

**STATE CONSUMER DISPUTES REDRESSAL COMMISSION,
BIHAR, PATNA
FINAL ORDER**

First Appeal No. A/151/2015

(Date of Filing : 30 Jun 2015)

(Arisen out of Order Dated 22/04/2015 in Case No. 74/2012 of District Gopalganj)

1. Anil Kumar Rai

Anil Kumar Rai and Anil Rai son of late Lal Bachan Rai,
resident of village- Bankata, PO- Musahari bazar, PS-
Vijayipur, Dist- Gopalganj

Gopalganj

Bihar

.....Appellant(s)

Versus

1. Branch Manager, LIC, and Anothers

Branch Manager, Life Insurance corporation of India, Branch-
Gopalganj, PO, PS, Dist- Gopalganj

Gopalganj

Bihar

.....Respondent(s)

BEFORE:

**HON'BLE MR. JUSTICE SANJAY KUMAR PRESIDENT
MD. SHAMIM AKHTAR JUDICIAL MEMBER
RAM PRAWESH DAS MEMBER**

PRESENT:

Dated : 02 Apr 2024

Final Order / Judgement

Dated 02.04.2024

As per Sanjay Kumar, President.

Order

1. Present appeal has been filed on behalf of appellant/ complainant for setting aside the judgment and order dated 22.04.2015 passed by the learned District Consumer Forum Gopalganj in consumer Complaint Case number 77 of 2012 whereby and were under the complaint case has been dismissed.
2. Briefly stated the facts of the case is that wife of complainant namely Bhagmati Devi purchased an insurance policy for sum assured amount of Rs. 3,00,000/- with double accidental claim benefit for which premium was paid and policy bond was issued by LIC in which complainant was made nominee.
3. Policy holder Bhagmati Devi died on 06.08.2003 in firing for which FIR was instituted being Vijauipur P.S case no 52 of 2003 dated 06.08.2003 U/s 147, 148, 149, 302 of IPC and 27 of Arms Act. Complainant intimated insurance company about the death of policyholder by letter dated 28.08.2003 with request for payment of sum assured amount.

4. Complainant got implicated in a criminal case in which he remained in jail for more than 4^{1/2} years as such could not submit claim form for payment of sum insured amount and submitted claim form on 29.07.2011 along with all required documents but same was repudiated by LIC vide repudiation letter dated 13.09.2011 as claim was time barred, as same was made after three years. Aggrieved by which complainant filed complaint case for payment of sum assured amount as well as compensation and costs of litigation upon which notices were issued to opposite parties.
5. Opposite party no. 1 LIC in its written statement stated that complainant did not inform about the death of the policy holder. Policy holder died on 06.08.2003 and death certificate was obtained on 07.05.2010 by the complainant and was submitted to the LIC on 29.07.2011 i.e after more than 8 years from the date of death of policy holder. Neither LIC agent nor complainant informed about death of policy holder. Claim was repudiated as same was time barred. There is no deficiency in service by opposite party/LIC.
6. Opposite party number 2/LIC agent appeared and file his written statement stating therein that wife of complainant had purchased insurance policy for sum assured amount of Rs. 6,00,000/- with double accidental benefits in which complainant was made nominee. He had intimated LIC with respect to death of policyholder.
7. The District Consumer Forum after hearing the parties and considering the materials available on record held that insurance policy was purchased in the name of wife of complainant on 28.07.2003 through LIC agent (opposite party no. 2) with double accidental benefit. Policy holder died of gun shot injuries on 06.08.2003 for which FIR was instituted and postmortem was performed same day. Death of policy holder due to gun shot injuries is an admitted fact.
8. The District Consumer Forum further held that the death of policyholder was not intimated to the LIC and claim form with relevant documents were not submitted to LIC for payment of sum assured amount. Complainant was taken in judicial custody and sent to jail on 27.08.2005 but complainant took no steps for getting the sum assured amount from the date of death of his wife on 06.08.2003 till 27.08.2005 when he was send to jail. Complainant was acquitted on 26.02.2009 but he took no steps for getting the sum insured amount and submitted claim on 29.07.2011 to the LIC.
9. District Consumer forum dismissed the complaint case as complainant did not submit his claim within 3 years and submitted claim after 8 years as such claim became time barred. Aggrieved by which complainant has preferred this appeal before the State Commission.
10. Heard both the parties and considered their submissions. Perused the impugned order as well as materials available on record.
11. Admitted facts are that the wife of the complainant had purchased LIC policy of Rs. 6,00,000/- with double accidental benefit on 28.07.2003 but she died on 06.08.2003.
12. Complainant was supposed to have applied within three years for payment of sum assured amount but he was arrested in a criminal case on 27.08.2005 before expiry of three years and remained in jail for 4^{1/2} years and was acquitted on 26.02.2009. After his acquittal he applied for death certificate which was granted to him on 07.05.2010 and thereafter he submitted claim form on 29.07.2011 along with all relevant documents i.e copy of FIR, Postmortem Report, Death Certificate, Policy Bond, however, same was denied as there was delay of eight years in submitting claim form which was otherwise to be submitted within three years as per terms and conditions of insurance policy.
13. Genuine and bonafide claim should not be rejected solely on ground of delay, if, complainant is otherwise entitled for insurance claim. Insurance Policy is admitted by LIC

and entitlement of complainant to receive the insured amount is not denied. There is delay of five years in submission of claim form as claim form ought to have been submitted within 3 years from the date of death. which comes to 06.08.2006 but it is also an admitted fact that complainant was arrested on 27.08.2005 and remained in jail for 4^{1/2} years.

14. Complainants life has been full of tragedy and misfortune. His wife died due to gunshot injuries and thereafter, he was arrested in a criminal case instituted much prior to death of his wife in which he remained in jail for 4^{1/2} years, however, he was subsequently acquitted.
15. Claim of complainant ought to have not been rejected solely on the ground of delay when delay was properly explained and claim was otherwise genuine and bonafide. IRDA circular dated 20.09.2011 also mandates insurance companies not to reject bonafide and genuine claims solely on the ground of delay.
16. For the reasons as stated above, the **appeal is allowed** and impugned order dated 22.04.2015 as well as repudiation letter dated 13.09.2011 of LIC is set aside. LIC shall reconsider the claim of complainant on merit within 6 months from the date of receipt of copy of order passed by this Commission. It is made clear that this Commission has not expressed any opinion with respect to entitlement of complainant for insurance claim on merit and same is to be considered and decided by LIC on its own merit.
17. With aforesaid direction and observation appeal is disposed of.

(Md. Shamim Akhtar)
(Sanjay Kumar,J)

Member
President

(Ram Prawesh Das)

Member

Md. Fariduzzama

**[HON'BLE MR. JUSTICE SANJAY KUMAR]
PRESIDENT**

**[MD. SHAMIM AKHTAR]
JUDICIAL MEMBER**

**[RAM PRAWESH DAS]
MEMBER**