10.06.2025
Court No.13
Item No.38
AP

FMA 675 of 2025
With
CAN 1 of 2018 (Old No: CAN 3530 of 2018)

Ajit Prasad Musib
Vs.
Life Insurance Corporation of India & Ors.

Mr. Dilip Kumar Chatterjee
Mr. Durga Bhusan Mukherjee
... for the Appellant.

Ms. Soma Ray Chaudhuri
Ms. Payel Khanra
... For the LICI.

1. The appeal is directed against an order dated 7th November, 2017 passed by a Single Bench of this Court in WP 25250 (W) of 2017.

2. The brief facts of the case are that the appellant obtained Life Insurance Corporation of India's (hereinafter referred to "the LICI") Jeevan Saral (with Profits) policy, where the sum assured is Rs.1,25,000/-. The appellant has paid a total premium of Rs.76,440/-. On maturity, the LICI indicated that there was a typographical mistake in the maturity sum assured in the aforesaid policy and contended that the maturity amount would be only Rs.30,020/-.

3. The Insurance Ombudsman accepted the contention of the LICI that there was a typographical mistake in the policy and uphold the LICI's contention that the appellant has entitled to only Rs.30,020/- as maturity sum assured.

4. The Single Bench found that even if the LICI's contention is found to be correct, they could not have collected premium of Rs.76,440/- against a sum assured of Rs.30,020/-. The order of the Ombudsman was set aside by the Single Bench.

5. Despite above, the appellant contends before this Court that the calculations of sum assured must be done by the LICI not by the Ombudsman as directed by the Ombudsman.

6. This Court does not find merit in the submission of the learned counsel for the appellant. The Single Bench has directed the Ombudsman to factor in the total premium paid by the appellant while calculating maturity sum assured. Obviously, therefore, the maturity sum assured and payable to the appellant should be more than Rs.76,440/-.

7. In these circumstances, the Ombudsman hereby directed to forthwith comply with the order of the Single Bench and recalculate the maturity sum payable to the appellant against the LICI's Jeevan Saral (with Profits) Policy No.465576918 preferably within a period of three weeks from the date of communication of a copy of this order.

8. Upon receipt of calculation from the Ombudsman, the LICI shall mandatorily and positively make payment to the appellant within a period of three weeks

thereafter. The Ombudsman in his discretion shall be entitled to award interest on the maturity sum assured payable to the appellant.

9. With the aforesaid direction, the instant appeal is disposed of. Consequently, all connected pending applications, if any, are also disposed of.

10. There shall be no order as to costs.

11. All parties shall act on the server copy of this order duly downloaded from the official website of this Court.

(Rajasekhar Mantha, J.)

(Ajay Kumar Gupta, J.)