HON'BLE SRI JUSTICE C. PRAVEEN KUMAR

WRIT PETITION No. 14629 of 2006

ORDER:

Heard learned counsel for the petitioner and Standing counsels appearing for respondents.

The present writ petition came to be filed seeking issuance of writ of Certiorari calling for the records, pertaining to the award dated 20.12.2015 in complaint No.L-21.001.0307.2005-06, passed by the Insurance Ombudsman, the fourth respondent herein and to quash the same.

The facts in issue are as under:

The petitioner herein took Jeevan Dhara Policy from the first respondent Corporation on 15.02.1990 vide policy No.640531911. The term of policy was for 15 years and the same got matured on 15.02.2005. The yearly premium was Rs.13,881.50 ps. It is stated that the petitioner paid the premium regularly for 14 years. It is averred that since the petitioner did not receive premium payment intimation from the first respondent, she could not pay the premium pertaining to 15th year. For non-payment of premium of Rs.13,881.50 ps., the first respondent is said to have reduced the maturity amount by Rs.63,597/- and paid a sum of Rs.4,78,336/-. Aggrieved by the same, the petitioner approached the fourth respondent, who, after considering the evidence adduced, held as under:

> "In view of the specific provisions relating to the insurance policy, unfortunately, the life assured would not be entitled to receive the original GIVE and Annuity Payment. In the light of the above discussion, I do not find it necessary to interfere with the decision of the insurer and accordingly, the complaint is not allowed."

Challenging the same, the present writ petition came to be filed.

Learned counsel for the petitioner mainly submits that in view of the letter dated 26.07.2005, the request of the petitioner for payment of premium with penalty should have been accepted by the insurance company.

The learned Standing Counsel for the insurance company submits that the premium for the last year was not paid within the time prescribed in the statute and when there is a default in payment of premium, the question of paying the entire amount would not arise.

As seen from the material on record, the dispute is only with regard to payment of the Rs.63,597/- by the insurance company.

Before proceeding further, it would be appropriate to refer to the conditions of the policy with regard to payment of premium etc.

> " Payment of Premium: A grace period of one month but not less than 30 days will be allowed for payment of yearly, half-yearly premiums and 15 days for monthly premiums. If the premium is not paid before the expiry of the days of grace, the policy lapses.
>
> Revival of discontinued policies: If the policy has lapsed it may be revived during the life time of the Annuitant but within a period of 5 years from the date of the first unpaid premium and before the date of on which Annutty vests, on payment of all the arrears of premium together with interest at such rate as may be fixed by the Corporation from time to time. The Corporation reserves the right to accept or decline the revival of discontinued policy. The revival of a discontinued policy shall take effect only after the same is approved by the Corporation and is specifically communicated to the Annultant."

From a reading of the above, it is clear that the petitioner has to pay the instalment premium on or before 15.02.2005 and in case, if there is any default, 30 days grace period would be given to pay the premium. After realizing that the policy got matured on 15.02.2005, the petitioner has come forward with a request to the authorities to deduct the amount and pay the balance, which is contrary to the conditions of the policy. Infact, such a request was made long after the expiry of the due date. Since the request of the petitioner is contrary to the terms and conditions of the policy, this Court opines that the plea of the petitioner cannot be accepted.

Accordingly, the writ petition is dismissed. No order as to costs. Consequently, miscellaneous petitions, if any, pending in this Writ Petition shall stand closed.

JUSTICE C. PRAVEEN KUMAR

04.12.2015
gkv