
(2000) 05 NCDRC CK 0062

In the National Consumer Disputes Redressal Commission

Life Insurance Corporation

APPELLANT

Vs

AVADH BIHARI KAUSHIK

RESPONDENT

Date of Decision : 09-05-2000

Acts Referred:

Citation : 2000 2 CPJ 553 : 2001 1 CLT 112

Hon'ble Judges : S.K.Dubey , N.K.Vaidya , Neelima Dubey J.

Final Decision : Appeal allowed

Judgement

1. THE Life Insurance Corporation of India (LIC) has filed this appeal against the order dated 30.5.1998 passed in Case No. 58/97 by the District Consumer Disputes Redressal Forum, Indore (for short the "District Forum").

2. IT is not in dispute that the deceased Smt. Rekha Kaushik, the wife of the respondent had taken a 20 years money back policy with profit (with accident benefits) No. 340310528 of the table and term 75-20 mode of premium was quarterly of Rs. 424/-. On 2.2.1998 at about 2.40 a.m. when she lighted the Chimani to find out the medicines for giving them to her son, the kerosene oil spread over the floor which caught fire as a result of which she received burn injuries. She was taken to hospital where she died on 7.2.1998. The respondent claimed the amount and all the benefits arising out of the policy. The appellant in terms of "Special Female Clause" of Clause 4-b of the policy offered the payment of amount of two premiums deposited without interest, which was not accepted. The complaint filed was resisted. The District Forum after appreciation of evidence and interpreting the policy held that it was an accident, therefore, the respondent was entitled to the payment of the full amount under the policy. Having heard Mr. Deepesh Joshi, learned Counsel for the appellant and Mr. Rakesh Shukla, learned Counsel for the respondent we are of the opinion that in view of Clause 4-b which is the exclusion clause, the order of the District Forum cannot be sustained. Clause 4-b reads thus : "Notwithstanding anything within mentioned to the contrary, it is hereby declared and agreed that in the event of death of the life assured occurring as a result of intentional self-injury, suicide or

attempted suicide, insanity, accident other than an accident in a public place or murder at any time on or after the date on which the risk under this policy has commenced but before the expiry of three years from the date of this policy, the Corporation's liability shall be limited to the sum equal to the total amount of premiums (exclusive of extra premiums, if any) paid under this policy without interest : Provided that in case the Life Assured shall commit suicide before the expiry of one year reckoned from the date of this policy, the provisions of the clause under the heading "Suicide" printed on the back of the policy shall apply."

From a bare reading of Clause 4-b it is clear that in case of intentional self-injury suicide or attempted suicide, insanity, accident other than an accident in a public place or murder if the death occurs before the expiry of three years from the date of the policy, in such a case the liability of the LIC would be limited to the sum equal to the total amount of premiums (exclusive of extra premiums, if any) paid under the policy without interest.

3. SPECIAL Female Clause 4-b was considered by the National Commission in case of Branch Manager, LIC & Anr. v. Ramchander Singh, National Commission and Supreme Court on Consumer Cases 1986-1995 page 1326, wherein the accident occurred at the residence, it was held that special female clause does exclude the cases as enumerated in the clause. In the case in hand as the accident of the life assured occurred at her residence and not at a public place, therefore, the LIC was right in offering the payment of the amount of two premiums only.

4. IN view of the above, we direct the LIC to make the payment of Rs. 848/- with interest thereon at the rate of 15 per cent per annum with costs as awarded by the District Forum within a period of two months from the date of receipt of certified copy of this order, failing which the interest shall be payable at the rate of 18 per cent per annum. In the result, the appeal is allowed, the order of the District Forum shall stand substituted as indicated hereinabove. In the circumstances of the case, parties to bear their own costs of this appeal. A copy of this order be conveyed to the parties and a copy be sent to the District Forum alongwith the record of the case. Appeal allowed.