BEFORE THE TELANGANA STATE CONSUMER DISPUTES REDRESSAL COMMISSION : HYDERABAD.

F.A.No. 481 OF 2020
AGAINST ORDERS IN C.C.180/2014
DISTRICT CONSUMER COMMISSION, NALGONDA

Between:

1. The Branch Manager, Life Insurance Corporation of India,
   Branch-I, Nalgonda, Near : District Court,
   Nalgonda town & District,
   Represented by its Authorized Signatory
   KVSSR Krishna Kumar, S/o Late Veereswara Sastry,
   Age : 57 years, Occ.: Asst. Secretary, LIC of India,
   L & HPF Department, SCZO, Hyderabad.

2. The Senior Divisional Manager,
   Life Insurance Corporation of India, Jeeven Sagar,
   Behind: NTR Stadium, Near : Indira Park, Hyderabad,
   Represented by its Authorized Signatory
   KVSSR Krishna Kumar, S/o Late Veereswara Sastry,
   Age : 57 years, Occ.: Asst. Secretary, LIC of India,
   L & HPF Department, SCZO, Hyderabad.

...........Appellants/ Opposite Parties

And:

1. Rapolu Lalitha, W/o Late Chandra Shekar,
   Age : 44 years, Occ.: Household, R/o H.No.6-9-273,
   Padma Nagar Colony, Nalgonda Town & District.

2. Rapolu Nagesh, S/o Late Chandra Shekar,
   Age : 26 years, Occ.: Student, R/o H.No.6-9-273,
   Padma Nagar Colony, Nalgonda Town & District.

3. Rapolu Rajani, D/o Late Chandra Shekar,
   Age : 24 years, Occ.: Student, R/o H.No.6-9-273,
   Padma Nagar Colony, Nalgonda Town & District.

4. Rapolu Sravan Kumar, S/o Late Chandra Shekar,
   Age : 23 years, Occ.: Student, R/o H.No.6-9-273,
   Padma Nagar Colony, Nalgonda Town & District.

5. Rapolu Lingamma, W/o Late Papaiah,
   Age : 64 years, Occ.: Household, R/o H.No.6-9-273,
   Padma Nagar Colony, Nalgonda Town & District.

........Respondents/Complainants

Counsel for the Appellants/Opposite Parties : M/s K.Venkatesh Gupta

Counsel for the Respondents/Complainants : Notice served

QUORUM :

HON'BLE SMT. MEENA RAMANATHAN, I/c PRESIDENT
&
HON'BLE SRI. V.V.SESHUBABU, MEMBER – (JUDICIAL)

FRIDAY, THE 22nd DAY OF NOVEMBER
TWO THOUSAND TWENTY FOUR

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Order : (PER HON'BLE SRI. V.V.SESHUBABU, MEMBER– JUDICIAL)

1. The appeal is filed u/s 15 of Consumer Protection Act, 1986 by the Opposite Parties, aggrieved by the order of District Consumer Commission, Nalgonda, dated 05.03.2020 in CC 180/2014, where under the opposite party with joint and several liability are directed to pay policy amount of Rs.1,00,000/- with all benefits and bonus with interest @ 9% per annum from the date of filing of the complaint till realization, compensation of Rs.10,000/- and costs of Rs.2,000/-.

2. The brief averments of the complaint are that the Late Chandrashekar is the husband of the complainant No.1, father of the complainants No.2 to 4 and S/o of complainant No.5 (herein after will be called as deceased). The policy holder died on 29.04.2013; that during the life time, the life assured obtained a policy bearing No.604125012 for Rs.1,00,000/- from the opposite parties; that the policy was lapsed in the year 2012 and it was revived after payment of lapsed premium; that the life assured died due to sudden heart stroke and on 20.05.2013, the complainant No.1 submitted all relevant documents and made the claim with a request to settle the same; that on 17.01.2015, the opposite party No.2 repudiated the claim by stating "suppression of health condition by the life assured at the time of taking policy and also at the time of revival of the policy"; since, he obtained treatment in Kamineni Institute of Medical Sciences, Narkatpally, before obtaining the policy for "Myocardial Infarction"; that the claim was repudiated only to avoid payment of the policy amount; that the life assured never taken any treatment in Kamineni Institute of Medical Sciences, Narkatpally, in the year 2008 as alleged by the

opposite party No.2; that the life assured was in good health condition at the time of taking the policy and also at the time of revival of the same; that non settlement of claim amounts to deficiency of service, for which the opposite parties shall pay damages of Rs.25,000/-; hence, the complaint.

3. The brief averments of the written version of Opposite Parties are that the complaint is not maintainable either on facts or under law; that the complainant is put to strict proof of all the averments made in the complaint, except, those that are admitted; that the life assured had taken policy on 14.02.2009 for Rs.1,00,000/- with a half yearly premium of Rs.3,267/-; that as the policy went into lapsed condition and on payment of lapsed premium, it was revived on 11.08.2012, basing on the statement of health condition of the life assured; that as the contract of insurance depends upon "utmost good faith", it was issued originally and revived subsequently; that on investigation by the opposite party No.1, came into light that the life assured took treatment in the Kamineni Institute of Medical Sciences, Narkatpally and he was treated for "Myocardial Infarction" from 08.02.2008 to 15.02.2008, which was prior to the date of proposal; that the said fact was suppressed while obtaining policy and even by the date of revival; that for the same reason, the claim was repudiated for giving wrong answers regarding his health history. With this, requested to dismiss the complaint.

4. Before the Commission below, complainant No.1 filed evidence affidavit on behalf of her and also the complainants No.2 to 5 as PW1 and marked Ex.A1 to A3. One Sri V.Vijaya Saradhi, Legal Manager of opposite parties filed evidence affidavit as RW1 and got marked Ex.B1 to B3.

5. The Commission below, settled the following points for discussion viz..:

- **Whether there was any deficiency in service on the part of Opposite Parties No.1 & 2?**

- **Whether complainants are entitled for the claims, they made in their complaint?**
- **If so, to what extent?**

6. Having heard both sides, the Commission below basing on the material available on record passed the order as stated supra. Aggrieved by the same, the present appeal is filed by the opposite parties with the following grounds:

- The order of the Commission below is contrary to law, weight of evidence and probabilities of the case.

- The Commission below failed to appreciate the legal aspects and facts involved in the case.

- The Commission below failed to appreciate the case sheet of the life assured marked under Ex.B3 which shows he took treatment for Myocardial Infarction from 08.02.2008 to 15.02.2008.

- The Commission below failed to appreciate that the life assured is guilty of suppression of material facts.

With these grounds and others that will be urged at the time of arguments, requested to set aside the order of the Commission below and to allow the appeal.

7. Now the points for determination in the appeal are :

(1) Whether the complainants suppressed the material facts regarding the health condition of late Chandrashekar, before obtaining the policy and before revival of the policy?
(2) Whether the order under appeal is sustainable as per law?
(3) Relief?

8. Heard the arguments of the appellant and the arguments of the respondent are treated as heard. For the sake of the convenience the parties will be addressed as they arrayed in the impugned order.

9. **<u>POINTS 1 to 3:</u>** There is no dispute about the life assured taking policy and his death on 29.04.2013; Ex.B1 is the proposal submitted by the life assured, wherein he categorically mentioned

that he had not taken any treatment in the last 05 years nor hospitalized and also stated that he never suffered with any liver, stomach, heart, lungs, kidney, brain or nervous system and other ailments like diabetes, tuberculosis, high BP, low blood pressure, cancer etc.; it is also an admitted fact that the policy went into lapsed condition and subsequently it was revived. At the time of revival also life assured not mentioned anything adverse to the health condition.

10. The opposite parties heavily relied upon Ex.B3 admission record of Kamineni Institute of Medical Sciences, Narkatpally. It shows that one Chandrashekar, aged 42 years of Padmarao Nagar, Nalgonda, was admitted in the hospital on 08.02.2008 and discharged on 15.02.2008 and took treatment for chest pain, since 06:00 A.M. on that day. He was complained of dyspnea and regarding the past history, no similar complaint previously, but known diabetic for the last 05 years. Ex.B3 shows, day by day treatment that was given to the patient, medicines prescribed etc,. It is important to note that in the complaint itself, it was categorically pleaded that the life assured was in good condition by the time of taking policy and also by the time of revival and completely denied taking any treatment in the Kamineni Institute of Medical Sciences, Narkatpally, as evidenced in Ex.B3. When such is the case and when the opposite parties repudiated the claim basing on Ex.B3, it is the bounden duty of opposite parties to prove the Ex.B3 in all possible manner. However, it failed to do so. Nobody from Kamineni Institute of Medical Sciences, Hospital, Narkatpally, is examined to prove that Ex.B3 belonged to the life assured and he suffered with the ailments as mentioned therein and took treatment as mentioned in the document. When the opposite partied failed to discharge their burden by placing an acceptable evidence, no importance can be attached to Ex.B3. When once Ex.B3 is not proved, there is no question of non-disclosure of material facts regarding the health condition of life assured by the time of making proposal for taking

policy and by the time of revival of the policy. Therefore, the appeal is liable for dismissal.

11. In the result, the appeal is dismissed without costs by confirming the order dated 05.03.2020 in CC 180/2014, passed by the District Consumer Commission, Nalgonda,

The Respondents No.1 to 5/Complainants No.1 to 5 are at liberty to withdraw the amount deposited by appellants/Opposite parties to the credit of this appeal along with accrued interest thereon, towards part satisfaction of the decretal amount after the lapse of revision time.

Dictated to the Stenographer and typed by her on the System and corrected by me and pronounced by us in the Open Court on this the 22nd day of November'2024.

Sd/- Sd/-

I/c PRESIDENT **MEMBER-JUDICIAL**

Dated : 22.11.2024

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