

(2001) 04 NCDRC CK 0040

In the National Consumer Disputes Redressal Commission

VIDYA DEVI ETC.

APPELLANT

Vs

Life Insurance Corporation of India

RESPONDENT

Date of Decision : 27-04-2001

Acts Referred:

Citation : 2001 0 NCDRC 33 : 2003 1 CPC 159 : 2003 2 CPJ 106 : 2003 3 CPR 198

Hon'ble Judges : D.P.Wadhwa , C.L.Chaudhry , J.K.Mehra , B.K.Taimni J.

Final Decision : Revision Petitions dismissed

Judgement

1. THESE are two revision petitions, one filed by the mother of Jagdish Kumar Chawla (since deceased) and the other by his widow. They are aggrieved by the order of the Rajasthan State Commission allowing the appeal of the Life Insurance Corporation of India (for short LIC) - respondent herein. By this judgment the State Commission set aside the order of the District Forum allowing insurance claim on the death of Chawla. Chawla obtained one policy on his life on 22.3.1996 for an amount of Rs. 50,000/- with double benefit. His wife was the nominee. He took second policy for the same amount and also with double benefit on 27.5.1996 in which he named his mother as nominee. At the time Chawla took this policy from LIC he was 31 years of age. He died on 15.6.1996 in less than one month of his having taken the policy where his mother was nominee. He took these two policies within three months of each other. Both the mother and wife of Chawla made a claim under the two policies. LIC however, by its letter dated 17.3.1997 repudiated the claims on the ground that Chawla had suppressed material information pertaining to the state of his health and illness in the past and had given incorrect answers to the questions in the proposal form at the time of obtaining policies.

2. ON complaint filed before the District Forum the claims of mother and wife were allowed and LIC was directed to pay Rs. 1.00 lakh each to the two ladies with interest @ 15% per annum w.e.f. 18.5.1998. A sum of Rs. 3,000/- was also awarded in each of the two complaints on account of mental agony and litigation

expenses suffered and incurred by them. State Commission, however, reversed the order of the District Forum on appeals filed by LIC. Aggrieved by the order of the State Commission, these two revision petitions have been filed before us. State Commission after examining the records of the case was of the view that Chawla did suppress the material information pertaining to his state of health and illness and obtained two policies within a short span of three months. State Commission went on further to record that it appeared to it that the claims by wife and mother of Chawla had originated out of some complicity between the assured and the concerned agent of the LIC. We, however, need not comment on this last part of the observations of the State Commission. We, however, agree with the State Commission that there was certainly suppression of material information regarding the state of health of Chawla when he took these two policies on his life and made his mother as nominee in one policy and wife in the other. Chawla was admitted in the hospital on 8.6.1996 where he breathed last and expired on 15.6.1996. Illness he himself disclosed at the time of admission can be obtained from paras 4, 5 and 6 of the said certificate of hospital treatment which are as under : "4.What at the time of admission was (a)the nature of his complaint ? Swelling of feet and hands 4 months (b)the duration of the complaint as reported by him? Fever off and on 4 monthsYellowish discolouration of eye 3 monthsDistension of abdomen 3 monthsLoss of Appetite and Nausea 3 months

5. (a) What was the exact history reported by the patient at the time of admission?(Dates, duration of the ailments, the symptoms narrated etc. to (be given) As above (b) Was the history reported by the patient himself or by someone else? By the patient himself (c) (d) and (e)

6. What was the diagnosis arrived at in the hospital Cirrhosis of liver, Alcoholic liver disease, Hepato Renal Syndrome, Hepato Encephalopathy Pericarditis.

Certainly the doctor who recorded the nature of disease of Chawla at the time of admission could not have thought of all these illnesses with which Chawla suffered unless he himself told the same to the doctor at the time of his admission. These illnesses are as such which Chawla would not have started suffering only from the date of his first policy. He was suffering from much early period. Admittedly, Chawla did not disclose these illnesses when he took the two policies. LIC, in our opinion, rightly repudiated these policies. We uphold the order of the State Commission and dismiss these revision petitions. Revision Petitions dismissed.