

**DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION  
CHANDIGARH DISTRICT COMMISSION  
CONSUMER COMPLAINT NO. DC/AB1/44/CC/137/2023**

RAJ KUMARI  
PRESENT ADDRESS - HOUSE NO.2703, SECTOR 56 ,CHANDIGARH  
CHANDIGARH,CHANDIGARH.

.....Complainant(s)

Versus

LIFE INSURANCE CORPORATION OF INDIA  
PRESENT ADDRESS - SCO 46- 47 PHASE 2 , SAS NAGAR , MOHALI PUNJAB  
CHANDIGARH,CHANDIGARH.

.....Opposite Party(s)

**BEFORE:**

**AMRINDER SINGH SIDHU , PRESIDENT  
BRIJ MOHAN SHARMA , MEMBER**

**FOR THE COMPLAINANT:**

**FOR THE OPPOSITE PARTY:**

**DATED: 17/12/2025**

**ORDER**

**DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION-II  
U.T. CHANDIGARH**

Consumer Complaint No.	:	CC/137/2023
Date of Institution	:	27/02/2023
Date of Decision	:	17/12/2025

1. Raj Kumari aged 54 years w/o Sh.Mahendra Singh,

2. Mahendra Singh aged 55 years, son of Sh.Shyam Lal,

Both residents of House No.2703, Sector 56, Village Palsora, U.T,  
Chandigarh.

... Complainants

**V E R S U S**

Life Insurance Corporation of India, SCO No.46-47, Phase-2, SAS Nagar,  
Mohali, Punjab, through its Branch Manager.

.... Opposite Party

**BEFORE:**                    **SHRI AMRINDER SINGH SIDHU**                    **PRESIDENT**

**SHRI B.M. SHARMA**    **MEMBER**

**ARGUED BY:**            Sh.Kamal Kant Verma, Counsel for complainants

   Sh.Manmohan Singh, Counsel for OP

**ORDER BY AMRINDER SINGH SIDHU, M.A.(Eng.),LLM,PRESIDENT**

1.                    Complainants have filed the present consumer complaint

pleading that during the lifetime of their son, Mandeep Singh, when he was a minor, they had obtained a life insurance policy in his name from the OP covering his life and in case of untimely death, the first class legal heirs of the policy holder were entitled to have double of the sum insured. Unfortunately, on 12.10.2020 due to negligence of the Municipal Corporation, Mandeep Singh suffered electric shock from the open naked wire of street light and ultimately breathed his last at the PGI, Chandigarh. Thereafter, complainants contacted the OP and submitted the claim, but since there was no nomination of the deceased Mandeep Singh (hereinafter referred to as DLA), therefore, on the guidance of OP, complainants approached civil court for obtaining the succession certificate for claiming benefits accrued under the policy, which was allowed vide order dated 28.10.2022 and the succession certificate was granted to the tune of 2,41,500/- in favour of complainant No.1 and the OP even credited the amount of 2,41,500/- in the account of complainant No.1 on 7.2.2023. However, OP denied double of the death sum assured under the policy on the ground that the DLA was minor at the time of obtaining the policy and he died after attaining the age of majority without executing any nomination of the policy. Alleging that the aforesaid acts amount to deficiency in service and unfair trade practice on the part of OP, complainants have filed the instant consumer complaint claiming 1,87,500/- alongwith interest, delayed interest on the amount already paid as well as compensation and litigation expenses.

2. In its written version, OP admitted the factual matrix. It is also admitted that the OP had already paid the amount of 2,41,500/- to complainant No.1 in compliance with the order dated 28.10.2022 of the civil court at Chandigarh under the policy in question for death sum assured of 1,87,500/- which she had already received from the OP immediately after submitting claim requirements. However, it is stated that the life assured on attaining majority, had to execute nomination for his policy and also opt for the accident benefit, but as he never approached the OP and proposed for nomination and accident benefit, therefore, complainants had to seek succession certificate for the release of basic claim. Since the accident benefit had not been opted by the life assured during his lifetime, complainants are not entitled for the accidental benefit claim of 1,87,500/- under the policy in question. The remaining allegations have been denied being false. Pleading that there is no deficiency in service or unfair trade practice on its part, OP prayed for dismissal of the consumer complaint.

3. In replication, complainants controverted the stand of the OP and reiterated their own.

4. Parties led evidence in support of their case.

5. We have heard the learned Counsels for the parties and have gone through the documents on record, including written arguments.

6. Admittedly, OP had issued the policy in question (Annexure C-

3) and the life assured, Mandeep Singh i.e. the DLA had died during the currency of the policy and further upon obtaining succession certificate from the civil court, OP had already released the claim of 2,41,500/- in favour of complainant No.1 as per order dated 28.10.2022 (Annexure C-9) of the Civil Court, Chandigarh.

7. In this regard, the case of the complainants is that the OP had only released the partial claim and they are also entitled to the amount 1,87,500/- as per the policy whereas the defence of the OP is that the same was rightly rejected as per terms & conditions of the policy as the DLA did not opt for the accident benefit after attaining the age of majority.

8. However, we do not find any merit in the defence of the OP because it has neither referred to any particular clause in the policy nor has placed on record any documentary evidence in support of its plea that in order to be entitled for the Accidental Benefit Claim of 1,87,500/-, DLA was required to opt for the accident benefit during his life time. Hence, mere bald averments of the OP in its defence cannot be believed.

9. Not only this, even if such a clause was there in the policy (though without admitting it), OP has also failed to prove on record that it ever informed the DLA or the complainants at any time about the alleged formality of opting for the accident benefit upon attaining the age of majority. Needless to mention here that the purpose of obtaining insurance policy is not for any luxury but to cover up for some unforeseen eventuality. Otherwise also, it is settled position of law that insurance

companies should not reject claims based on minor technicalities, especially when the insured has acted in good faith. As such, the OP/insurer cannot be allowed to take shelter under a hyper-technicality, solely with a view to reject the claim, that the DLA did not provide the alleged option.

10. It is apposite to mention here that even the learned civil court vide its order dated 28.10.2022 (Annexure C-9), while granting succession certificate to complainant No.1 in respect of 2,41,500/-, has held that the findings in the said petition shall not have any bearing on the rights of the petitioners (complainants herein) regarding their claim relating to actual amount due under the policy. Hence, it is safe to hold that OP was also liable to pay the sum of 1,87,500/- to complainant No.1 towards untimely accidental death coverage of DLA and denial of said claim certainly amounts to deficiency in service and unfair trade practice on its part and the present consumer complaint deserves to succeed.

11. So far as the prayer of the complainants for grant of interest on the amount of 2,41,500/- from 3.11.2020 to 7.2.2023 is concerned, the same is declined as the OP had rightly paid the said amount in compliance with the order (Annexure C-9) of the civil court and no deficiency in service or unfair trade practice is found against it to that extent.

12. In view of the above discussion, the present consumer complaint succeeds, the same is accordingly partly allowed and the OP is directed as

under :-

- (i) to pay the claim amount of 1,87,500/- to complainant No.1 alongwith interest @ 9% per annum w.e.f. 7.2.2023 (date of payment of partial claim) till the date of its actual realization.
- (ii) to also pay 20,000/- to complainant No.1 as compensation for the harassment caused as well as litigation expenses.

13. This order be complied with by the OP within 60 days from the date of receipt of its certified copy.

14. The pending application(s), if any, stands disposed of accordingly.

15. Certified copy of this order be sent to the parties, as per rules.  
After compliance file be consigned to record room.

17/12/2025

[AMRINDER SINGH SIDHU]

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**PRESIDENT**

[B.M. SHARMA]

**MEMBER**

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**AMRINDER SINGH SIDHU**

**PRESIDENT**

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**BRIJ MOHAN SHARMA**  
**MEMBER**