

Survival Benefit

**Bhubneshwar Ombudsman Centre
Complaint No. 24-001-0502
Sri Karunakar Behera
Vs
Life Insurance Corporation of India**

Award Dated 10.10.2007

The Complainant, Sri Karunakar Behera took a policy on his own life bearing no. 582655345 under GSSS from LIC of India commencing from 14.8.1996 for sum assured of Rs.51000/-. It was money back policy and the policy holder was entitled to get back 15% of the sum assured after every five years from the date of commencement. But August'2006 money back due was paid by the Insurer in spite of regular follow up by the Complainant. So the Complainant moved this forum for redressal.

The complaint was heard on 25.9.2007. The Complainant expressed his dissatisfaction for delay in settlement of S.B. Claim. Countered by the Insurer that the delay occurred due to non transfer of policy master from the previous servicing branch.

Hon'ble Ombudsman allowed the complaint and directed the Insurer to settle the S.B. Claim without further delay with interest @ 9% per annum from the date of S.B. Claim till the date of payment.

**Kochi Ombudsman Centre
Case No. : IO/KCH/LI/21-001-378/2007-08
Sri.N.Gopinathan
Vs.
Life Insurance Corporation of India**

Award Dated : 27.03.2008

The complaint falls under Rule 12(1)(b) read with Rule 13 of the RPG Rules 1998. The complainant Sri.N.Gopinathan had taken a policy under Balvidya plan of LIC of India for his daughter Apila on 7.5.02. As per the policy document issued an amount equal to basic sum assured will become payable on attaining age 18 years i.e., on 17.5.2007. However, the claim was denied by the insurer on the ground that the amount becomes payable only on the policy anniversary on completion of age 18 i.e., on 7.5.08. The payment date as shown in the policy document was a mistake, committed at the time of preparing policy and the insured cannot be allowed to make benefit from a mistake committed by the insurer. The insurer also produced relevant extract from Agents Manual which contains all the salient features of policy which shows that an amount equal to basic sum assured becomes payable only on policy anniversary on completion of age 18. As per this plan there is no provision to make any payment on a date attaining age 18. The provision shown in the policy document is clearly a mistake crept while preparing policy, the insured is not entitled to make a benefit from such a mistake. The complaint is therefore dismissed.

**Kolkatta Ombudsman Centre
Case No. 207/23/001/L/07/07-08
Smt. Kakali Chandra
Vs**

Life Insurance Corporation of India

Award Dated : 20.12.2007

Facts & Submissions :

This petition was filed by the complainant against violation of policy clause relating to claim payment.

The complainant purchased a policy no. 433847551 with DOC 28.04.01 under T/T 128-20 for sum assured Rs. 1,00,000/-. In terms of the policy, the 1st Survival Benefit (SB) amounting to Rs. 20,000/- was due on 28.04.2006. The life assured submitted an application dated 10.04.06 to Howrah City Branch No.2 for reinvestment of the SB amount and got acknowledgement of receipt of her letter. However, LIC issued cheque no. 056045 dated 28.04.06, but she returned the cheque on 02.06.06. Thereafter, a number of correspondences were made, but of no avail.

In the self-contained note, LIC stated that the complainant's letter dated 10.04.06 was not received by the "appropriate receiving section". The complainant sent a letter dated 05.06.06 when there was no option to accept the returned cheque for re-investment. They further stated that her signature differs from letter to letter and wondered why the complainant took up the matter after a long gap. LIC sent letters dated 15.12.06, 15.01.07 and 24.10.07 to the policyholder to verify her signature, but did not receive any reply.

HEARING:

In response to a notice of hearing, both the parties attended. The representatives of the insurance company stated that they sent a letter to the party requesting her for verification of her signature, as there was difference in the signatures with respect to the claim and with respect to the application for reinvestment of the claim. The complainant was asked why a reply was not sent. According to the complainant, she has not received any such letter.

DECISION:

It was decided to hand over a copy of the letter to the complainant so that they can send a letter authenticating the signature of the claimant. The insurance authorities stated that they would immediately take up the matter on receipt of confirmation of the complainant's signature. Since there are no other impediments for reinvestment of the SB amount, the insurance company were directed to do the needful immediately on receipt of the letter authenticating the signature from the complainant.