(2005) 09 NCDRC CK 0047

In the National Consumer Disputes Redressal Commission

Rural Postal Insurance APPELLANT

Vs

CHANDRO DEVI RESPONDENT

Date of Decision : 14-09-2005

Acts Referred:

Citation : 2005 2 CPC 440 : 2005 4 CPJ 307

Hon'ble Judges : R.C.KATHURIA , BANARSI DAS , SHAKUNTLA YADAV J.

Judgement

1. THIS appeal is directed against the order dated 26.2.2004 passed by District Forum, Panipat, whereby while accepting the complaint filed by the respondent - complainants, the following directions have been given against the appellant - opposite parties: ''It is pertinent to mention here that the total amount of the insurance i.e., Rs. 1 lakh in respect of the policy mentioned above shall also be given interest by the respondent Nos. 1 and 2 together with other benefits thereto and the respondent No. 3 Prinyaka and petitioner Smt. Chandro shall only receive the amount as enumerated above. Rest of the amount, benefits and interest shall be paid by the respondents to the respondent No. 3 Smt. Poonam w/o Ashok Kumar. Amount of Rs. 33,000 as mentioned under Sub -clause 9(ii) in this judgment shall be deposited by the respondent Nos. 1 and 2 themselves in the name of minor in the shape of FDR and shall only be released after attaining her majority. The compliance of this order shall be made by the respondent Nos. 1 and 2 within a period of thirty days from today.''

2. IN order to focus the controversy involved in this appeal, few facts need to be noticed. The marriage of Ashok Kumar was solemnised with Poonam -opposite party No. 3. Due to dispute between them, Poonam left the house of her husband and started living with her parents. The complainant had taken the policy No. R -HY -HQ -EA -27609 on 1.5.2002 for Rs. one lac on payment of the monthly instalment of Rs. 335, in which his wife was the nominee. The insured - Ashok Kumar consumed poison and died for which a case bearing F.I.R. No. 52 dated 5.7.2002 under Sections 306/34, IPC was registered with Police Station, Gohana, against Poonam and her parents. Chander Singh and Chandro Devi

being parents of the deceased approached the appellant -opposite party No. 2 for payment of the insurance policy, but finding no response from them, they instituted the present complaint wherein they claimed that the assured sum be paid to them. The appellant -opposite party Nos. 1 and 2 did not appear to contest the complaint and were proceeded ex parte. The opposite party Nos. 3 and 4 while controverting the stand of the complainant pleaded that the opposite party No. 3 has not left the house of her husband and rather had gone to the house of her parents with the consent of her husband. Further, according to them, husband of opposite party No. 3 has committed suicide due to his parental tension and brotherhood. It was further maintained by them that after the registration of the report with the policy, the matter has been compromised by both the parties and the opposite party No. 3 being wife and nominee of the deceased and also under the Hindu Succession Act has a right to receive the entire amount. Thus, they prayed that the complaint be dismissed and it be ordered that they are entitled to receive the compensation amount of the insurance policy. The District Forum after taking into consideration the pleadings of the parties and evidence produced on record accepted the complaint and issued the direction against the appellants as noticed earlier. It is, thereafter, the appellants have filed the present appeal.

3. WE have heard the learned Counsel for the parties at length.

4. THE learned Counsel representing the appellants while assailing the order of the District Forum pointedly urged before us that the District Forum though had mentioned in the order that the policy had been placed on file but had not cared to notice the relevant policy clause relating to the controversy which dis -entitled the complainants as well as opposite party Nos. 3 and 4 to claim the compensation amount. In order to appreciate the submission made, reference has been made to the relevant terms contained in the insurance policy. It has been clearly stated therein that PIL policy would be issued is subject to the provisions in the Post Office Insurance Found Rules relating to the Postal Life Insurance and Endowment Assurance Clause 12 of the said policy reads as under: ''Suicide: In the event of an insured committing suicide at any time from the date of acceptance of the policy but before the second policy anniversary, then the policy will be treated as void and no claim will be entertained in regard to this policy'' It is admitted case of the parties that the policy in question was accepted on 1.5.2002 and at that time Ashok Kumar was aged 27 years. He had committed suicide on 5.7.2002. It means, he has committed suicide within five days of his taking the insurance policy. As Ashok Kumar died on account of suicide by consuming poison as per statutory Rural Post Life Insurance Rules (in short, hereinafter referred to as the RPIL Rules) The death of the insured had taken place before expiry of two years after acceptance of the policy, the policy has to be treated as void and no claim whatsoever could have been entertained by virtue of this policy, by the District Forum, Rule 44 of the RPIL Rules was notified in the Gazetta of India on 5.8.1994 also provides as under: NOTIFICATION ''The President hereby directs that following Rules shall be added

to the existing POIF Rules with immediate effect, namely: 44. Settlement of suicide cases: In the event of an insured person committed suicide any time after the date of acceptance of the policy (whether sane or insane at that time) and after having paid his first premium in full but not after expiry of two years from such date of acceptance or payment of first premium whichever is later, the policy shall become void and no claim whatsoever shall be entertained by the Department by virtue of the said policy except to the extent of the bona fide beneficial interest which any person (other than the life assured) shall have acquired in the said policy for valuable consideration for which one calendar months notice, previous to the death of the insured person, should have been given to the Director General, Posts or Chief Postmaster General concerned on his behalf; and provided further that sufficient proof shall have to be produced in regard to having acquired further that sufficient proof shall have to be produced in regard to having acquired such interest in the policy to the satisfaction of D.G. Posts or Chief Postmaster General concerned on his behalf.'' The above rules fully support the stand taken from the side of the appellants. This question has also arisen in Revision Petition No. 417 of 1993, Branch Manager, LIC and Another v. Ramchander Singh, decided on 19.9.1994 by the Honble National Commission, wherein it was observed as under: ''3. In the revision petition before us, the LIC has again drawn attention to Clause 4(b) of the policy of insurance viz. the Special Female Clause whereby if the assured died inter alia, as a result of accident other than an accident in a public place or murder after the commencement of the policy and before the expiry of three years from the date of the policy, the liability of the Corporation is limited to the amounts paid by way of premiums under the policy without interest. 4. After hearing Counsel and going through the records, we find that there is merit in the contention of the revision petitioner LIC. The Special Female Clause does not exclude such cases and limits the amount payable under the policy to the premium actually collected. There is no dispute that Smt. Ram Lakhna Devi died as a result of the burns sustained by her from the heater while cooking food. The death occurred within the period of three years of the insurance of the policy of insurance; the policy was issued on 20th of June, 1990 and she died on 25th of August, 1990. 5. It is also manifest from above that there has been no deficiency in service on the part of the revision petitioner LIC so as to warrant the grant of any relief to the complainant by the Consumer Forum. In the result, the revision petition is allowed, the orders of the State Commission and the District Forum are set aside and the complaint is dismissed.'' The ratio of the above mentioned case is fully applicable to the facts of the present case. Keeping in view the Clause 12 of the insurance policy issued to the deceased Ashok Kumar as he had committed suicide within a period of one month from the date of its issue, the policy has to be treated as having become void and no claim could have been entertained by the District Forum, therefore, the appeal deserves to be accepted.

5. IN fairness to the Counsel for the respondents, finding of the District Forum was also challenged with regard to the disbursement of compensation amount of

Rs. one lac to the parents of the deceased, besides opposite party Nos. 3 and 4. According to the learned Counsel for the appellants that only wife -opposite party No. 3 and daughter -opposite party No. 4 being Class 1 heirs are entitled to receive the compensation amount in law. But in the present case, the deceased had made his wife as nominee, therefore, if the amount of the insurance is payable, then only wife would have been entitled to receive the amount. However, the question of disbursement of claim as such does not arise because of the above finding wherein it has held that the policy has to be treated as null and void and no claim on the basis of that is entertainable by the District Forum.

6. FOR the aforesaid reasons, we accept the appeal and while setting aside the impugned order, dismiss the complaint. Appeal allowed.