

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

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1516-0211 SB Claim

Sri Benia Min Munda Vrs M/S. LIC of India, Cuttack

Award dated 30th December,2015

Facts: The complainant had taken a policy from the OP in December 2011 for a term of 15 years with an annual premium of Rs.8130. She was diagnosed as having Breast Cancer in March 2014 and accordingly, she had undergone for Surgery, Chemotherapy and Radiation treatment as per advice of the doctor. Then she submitted a bill of Rs.387895/- to the OP for re-imbusement. But the OP rejected her claim, pointing out that her policy did not have any Critical illness Rider Benefit (CIRB). In spite of her repeated request to the OP that at the time of signing of the proposal, she had opted for the CIRB, the OP refused to entertain her claim. Finally she lodged a complaint against the OP before this forum. On the other hand, the OP filed SCN and pleaded that the proposer though opted for CIRB in the proposal, it was not applicable to her as she was a lady of Cat.III for underwriting purpose. More so, she did not submit the required medical reports, Special Reports nor paid the extra premium for the said coverage. So the question of payment under CIRB did not arise at all.

After a careful scrutiny of the documents placed before this Forum, it is seen that the complainant submitted proposal on 07.12.2011 showing her willingness for Critical Illness Coverage. But she deposited premium of Rs.8130/- for the coverage of her own life risk and accident benefit. She did not deposit any premium for Critical Illness Rider Benefit. Accordingly, the relevant policy was issued to her and she continued to pay renewal premiums . At any point of time she did not raise any objection, even though the policy bond did not include coverage for CIRB. Subsequently, she came forward with a claim for CIRB which was rejected by the insurer. I do not find any infirmity in the action taken by the insurer in rejecting the claim of the complainant. As a matter of fact, the policy bond in question does not include coverage for CIRB nor the complainant has paid the premium for the same. Obviously, she is not entitled to get the claim under CIRB.

AWARD

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

BHUBANESWAR OMBUDSMAN CENTRE
Complaint No-BHU-L-029-1516-0283 SB Claim
Mr. Hrudeshwar Sahoo Vrs M/S. LIC of India, Sambalpur
Award dated 29th February, 2016

Facts: The father of the complainant, namely, Nabakishore Sahoo had taken a life Insurance policy from the OP in the year 1997 in the name of his minor son, the present complainant for a sum assured of Rs.50000/- (Fifty thousand only) for a policy term of 19 years with premium payable for 11 years. On attaining majority, the OP had to pay survival benefit in every two years at a specified percentage of sum assured. The OP paid him 1st and 2nd installments of survival benefit in due time. But the 3rd survival benefit was paid less and the 4th survival benefit was not paid at all in spite of his repeated request. Finding no alternative he approached this forum for Redressal. On the other hand, the OP filed SCN and stated that some error took place in their payment module for which the matter had already been referred to its higher office. The OP waited for necessary corrections and the survival benefit would be paid very soon.

I have elaborately perused the policy bond. The sum assured is Rs. 50,000/-. The face of the policy bond clearly reflects the events on the happening of which payments are to be made by the Insurer. Admittedly, 1st and 2nd Survival Benefits have been duly paid to the complainant and there is absolutely no grievance to that effect. The 3rd Survival Benefit of Rs. 15,000/- became due on 15.12.2012. But OP paid Rs. 10,000/- on 06.06.2013. So there was a less payment of Rs. 5000/-. Further, the 4th Survival Benefit of Rs. 15,000/- which became due on 15.12.2014 was not paid to the complainant. As such, he is entitled to get total survival benefit of Rs. 20,000/- from the insurer who is liable to pay appropriate interest on the said amount as per IRDA (PPHI) Regulations, 2002. Having regard to the peculiar facts and circumstances of the case the OP is hereby directed to pay the complainant a total survival benefit of Rs, 20,000/- alongwith interest @ 2% above bank rate prevalent in the beginning of the current financial year w.e.f. 15.12.2012 till 06.06.2013 on Rs. 5000/- and w.e.f. 15.12.2014 till the date of actual payment on the remnant.

AWARD

Taking into account the facts & circumstances of the case and submissions made on behalf of OP at the time of hearing, a sum of Rs.20000/- (Twenty thousand) along with interest as indicated above is hereby awarded to be paid by the Insurer to the Insured, towards full and final settlement of the claim.

Hence, the complaint is treated as allowed.

BHUBANESWAR OMBUDSMAN CENTRE

Complaint No-BHU-L-029-1516-0337 SB Claim

Mr. Pruthwiraj Rao Vrs M/S. LIC of India, Bhubaneswar

Award dated 29th March, 2016

The complainant had taken a life insurance money back policy from the OP on 10.02.2011 and the first money back was due on 10.02.2014. He did not receive any payment from the OP for the said due. In spite of his repeated letters, there was no response from the OP. Being frustrated; he approached this forum to redress his grievances. On the other hand, the OP filed SCN and submitted that due to change of address of the complainant after retirement, the money back cheque of Rs7500/- for 11/02/2014 due returned undelivered. However, after getting the correct address, the OP had already paid Rs.7500/- vide cheque no- 25379 on 17/12/2015. So the complaint may be dropped.

On scrutiny of available papers, particularly, the policy conditions, it is found that the OP has to pay 1st survival Benefit at a certain rate on completion of 3 year term. Accordingly, the 1st S.B. was due on 11/02/2014. Due to retirement of the complainant from the service, he shifted his place of residence from Etawah, UP to Bhubaneswar in 2012 and the same was not intimated to the OP. So the 1st survival payment of Rs.7500/- in cheque returned undelivered. However, it is quite apparent from the payment details that in the meanwhile the OP has made payment of the 1st S.B. due through cheque dated 04.12.2015 and the complainant has already encashed it on 17.12.2015. Since the grievance of the complainant has already been resolved, there is no need to proceed further. In such circumstances the complaint deserves dismissal.

AWARD

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

Maturity Claim, survival Benefit claim & Annuity cases

1. CASE OF (Name of Complainant) Mr. Dinesh Prasad V/S LIC of India Begusarai

COMPLAINT REF: NO: 131/24/001/L/04/1314 Dt. of hearing-25.11.2015

Nature of complaint- Non receipt of Survival Benefit Claim

Award –partly allowed in f/o complainant

Result of Hearing

The respondent Insurance Company categorically states that the SB Claim amount of Rs 10000/- has already been paid to the complainant through cheque dt. 02.07.2008 bearing No. 57851 which has already been encashed. The complainant has also agreed to verify with the bank concerned for credit of the relevant amount.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during hearing it is established that the complaint is partly redressed. The Insurance Company is therefore, directed to pay interest for a period of four months @ 2% higher than the prevailing bank interest rate on Savings bank account. The complaint is treated as partly allowed and closed.

2. CASE OF (Name of Complainant) Mr. Ramlochan Pd. Yadav V/S LIC of India Begusarai

COMPLAINT REF: NO: KOL-L-029-1415-0508 Dt. of hearing-25.11.2015

Nature of complaint- Non receipt of Survival Benefit Claim

Award –partly allowed in f/o complainant

Result of Hearing

The respondent Insurance Company has confirmed payment of survival benefit claim as well as the maturity claim (due on 27.02.2011 & 27.02.2014 respectively) through NEFT along with payment details. The claim amount due under the policy was Rs. 50850/- (SB-Rs.20000/- + Mat-Rs, 30850/-) from which an amount of Rs 24608/-(loan + Interest) was adjusted towards loan availed under the policy. Hence net claim amount settled in favour of the policyholder is Rs. 26242/ and credited to the beneficiary's account bearing no. 11098304719 on 04.11.2015. The complainant also confirmed about the receipt of the aforesaid amount in the mentioned account. However he requested for payment of interest towards delayed settlement of claim.

AWARD

Taking into account the facts and circumstances of the case ,the submissions and the depositions made by both the parties during hearing, it is established to the satisfaction of this forum that the complaint is redressed and hence the complaint is to be treated as closed. The Insurance Company is however directed to pay interest from the due date of the SB(on 27.02.2011) and that of maturity amount(on 27.02.2014) till the date of payment i.e. 04.11.2015 @ 2% higher than the prevailing bank interest rate on Savings bank account.

**3. CASE OF (Name of Complainant) Mr. Ganga Ram Yadav V/S LIC of India Muzaffarpur
COMPLAINT REF: NO: KOL-L-029-1314-1135 Dt. of hearing-25.11.2015
Nature of complaint- Non receipt of Survival Benefit Claim
Award –in f/o complainant**

Result of Hearing

The complainant reiterates during the Hearing that he has not so far got the SB claim amount where as the respondent insurance company claims to have paid the SB amount through cheque on 15.07.2011 which has been debited from their account on 02.08.2011. The matter can be resolved only if the respondent insurance company could certify the payment of the amount to the account of the claimant, failing which respondent has to pay the amount with interest.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during hearing the insurance company is directed to furnish the credit details to the account no. of the claimant duly certified by the banker within 30 days failing which they have to pay the amount of Rs. 10000/- to the claimant along with interest @ 2% higher than the prevailing bank interest rate on savings bank account. The complaint is treated as allowed.

**4. CASE OF (Name of Complainant) Mr. Ram Shankar Thakur V/S LIC of India Muzaffarpur
COMPLAINT REF: NO: KOL-L-029-1415-0107 Dt. of hearing-25.11.2015
Nature of complaint- Non receipt of Survival Benefit Claim
Award –in f/o complainant**

Result of Hearing

The dispute pertains to a paltry amount of Rs. 2000/-, which the complainant claims to have not received from the insurance company towards his SB Claim. The Insurance Company admits that they cannot confirm that the amount has been paid to the account of the claimant as their banker is not in position to certify the same. It could be a case of wrong credit as the amount has been debited from insurer's account as claimed by them but not received by the complainant.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during hearing the insurance company is hereby directed to pay Rs. 2000/- with interest from the date of SB claim due to the date of payment with interest rate 2% higher than the prevailing bank interest rate on savings bank account. The complaint is treated as allowed.

**5. CASE OF (Name of Complainant) Mr. Atmesh Kumar Roy V/S LIC of India Patna
COMPLAINT REF: NO: KOL-L-029-1314-1460 Dt. of hearing-25.11.2015
Nature of complaint- Non settlement of maturity Claim
Award –in f/o closed**

Result of Hearing

The respondent Insurance Company has confirmed that the amount due to the complainant has been paid to his employer through NEFT on 21.10.2013 & the amount therefore can be obtained from his employer. This Forum has verified the complainant's name from the list of beneficiaries conveyed by the insurance company to the complainant's employer's bank .

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during hearing it is established that the complaint has already been redressed. Hence, the complaint is treated as closed.

**6. CASE OF (Name of Complainant) Mr. Ajay Kumar Singh V/S Life Insurance Corporation of India
COMPLAINT REF: NO: KOL-L-029-1314-1302 Dt. of Hearing-29.01.2016
Nature of complaint- Delay in settlement of survival benefit claim
Award in f/o complainant**

Result of Hearing

From the documents available & the depositions made during the Hearing it is well established that the Survival Benefit due on 28.08.2012 has been paid to the respondent insurer and the said cheque has already been cashed. But the policy holder is equally vocal about the benefit has not been received by him and he has been complaining about the non payment to the respondent insurer. The respondent has apparently made several correspondences with the bank but the bank has so far not been able to provide the necessary details as to whose account the money has been credited. Therefore, we have to accept the claim of the complainant that he has not been paid the amount due to him since August 2012. We need not go into further detail as to where the money could have gone.

Hence, the complaint is treated as allowed.

AWARD

Taking into account the facts & circumstances of the case and the submissions made by both the parties during the course of hearing the insurer is directed to settle the SB claim due on 28.08.2012 with interest at a rate 2% higher than the prevailing bank rate of interest on savings bank account.

7. CASE OF (Name of Complainant) Mr. Lalit Narayan Mandal V/S Life Insurance Corporation of India

COMPLAINT NO: KOL-L-029-1314-0846 Dt. of Hearing-29.01.2016

Nature of complaint- Delay in settlement of annuity

Award in f/o complainant

Result of Hearing

The life assured purchased a pension policy with annuity of Rs. 7130/- the dt. of vesting being 23.09.2010 but his pension was wrongly fixed at Rs. 567/- per month with effect also wrongly from the month of Oct'2011 instead of from Sep'2010 . As calculated and claimed by him Rs. 6996/- was paid less to him from the dt. of vesting till 30.09.2013. The Insurance Company states that correction in date of vesting has been made by them & difference of annuity amounting to Rs. 6170/- was paid on 21.12.2013.

From the depositions made during the Hearing and the documents available it is clearly established that the pension payment under the policy was delayed and was also wrongly paid in monthly mode instead of the annual mode due to wrong data entry by the insurer. Hence, the respondent insurance company agreed for conversion of the mode of payment from monthly to annual. Since the complainant was however paid the difference in annuity amount on 21.12.2013 the respondent insurer is liable to pay the remaining difference of annuity amount along with interest. Hence, the complaint is allowed.

AWARD

Taking into account the facts & circumstances of the case , the submissions and depositions made by both the parties during the course of the hearing, the opposite party is directed to rectify the mode of pension payment with immediate effect and pay the difference of annuity amount since inception of policy along with interest at a rate, 2 % higher than the prevailing bank rate of interest on savings bank account.
