

**NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION
NEW DELHI**

REVISION PETITION NO. 2691 OF 2023

(Against the Order dated 07/08/2023 in Appeal No. A/118/2019 of the State Commission
Haryana)

1. ADITYA BIRLA SUN LIFE INSURANCE CO. LTD.
SECOND FLOOR VIJAYA BUILDING PLOT NO. 17
BARAKHAMBRA ROAD CONNAUGHT PLACE NEW
DELHI
NEW DELHI
DELHI

.....Petitioner(s)

Versus

1. MS. ANITA DAHIYA
MS. ANITA DAHIYA WIFE OF DR. JAGBIR SINGH
DAHIYA RESIDENT OF HOUSE NO. 140 SECTOR 31
GURAGAON HARYANA
GURUGRAM
HARYANA

.....Respondent(s)

BEFORE:

HON'BLE DR. INDER JIT SINGH, PRESIDING MEMBER

FOR THE PETITIONER : MS. MEENAKSHI MIDHA, ADVOCATE
MS. SMIKSHA GUPTA, ADVOCATE

FOR THE RESPONDENT : APPEARANCE NOT MARKED

Dated : 03 June 2024

ORDER

1. The present Revision Petition (RP) has been filed by the Petitioner against Respondent as detailed above, under section 58(1)(b) of Consumer Protection Act 2019, against the order dated 07.08.2023 of the State Consumer Disputes Redressal Commission, Haryana (hereinafter referred to as the 'State Commission'), in First Appeal (FA) No. 118/2019 in which order dated 07.12.2018 of District Consumer Disputes Redressal Forum, Gurgaon (hereinafter referred to as District Forum) in Consumer Complaint (CC) No. 456/2018 was challenged, inter alia praying for setting aside the impugned order passed by the State Commission in FA/118/2019 and for dismissing the consumer complaint No. 456/2018.

2. While the Revision Petitioner (hereinafter also referred to as Opposite Party/OP) was Appellant before the State Commission and Opposite Party before the District Forum and the Respondent (hereinafter also referred to as Complainant) was Respondent before the State Commission in FA/118/2019 and Complainant before the District Forum in Complaint No. 456/2018.

3. Notice was issued to the Respondent(s) on 12.12.2023. Petitioner and Respondent filed Written Arguments on 21.02.2024 and 22.02.2024 respectively.

4. Brief facts of the case, as emerged from the RP, Order of the State Commission, Order of the District Commission and other case records are that: -

The complainant obtained a 'Flexi Secure Life Retirement Plan' from the OP whereby the vesting age was stated to be 55 years and the premium was mentioned as Rs.10,000/- , with effect from March 28th, 2004 for a period of 14 years having an annual premium of Rs.10,000/-. The policy was for a period of 14 years and the last premium was to be paid by her on 28.03.2017, as per the terms and conditions of the policy, Policy was to mature on March 28,2018 with the maturity amount of Rs.2,54,000 as on March 28, 2018. The amount upon maturity could be utilized as per the stipulation contained in the Policy. On 6th July 2018, the Insurance Company informed the Respondent/Complainant that her policy had matured on 28th March, 2018 and on the said date, the life insurance cover and rider coverage (if any) had ceased to exist and the maturity proceed arrived at based on the unit price of her chosen investment fund as on the maturity date could be availed as per the stipulated options. On 27.08.2018 the Respondent/Complainant wanted to cease to obtain the benefit of pension as per the policy and further she did not want her nominee i.e. her husband Mr. Jagbeer Singh Dahiya to take the benefit of pension nor she want that her nominee should get this amount at any time even after her death. The complainant had debarred her nominee from getting this amount and, therefore, she requested the company vide her email dated 27/08/2018 and letter dated 04/09/2018 to delete the name of her nominee namely Jagbir Singh Dahiya from this policy. That complainant had sent an email dated 27.08.2018 to the company to pay the matured amount at an early date after which the company had sent the matured form and informed the complainant vide email dated 01/09/2018 that she should fill up the maturity form and submit the same in any concerned branch along with the original policy and other required documents for getting her due matured amount. The complainant submitted the application dated 04/09/2018 and deposited the maturity form duly filled in along with the original policy document and other required documents with the Insurance Company on 05.09.2018. On the basis of email dated 01.09.2018, all the necessary documents were submitted at the branch office of opposite party at Gurgaon which were duly accepted by the opposite party under receipt. The OP/Insurance Company assured the complainant that the matured amount will be transferred in her account within 5-6 days, but it has not been transferred in her account till date which tantamount to deficiency in service on the part of the OP. The complainant visited the office of

opposite party several times to get her due matured amount with interest @18 percent w.e.f. March 28, 2018 till final payment, but in vain. Hence, the complainant filed complaint before the District Forum.

5. Vide Order dated 07.12.2018, in the CC No. 456/2018, the District Forum allowed the complaint and directed the opposite party to refund the maturity amount of Rs.2,54,000/- to the complainant along with interest at the rate of 9% per annum from the date of filing the complaint till its realization and further to pay a sum of Rs.10,000/- as compensation for mental agony, harassment as well as litigation expenses.

6. Aggrieved by the said Order dated 07.12.2018 of District Forum, Petitioner appealed in State Commission and the State Commission vide order dated 07.08.2023 in FA No. A/118/2019 has dismissed the Appeal and affirmed the order passed by the District Forum.

7. Petitioner(s) have challenged the said Order dated 07.08.2023 of the State Commission mainly on following grounds:

(i) Both the Fora below passed the Impugned Orders without appreciating the averments made, materials placed on record and submissions advanced by the Petitioner Insurance Company. The State Commission acted with material irregularity in recording its findings and conclusions against the Petitioner Insurance Company and the same are contrary to the law and the facts on record. The State Commission erred in not appreciating that the amount upon maturity could only be utilised in the manner stipulated under the policy. The procedure at vesting date containing the options available to the Respondent/Complainant, wherein it was mentioned as under:-

-At least three months prior to the vesting date, the policy owner must communicate to the company the manner in which the policy fund would be utilized.

The following options will be available:

1. Receive one-third of the policy fund value in a lump sum and utilise the balance Policy fund value to purchase an annuity provided by us then and at the then prevailing rates or buy an annuity from any other annuity provider in the market:

or

2. Utilise the entire Policy fund value to purchase an annuity provided by us then and at the then prevailing rates or buy an annuity from any other annuity provider in the market. If the annuity is brought from any other Annuity Provider in the market we shall cease to have any obligation in respect of the Annuity benefits payable under the policy. The vesting benefits received both before and after the vesting date will be subject to tax as per the then prevailing tax rules.

(ii) The State Commission erred in not observing that the basic nature of the policy is a pension plan and in no manner any life coverage has been provided in this plan. All the amounts which were received by the Petitioner from the Respondent /Complainant are invested in U-LIP as per the instructions of the policy-holder after deducting the necessary expenses as per the details given in the illustrations as well as in the policy's terms and conditions and that the entire fund value upon maturing in no manner whatsoever could be given to the Respondent/Complainant in the present pension policy as the same will entirely change the nature of the plan.

(iii)The State Commission erred in not appreciating that as per the policy illustrations, the Policy plan being "Flexi Secure Life Retirement Plan", a premium of Rs.10,000/- was to be paid annually and the same had to be period for 14 years, and the surrender charges, as a percentage of base coverage premium, varies as per the mode of payment and the year of surrender. The State Commission erred in not appreciating that there is no clause in the terms and conditions of the policy under which the Petitioner herein would refund the entire matured amount/value of the policy to the Respondent/Complainant. Moreover, if such an interpretation as claimed in the complaint by the Respondent/Complainant was to hold good, it would alter/change the entire nature of the contract and the basic purpose of the policy i.e. to get the pension post retirement will frustrate.

(iv)The State Commission erred in not appreciating that even before the acceptance of the proposal form by the Petitioner Insurance Company the contents of the proposal, product brochure/illustrations form as well as the terms and conditions were duly provided and explained to the Respondent Complainant and after going through and understanding all the relevant terms and conditions of the policy, the declaration to the said effect was signed by the Respondent/ Complainant herself. The State Commission erred in awarding compensation to the Respondent/

Complainant without taking into consideration the settled legal findings are misconceived and unsustainable.

(v) The State Commission erred in not considering the Judgment passed by the Hon'ble Supreme Court of India in **Suraj Mal Ram Niwas Oil Mills (P) Ltd. Vs. United India Insurance Co. Ltd.** [(2010) 10 SCC 567]. The State Commission has not considered the Judgment passed by the Hon'ble Supreme Court of India in **General Assurance Society Ltd. Vs. Chandmull Jain** 1966 AIR (SC) 1644.

(vi) The State Commission erred in not considering that there is no deficiency in service on the part of the Petitioner Insurance Company so as to invoke the jurisdiction of the Consumer Forum and therefore, the complaint is liable to be dismissed with exemplary costs.

8. Heard counsel for the both the parties. Contentions/pleas of the parties, on various issues raised in the RP, Written Arguments, and Oral Arguments advanced by the counsel for the Petitioner during the hearing, are summed up below.

8.1 In addition to the averments made under grounds (para 7), the petitioner contended that the said policy was for a period of 14 years and the last premium was to be paid by the complainant on March 2017, as per the Terms & Conditions of the policy was to mature on 28th March, 2018 with the maturity amount of Rs.2,54,000/- as on the said date, the amount upon maturity could be utilized as per the stipulation contained in the Policy only. Vide letter dated 6th July, 2018, the Petitioner Insurance Company informed the Respondent/Complainant that her policy had matured on 28th March, 2018 and on the said date, the life insurance cover and rider coverage (if any) had ceased to exist and the maturity proceed arrived at based on the unit price of her chosen investment fund option as on the maturity date could be availed as below: **A) "Partial withdrawal of maturity proceeds and investing remaining amount in Annuities:** As per Income Tax 1961, 1/3rd of the total amount can be a tax free payout that can help meet your desired financial goals. While the remaining 2/3rd amount can be paid by us to purchase Annuities from Aditya Birla Sun Life Insurance or any other Insurance Company at the prevailing rates. **B) Entire maturity proceeds invested in Annuities:** you can also choose to invest your entire maturity amount to purchase Annuities from Aditya Birla Sun Life Insurance or any other Insurance Company at the prevailing rates. **C) Secure your family's future:** You also have the opportunity to transfer 1/3rd of your maturity proceeds towards the initial premium of a new policy

which can further help you secure your family's future." It is further contended that the Respondent/Complainant wanted to cease to obtain the benefit of pension as per the policy and further, she did not want her nominee i.e. her husband Mr. Jagbeer Singh Dahiya to get the matured amount after her death and thus, debarred him for getting the said amount and requested the Petitioner/Insurance Company vide email dated 27th August, 2018 as well as the letter dated 4th September, 2018 to delete his name as her nominee and further sought release of the matured amount. As per the Policy terms and condition, given that the instant policy is a Pension Plan & no life coverage is provided in the plan, and in no manner the entire matured amount could be released and the same could only be utilized in the manner enunciated in the policy terms and conditions. Further, the Respondent was categorically informed that the vesting date given in the policy was 28th March, 2018, therefore as per policy terms & conditions, she could only receive 1/3rd of the matured amount and the remaining 2/3rd of matured amount could only be used in the manner as enunciated in the policy. Aggrieved with the aforesaid, the Respondent/Complainant preferred a Consumer Complaint No. 456 of 2018 before the District Forum, Gurgaon seeking an amount of Rs.2,54,000/- along with 18% per annum w.e.f 28.03.2018 towards the matured amount of the policy. The Petitioner/ Insurance Company contested the complaint by filing its detailed written statement denying all the allegations and contentions of Respondent as wrong, baseless and without any documents to substantiate the same while stating that even before the acceptance of the proposal form by the Petitioner/Insurance Company, the contents of the proposal, product brochure/illustrations form as well as the terms and conditions were duly provided and explained to the Complainant. In view thereof, after going through and understanding all the relevant terms and conditions of the policy, the declaration to the said effect was signed by the Respondent/Complainant herself. The Respondent/ Complainant was very well aware of the terms and conditions of the instant policy plan but failed to exercise any of the option made available to her as per the policy terms and conditions. It is also contended that the basic nature of the policy is to provide pension to the Respondent/Complainant during her post retirement period only and the instant policy does not feature any payment of the entire vesting amount entirely at one go as the same will defeat the basic purpose and nature of the policy. The vesting date in the instant policy was 28th March, 2018 & therefore, as per the policy terms & conditions, vesting the policy fund amount could have only been used by the Respondent/Complainant to purchase an annuity offered by Petitioner/Insurance Company on that date & at the rates relevant at that time. The District Forum allowed the complaint and the State Commission also dismissed the appeal and upheld the order passed by the District Forum. The Petitioner has relied upon the following judgments in support of its contentions:

1. **Grasim Industries Ltd. vs. Agarwal Steel (2010) 1 SCC 83,**
2. **Shrikant Murlidhar Apte vs. Life Insurance Corporation of India (RP No. 634 of 2012),**

3. Suraj Mal Ram Niwas Oil Mills (P) Ltd. Vs. United India Insurance Co. Ltd. [(2010) 10 SCC 567,

4. General Assurance Society Ltd. Vs. Chandmull Jain 1966 AIR (SC) 1644.

5. Oriental Insurance Company Vs. Sony Cheriyan (SC) (AIR 1999 SC 3252).

6. United India Insurance Vs. M/s Harchand Rai Chandan Lal JT 2004(8) SC8.

8.2 On the other hand it is contended by the Respondent/complainant contended that the Insurance Company informed vide letter dated 06.07.2018 to the complainant that her policy has matured and she should exercise her option available under the policy. It is contended by the Insurance Company that the complainant was well aware of the terms and conditions of the policy and despite that she did not exercise her option on maturity of policy. The OP/Insurance company asked the complainant to fill maturity form and she submitted the same in the Branch Office at Gurgaon along with the documents, which were duly received by the OP on 05.09.2018. There is no denial to this fact by OP in its written version. Once OP had received the maturity form with documents then there arises no occasion at all for it to plead that the complainant has not exercised her option in furtherance of letter dated 06.07.2018 sent to her. Receipt of documents along with maturity form by OP/appellant/insurer would legally imply that complainant has in fact exercised her option to obtain the matured amount of Rs.2,54,000/-. The District Forum in para 5 of its order dated 07.12.2018 has also observed that it has come in evidence that the complainant has approached the OP for refund of the maturity amount and on their advice complainant submitted the maturity form along-with necessary documents for the refund of the maturity amount but the maturity amount has not been refunded. Therefore, on account of non-refunding of maturity amount, there is deficiency in service on the part of the OP. Hence the District Forum directed the OP to refund the matured amount of Rs.2,54,000/- to the complainant alongwith interest @9% p.a. till final realization. It is further contended that the second ground taken by the appellant in its written version is that complainant did not opt for pension plan on maturity of policy in furtherance of

letter dated 06.07.2018 sent to her. In response to this ground of the OP, the Complainant contends that the complainant is not having any knowledge about the letter dated 06.07.2018 alleged to have been sent by the OP to the complainant. No such letter was ever received by the complainant at any time. The OP should have placed on record this letter dated 06.07.2018 before the District Forum or before the State Commission, which they did not produce due to reasons best known to them. The relevancy of the said letter has already; been discussed in the order passed by the State Commission, who had held that the documents already; available on record would suffice the decision of the appeal. It is further contended that now the question arises for consideration is as to whether the appellant can refuse the payment of matured amount of pension plan with interest as per orders passed by the District Forum and State Commission on the ground that the complainant had failed to exercise her option in view of the letter dated 06.07.2018 alleged to have been sent to the complainant or not? The payment of the matured amount cannot be refused on the ground that complainant did not opt for pension plan on maturity of policy but even then the OP stated that OP has no objection to refund 1/3rd of fund value and to invest 2/3rd of fund value for purchasing annuity for regular pension in terms of policy as mentioned in the order of the State Commission. Secondly, if the complainant has not opted for pension plan on maturity of policy, in that situation, any such plan cannot be forcibly foisted upon her as observed by the District Forum in its order. It is also contended that admittedly the complainant through her emails dated 27.08.2018 and letter dated 04.09.2018 had asked the appellant to delete the name of her husband being the nominee. The OP has stated that they have no objection to delete the name of nominee. Taking this view of the matter, who will take the matured amount thereafter. For the above reasons, the Revision Petition filed by the Insurance Company is liable to be dismissed.

9. We have carefully gone through the orders of the State Commission, District Forum, other relevant records and rival contentions of the parties. In this case, there are concurrent findings of both the Fora below against the Petitioner Insurance Co. In this regard extract of relevant para of State Commission's order is reproduced below:

“9. This Commission has critically and subjectively analyzed rival submissions put before it. It is admitted that complainant obtained policy bearing No. 000240924 on 28.03.2004 in name and style 'Flexi Secured Life Retirement Plan'. Mode of premium was annual to the tune of Rs.10,000/-. Policy was for 14 years period and last premium was to be paid on 28.03.2017. Admittedly, policy stood matured on 28.03.2018 and matured amount was Rs.2,54,000/-. The principal argument put forward by learned counsel for OP/appellant is that: complainant can only withdraw 1/3rd amount from matured policy fund, so accumulated on vesting date i.e. 28.03.2018 and remaining 2/3 matured amount of policy fund has to be utilized for purchasing annuity, for regular pension. This contention of appellant/insurer has no formidable base at all. Reason is obvious. It is admitted stance of appellant

in its written version that complainant did not opt for pension plan on maturity of policy. If complainant has not opted for pension plan on maturity of policy, then any such pension plan cannot be forcibly foisted upon her. OP/appellant cannot be allowed to foreclose the monetary benefits (Rs.2,54,000/-) so accrued to complainant on maturity of policy after completion of its tenure of 14 years merely on the ground that she did not exercise her option on maturity date in furtherance to letter dated 06.07.2018 sent to her. It is specific case set up by complainant that Op/insurer had asked her to fill maturity form and she submitted the same in the Branch Office stationed at Gurgaon along with documents, which were duly received by OP/insurer on 05.09.2018. There is no denial to this fact by OP/appellant in its written version. Once, OP/insurer/appellant had received the maturity form with documents then, there arises no occasion at all for it to plead that complainant has not exercised her option in furtherance to letter dated 06.07.2018 sent to her. Receipt of documents along with maturity form by OP/appellant/insurer would legally imply that complainant has, in fact, exercised her option to obtain maturity amount of Rs.2,54,000/-.

10. The State Commission has given a well-reasoned order and we find no reason to interfere with its findings. It has been held by Hon'ble Supreme Court in catena of

judgments^[i] that revisional jurisdiction of the National Commission is extremely limited, it should be exercised only in case as contemplated within the parameters specified in the provision i.e. when State Commission had exercised a jurisdiction not vested in it by law or had failed to exercise jurisdiction so vested or had acted in the exercise of its jurisdiction so vested or had acted in the exercise of its jurisdiction illegally or with material irregularity. It is only when such findings are found to be against any provisions of law or against the pleadings or evidence or are found to be wholly perverse, a case for interference may call for at the second appellate (revisional) jurisdiction. In exercising of revisional jurisdiction, the National Commission has no jurisdiction to interfere with concurrent findings recorded by the District Forum and the State Commission, which are on appreciation of evidence on record.

11. In view of the foregoing, we find no illegality or material irregularity or jurisdictional error in the order of the State Commission, hence the same is upheld. Accordingly, Revision Petition is dismissed.

12. The pending IAs in the case, if any, also stand disposed off.

[i] 1 Ruby (Chandra) Dutta vs. United India Insurance Co. Ltd. [(2011) 11 SCC 269, Sunil Kumar Maity vs. State Bank of India and Ors. (2022) SCC OnLine SC 77, Lourdes Society Snehanjali Girls Hostel and Another Vs. H & R Johnson (India) Limited and Ors, (2016) 8 SCC 286, T. Ramalingeswara Rao (Dead) Through Legal Representatives and Anr. Vs. N. Madhava Rao and Ors. (2019) 4 SCC 608, Rajiv Shukla Vs. Gold Rush Sales and Services Limited and Anr. (2022) 9 SCC 31

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DR. INDER JIT SINGH
PRESIDING MEMBER