(2018) 03 NCDRC CK 0139

In the National Consumer Disputes Redressal Commission

Case No : Revision Petition No. 1400 Of 2015

Rajinder Singh Malik APPELLANT

Vs

Sr. Branch Manager L.I.C. Of India & Anr. RESPONDENT

Date of Decision : 19-03-2018

Acts Referred:

Consumer Protection Act, 1986 — Section 21(b)

Citation : (2018) 03 NCDRC CK 0139

Hon'ble Judges : Dr. S.M. Kantikar, J

Bench : Single Bench

Advocate : Praveen Kumar, Lakshay Sawhney

Final Decision : Allowed

Judgement

1. This revision petition has been filed under Section 21(b) of the Consumer Protection Act, 1985 against the impugned order dated 20.1.2015 passed

in F.A. No. 509 of 2014 by Haryana State Consumer Disputes Redressal Commission, Panchkula (in short, â??the State Commissionâ??) whereby

the State Commission allowed the appeal of the insurance company and set aside the order dated 21.4.2014 passed by District Consumer Disputes

Redressal Forum, Sonepat (in short, â??District Forumâ??).

2. The complainant, petitioner herein, alleged that he had deposited Rs.10,147/- per year from 11.1.2005 for eight years. The last installment was paid

on 11.1.2012 and he had totally deposited Rs. 81,176/-. The complainant submitted the documents for refund of the maturity amount after eight years,

which was promised to the tune of Rs.97,047/- by the agent of OP. The OP refused to pay the deposited amount under the garb that the complainant

had deposited the amount in Jeewan Nidhi Pension Plan Policy. Thus, it was alleged that the agent of OP played a fraud, also deposited the amount in wrong policy. Being aggrieved, the complainant filed a complaint before the District Forum, Sonepat.

3. The OP filed written version before the District Forum and denied the allegations. OP submitted that the complainant had obtained the policy under

Table 169 for Annuity plan and there was no provision of making lump sum payment on any occasion. As per the terms and conditions (3) of the

policy, the complainant has to opt for Annuity options to receive his money. He need to opt either without commutation or with 1/3 commutation

option. The parties are bound by the terms and conditions of the insurance policy. The complainant had never raised any objections during the

subsistence of the policy for eight years.

4. The District Forum, after hearing both the parties, allowed the complaint and directed the OP-1 to pay Rs.97,047/- to the complainant alongwith

interest @ 9% per annum from 11.1.2013 till realisation alongwith Rs.2,000/- towards mental agony and costs. Being aggrieved, the OP/insurance

company preferred first appeal before the State Commission, Haryana. The State Commission allowed the appeal and consequently dismissed the

complaint. Hence, aggrieved by the order of State Commission, the complainant filed this appeal.

5. I have heard the arguments from both the parties. The Complainant/Petitioner had personally argued the matter and submitted that the agent of OP

made a false statement and mislead him about the policy structure; he never thought that the said policy was for Annuity Plan, but he took the policy

under the impression of the maturity plan believing the words of the agent, therefore, after the term of the policy, he do not want to receive money as

Annuity Plan. The complainant personally visited the Senior Officer of the OP and also contacted Ombudsmen for his grievance but there was no use.

6. The arguments of behalf of OP are that the complainant was a public servant worked as an Accountant, therefore, he is well aware of the terms

and conditions of the policy. To get more clarity about calculation of Annuity of the said policy and to know how the OP arrived at Rs.6,900/- as an

Annuity payment per year had calculated, we have called the Senior Officer from LIC. The Secretary of LIC, Mr. Praveen Kumar appeared at the

time of argument and brought my notice to the charts of calculation of the Annuity.

7. Learned counsel for OP initially submitted that on instructions, the OP is ready to pay amount of Rs. 81,176/- to put an end to this matter as a

settlement. Further, during the course of arguments, it was agreed. Learned counsel for OP took further instructions and was ready to settle the

matter at Rs.85,000/- but the complainant denied to accept the proposal from the OP. The complainant was insisting for higher amount on the basis of

bank interest at the tune of Rs. 3 lakhs. In my view, it was an unjust and hypothetical demand from the Complainant.

8. Admittedly, the complainant had deposited total amount of Rs.81,176/- and the total sum became Rs.97,047/-. I have perused the policy issued by

the OP and the proposal form also, which was produced at the time of arguments. The policy was issued as a Jeewan Nidhi Policy under plan 169-08-

08 but surprisingly, proposal form did not show whether the proposal was for LIC Jeewan Nidhi Policy and nothing was mentioned or clarified about

annuity plan, except plan, â??169-8â??.

9. At the time of argument, the complainant also had produced a letter dated 1.8.2012 wrote by the OP. On bare perusal of the said letter, the subject

mentioned was:

â??Re : Policy No. 174254375 Under Pension Plan Jevan Nidhi Option to be exercised for payment of pension. â??

The complainant read the letter and came to know that the word â??Pensionâ?? was never disclosed by the agent of OP. He was under impression

that he will get lump sum amount after maturity paying yearly premiums for eight years i.e. after maturity. Therefore, the complainant had rejected the

Annuity payment plan and filed a complaint before the District Forum and claimed lump sum maturity amount. In my view, certainly, it was a mischief

played by the agent of the OP. The proposal form is also devoid of details pertaining to the name and type of policy and the purpose also. Just mere

writing the Table or Plan number â??169-8â?? is beyond the understanding and capacity of an ordinary prudent person. The concept of insurance is

based on â?? Uberrima fideâ?? which is not unilateral, but it applied to both the parties. In the common parlance, most of the times, consumers are

allured by the words of agents. To get rid of such agents, believing his words, the proposer puts his signatures on the proposal form. To prove their

bona fide intention, OP had not filed any affidavit of the agent.

10. On perusal of calculation chart, it is admitted that the Annuity/maturity amount was Rs.97,047/-. According to OP, the complainant is entitled to

recive Rs.6900/- per year throughout his remaining life. It is pertinent to note that the meager amount of Rs.6900/- per year will take14 years to get

Rs.97,047/-. In my view, it is just an eyewash from the OP. Moreover, admittedly, complainant is receiving the monthly pension after retirement,

therefore, he was interested to receive the meagre amount of Rs.6900/- per year. Therefore, his prayer for lump sum amount is justified.

11. On the basis of foregoing discussion with the relevant facts, I am of the opinion that there was deficiency on the part of LIC and their agent. The

complainant had suffered unnecessarily. The complainant deserves to receive the entire lump sum amount of Rs.97,047/- alongwith interest.

12. In this context, I rely upon the judgment of Honâ??ble Supreme Court inG urgaon Gramin Bank Vs. Khajani & others (IV (2012) CPJ 5 SC,)

wherein the Honâ??ble Supreme Court had made strong observations and expressed its displeasure about the litigation for paltry and trivial matters

and finally held that:

â??â?¦â?¦.. In our view, these types of litigation should be discouraged and message should also go, otherwise for all trivial and silly matters people

will rush to this court.â??

13. The revision petition is hereby allowed and the order of State Commission is set aside. The OP is directed to comply with the order of District

Forum, within four weeks from the date of receipt of a copy of this order, failing which, entire amount will carry interest @ 12% per annum till its

realization. However, there shall be no order as to costs.

