(2007) 12 P&H CK 0065

In the Punjab And Haryana At Chandigarh

National Insurance Company Ltd. — APPELLANT

Vs

B.D. Lalit and Others — RESPONDENT

Date of Decision : 14-12-2007

Acts Referred:
Constitution of India, 1950 — Article 226, 227

Citation : (2009) ACJ 157 : (2008) 149 PLR 700

Hon'ble Judges : Satish Kumar Mittal, J;K.C. Puri, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

Satish Kumar Mittal, J.—The petitioner Insurance Company has filed this writ petition under Articles 226/227 of the Constitution of India challenging the order dated 10.7.2007 (Annexure P-5) passed by the Permanent Lok Adalat (Public Utility Services) Gurgaon, whereby the petitioner Company has been directed to pay an amount of Rs. 2 lacs towards the claim of respondent No. l, the insured, under the mediclaim policy, within a month, failing which the amount has been ordered to be paid with interest at the rate of 12% per annum.

2. In the present case, respondent No. l took a mediclaim policy from the petitioner Company in the year 2003 for the period from 12.2.2003 to 11.2.2004. In December, 2003, he suffered heart ailment and for his treatment, he claimed Rs. 2 lacs, which were paid to him. Subsequently, he got renewed the said policy for the period from 9.2.2004 to 8.2.2005 on payment of future premium. Again, the said policy was renewed for the third time for the period from 22.2.2005 to 21.2.2006. This time, the policy was renewed by adding that renewal will be subject to exclusion of heart related problems. It is the case of respondent No. 1 that the said clause was added without his knowledge, notice and consent. It is further alleged that originally, when the policy was taken in the year 2003, there was no such condition and the insured was also not having any pre-existing disease. Unfortunately, he was hospitalized on 2.12.2005 for breathlessness on exertion. He was advised to undergo coronary angiography

and on the examination of that test, he was advised to undergo percutaneous coronary angio-plasty for removal of blockage in arteries. He got the treatment on the same day and was asked to deposit the treatment expenses of Rs. 3,08,080/-. The insured asked the petitioner Company to make payment of Rs. 2 lacs in terms of the policy. The said amount was not paid. After the operation, when the insured claimed the said amount, his claim was repudiated on the plea that the heart related problems were excluded from the policy. The insured filed a petition before the Permanent Lok Adalat (Public Utility Services) Gurgaon. When the matter was not settled, the Lok Adalat passed the impugned order in favour of the insured by following a decision of the National Consumer Disputes Redressal Commission, New Delhi, in II (2003) CPJ 9 in which exactly in similar situation, it was held that the Insurance Company cannot deny the legitimate claim of the insured by excluding the coverage of heart ailment from the policy, while renewing the earlier policy. The said decision was given on the basis of the guidelines issued by General Insurance Company directing the Insurance Companies to renew the earlier policy without inserting the exclusion clause for the expenses of ailment, which was not excluded in the original policy. Clause 13 of the said guidelines provides that in case renewal has been agreed then the illness for which expenses have been paid in the previous year''s policy are not to be excluded. The policy has to be renewed on the existing'' terms and conditions. The guidelines issued by the General Insurance Corporation are binding on the petitioner Company also.

3. We are in agreement with the reasoning given by the National Commission in the said judgment. Learned Counsel for the petitioner Company could not controvert the said legal position by citing any contrary judgment. Therefore, we do not find any illegality or perversity in the impugned order passed by the Permanent Lok Adalat (Public Utility Services) Gurgaon.

Dismissed.

