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In the National Consumer Disputes Redressal Commission

Case No : 303 of 2016

TARSEM SINGH S/O SURJIT SINGH — APPELLANT

Vs

PNB METLIFE INDIA INSURANCE COMPANY LTD. & ORS. — RESPONDENT

Date of Decision : 05-09-2016

Acts Referred:

Citation : 2016 3 CPR 757 : 2016 4 CPR 340

Hon'ble Judges : Ajit Bharihoke, S.M. Kantikar

Advocate : MUKAND GUPTA

Judgement

1. This revision petition is directed against the order of Punjab State Consumer Disputes Redressal Commission, Chandigarh (in short, ''the State Commission'') dated 21.8.205 in first appeal No. 873 of 2014 whereby the State Commission reversed the order of the District Forum, Hoshiarpur and dismissed the complaint preferred by the petitioner.

2. Briefly stated the facts relevant for the disposal of the revision petition are that the petitioner filed a consumer complaint alleging that in January, 2011, he was approached by Deepak Kumar agent of the opposite party insurance company, who induced him to purchase a fixed deposit policy for a sum of Rs.3 lakh on the misrepresentation that the said amount would be doubled in 5 years. Induced by the said misrepresentation, the complainant purchased insurance policy No.20492257 dated 1.2.2011 by paying a sum of Rs.3,00,046.98. It is further the case of the complainant that similarly on being approached by another agent of the insurance company, Satvir Kaur, who also made a similar misrepresentation, he purchased another policy No. 20564634 dated 12.4.2011 on payment of Rs.9,97,126.70. After one year of purchasing the respective policies, the complainant received a call from the opposite party calling upon him to pay the premium of Rs.3 lakh and Rs.10 lakhs. The complainant on receipt of premium notices, approached respondent opposite party No. 2 and informed them about the mis-selling of policies in question fraudulently by opposite parties No. 3 and 4 but opposite party No. 2 did not pay any heed to the protest of the

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complainant. The complainant approached the higher authorities but in vain. According to the complainant, the opposite parties have intentionally and fraudulently mis-sold the policies which amounts to unfair trade practice and deficiency in service. Thus, he raised a consumer dispute seeking refund of Rs.13 lakhs paid for purchasing said policies alongwith 24% interest thereon till the date of realization. The complainant also claimed damages of Rs.5 lakhs for mental agony and harassment besides litigation expenses.

3. OP No.1 & 2 in their joint written statement denied the allegations of the complainant that insurance agents induced the complainant to purchase the subject insurance policies on misrepresentation that the amount of premium paid by him would get doubled in five years. It is the case of the opposite parties no. 1 & 2 that the complainant was fully aware of terms and conditions of the policy at the time of purchase. Not only that, clause 6.1 of the terms and conditions of the insurance policy provide for 15 days free look period from the date of receipt of policy documents and if the complainant was not satisfied with the terms and conditions of the insurance policy, he had an option to exercise his right to withdraw and seek refund which option was never exercised by the complainant. It is also alleged that complainant was supposed to pay annual premium against the policy for a period of five years but he failed to pay any further premium after the first premium paid alongwith proposal form. Thus, on account of non-payment of further payment, subject policies lapsed on 27.01.2012 and 31.03.2012 and after that complainant failed to apply for revival of the insurance policies during the stipulated period and as such, the complainant is not entitled to the claim as alleged in the complaint.

4. The District Forum on consideration of the pleadings and evidence allowed the complaint and directed as under: "The complaint filed by the complainant is partly accepted with a direction to the O.P. to refund Rs.3,00,000/- (Rs. Three lac) with interest @ 9% w.e.f. 01.02.2011, the date of receipt of premium of first policy and further to refund Rs.10,00,000 (Rs. Ten lac) with interest @ 9% per annum w.e.f. 12.04.2011, the date of receipt of premium of second policy till realization and further to pay Rs.20,000/- as litigation costs within a period of 30 days from the receipt of copy of this order."

5. Being aggrieved of the order of the District Forum, the opposite party insurance company preferred first appeal No. 873 of 2014 in State Commission Punjab. The State Commission vide impugned order came to the conclusion that order of the District Forum was not in accordance with the terms and conditions of the insurance policies. Accordingly, the appeal was allowed, impugned order of the District Forum was set aside and complaint was dismissed with no order as to costs. This has led to filing of the revision petition.

6. Learned Shri Mukund Gupta, Advocate for the petitioner has contended that the impugned order of the State Commission is based upon the incorrect appreciation of the fact. It is argued that the State Commission has failed to appreciate that the complainant is an illiterate person and taking advantage of

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the said fact, agents of the respondent/insurance company sold him the subject insurance policies without explaining the terms and conditions, on the misrepresentation that the policies were single premium policies in the nature of fixed deposit and the premium paid by the petitioner on the expiry of five years term of the policy shall become double. Learned counsel has thus contended that it is a clear case of mis-selling of the insurance policy by the opposite party as such the order of the State Commission dismissing the complaint is not maintainable.

7. We do not find merit in the above, contention. On careful perusal of the record and the impugned judgment we do not find any material irregularity or jurisdictional error in the impugned judgment which may call for interference in exercise of revisional jurisdiction. The plea of the petitioner that the agents of the opposite party mis-sold the insurance policy to him by misrepresenting the facts, has been rightly rejected by the State Commission because on careful perusal of the copy of the proposal forms, it is noticed that the proposal forms were signed by the petitioner/complainant in English and it is witnessed by one Satvir Kaur. From record it transpires that neither the said Satvir Kaur was examined as a witness nor her affidavit was filed by the complainant in support of his claim that he was defrauded to purchase the insurance policies by misrepresenting that it was a policy with one time premium in the nature of fixed deposit which ensured that the amount of deposit shall get doubled in five years. In absence of any evidence of the attesting witness to the proposal forms, we are not inclined to believe the version of the petitioner/complainant. Further, it is not in dispute that terms and conditions of the insurance policy were received by the petitioner alongwith the policies. On perusal of terms and conditions it is seen that the insurance policies provided for free look period of 15 days which entitled the petitioner to return the policies and seek refund of the premium paid if he was not satisfied with the terms and conditions. Undisputedly, the petitioner did not return the policies, meaning thereby that he had accepted the terms and conditions of the policies. Thus, under the circumstances, we do not find any reason to fault the order of the State Commission which may call for interference.

8. In view of the discussion above, we do not find merit in the revision petition. Revision petition is accordingly dismissed.

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