(2016) 12 NCDRC CK 0009

In the National Consumer Disputes Redressal Commission

Case No : 3898 of 2012

ICICI PRUDENTIAL LIFE INSURANCE CO. LTD. — APPELLANT

Vs

ANITA RANI SHARMA — RESPONDENT

Date of Decision : 07-12-2016

Acts Referred:

Consumer Protection Act, 1986, Section 21(b) - Jurisdiction of the National Commission

Citation : (2016) 12 NCDRC CK 0009

Hon'ble Judges : B.C. Gupta

Advocate : R.S. Suri, Sanjay K. Chadha, Pallavi, Namit Gautam, Ivneet Singh Pabla

Judgement

1. These revision petitions have been filed under Section 21(b) of the Consumer Protection Act, 1986 against the impugned orders, all dated 13.7.2012, passed by the State Consumer Disputes Redressal Commission, U.T. Chandigarh (hereinafter referred as the ''State Commission'') in four different appeals as per the following details:

1. F.A.No.82/2012, Anita Rani Sharma vs. ICICI PrudentialLife Insurance Company Ltd.

2. F.A. No.169/2012, ICICI Prudential Life Insurance Company Ltd. vs. Anita Rani Sharma

3. F.A. No. 81/2012, Anita Rani Sharma, vs. ICICI PrudentialLife Insurance Company Ltd.

4. "We are in receipt of Rs.66,30,539.00 as first premium towards Premium Life Gold, your Proposal Number. against which policy no.09916632 was issued to you on 25 th Nov, 2008".

13. The letter further says that during the free-look period, they had received request for cancellation of the policy and accordingly, they had processed refund of an amount of Rs.66,30,539/- after deducting ''nil'' charges from the

complainant. The version given in this letter is completely belied by the version given by the insurance company in reply to the complaint, in their memo of appeal before the State Commission and also, in the memo of the revision petition filed before this Commission. Moreover, the version in this letter is wholly incorrect, because the premium of Rs.75,00,000/- was received by the insurance company and not Rs.66,30,539/-. No reliance can therefore be placed on this letter and the complainant is not entitled for any benefit by mentioning about this letter.

14. The District Forum, after taking into account the averments of the parties, allowed the complaint and directed the OPs to refund the premium collected after deducting the ''proportionate mortality and rider'' charges, as per the terms and conditions of the policy document. However, the stand taken by the insurance company is that they were supposed to release the amount as per the Net Asset Value only. The insurance company have also stated in their revision petition that they refunded an amount of Rs.66,30,983/- in one case and Rs.66,30,539/- in the other case, being the Net Asset Value on 8.10.2008. However, they refunded a further amount of Rs.90,512/- in one case and Rs.90,872/- in the other case, as a matter of goodwill gesture and based their calculations on the higher NAV, which was applicable on 8.10.2008, instead of 21.11.2008, in accordance with the terms and conditions of the policy. The District Forum have righty relied upon the clause in the insurance policy itself which says that the company will return the premium paid subject to the deductions as follows:

a) Proportionate mortality and rider charges

b) Insurance Stamp Duty on the policy

c) Any expenses borne by the company on the medicals

15. The District Forum concluded that since no stamp duty had been paid, nor any expenses were borne by the insurance company for medical tests of the life assured, they were entitled to deduct only the ''proportionate mortality and rider'' charges. It is very clear that the conclusion arrived at by the District Forum is based on correct appreciation of the position stated in the terms and conditions of the policy.

16. Based on the discussion above, these two revision petitions are allowed and the orders passed by the State Commission are set aside. The orders passed by the District Forum are ordered to be restored. It is held that the insurance company shall be liable to refund the premium paid under the policies after deduction of the ''proportionate mortality and rider'' charges, as stated in the order of the District Forum. However, the said amount shall be payable to the complainant alongwith interest @ 8% p.a. from the date of request for cancellation of the policies i.e. 8.10.2008 till realization. The insurance company is directed to make payment in terms of this order within a period of four weeks from today, failing which they shall be liable to pay higher rate of interest i.e. @ 10% p.a. on the amount allowed.

17. There shall be no order as to costs.

