

**STATE CONSUMER DISPUTES REDRESSAL COMMISSION,  
HARYANA PANCHKULA**

Date of Institution:13.03.2015

Date of final hearing:09.05.2024

Date of pronouncement:14.05.2024

**Appeal No.1249 of 2017 in  
First Appeal No.287 of 2015**

**IN THE MATTER OF**

The Branch Manager, Max New York Life Insurance Co. Ltd., Gandhi Chowk, Sonapat, Haryana.

.....Appellant.

**Through Counsel Shri Ravi Kant, Advocate**

Versus

1. Sanjeet S/o Shri Satbir
2. Sweety D/o Shri Satbir
3. Ompati W/o Shri Satbir

All residents of village Barwasni, Teshil & District Sonapat.

...Respondents.

**Through counsel Shri Vineet Chaudhary, Advocate & Shri Shivam Chaudhary, Advocate**

**CORAM:** S.C. Kaushik, Member.

Present:- Shri Ravi Kant, counsel for the appellant.

Shri Vineet Chaudhary, Advocate & Shri Shivam Chaudhary, Advocate, counsel for respondents.

## O R D E R

### **S. C. KAUSHIK, MEMBER:**

Case is remanded back By Hon'ble National Consumer Disputes Redressal Commission, New Delhi vide order dated 18<sup>th</sup> August, 2017 and issued directions as under:-

*“Considering the facts of the case, the delay in filing the first appeal before the State Commission and the revision petition before this Commission is hereby condoned, subject to the cost of Rs.25,000/- to be paid by the petitioner to the complainant within a period of four weeks from the date of receipt of a copy of this order. Both the parties directed to appear before the State Commission on 24.10.2017 for further proceedings. It is made clear that the State Commission shall hear the matter only after its satisfaction that the cost of Rs.25,000/- has already been paid by the petitioner to the complainant. Otherwise the appeal stands automatically dismissed.”*

2. Initially the complainant-respondents filed a Consumer Complaint bearing No.513 of 2012 before the District Consumer Disputes Redressal Commission, Forum, Sonapat (Now “learned District Commission”), which was allowed vide order dated 12.09.2014 and directions were issued against the present appellants-opposite party (“OP”) as under:-

*“...Thus, in our view, the respondent has wrongly and illegally repudiated the claim of the complainant and the complainant are legally entitled to get the claim amount from the respondent. Thus, we direct the respondent insurance company to make the payment of Rs.8,48,720/- to the complainants in three equal shares within one month from the date of passing of this order, failing which the above amount shall fetch interest at the rate of 09% p.a. from the date of passing of this order till realization.”*

3. Aggrieved from the order of learned District Commission, present appellant-OP has preferred First Appeal No.287 of 2015 before this Commission, which was dismissed vide order dated 13.01.2016 on the ground of delay. Thereafter, the appellant-OP preferred a Revision Petition before Hon'ble National

Consumer Disputes Redressal Commission, New Delhi ("Hon'ble National Commission), who vide its order dated 18<sup>th</sup> August, 2017 allowed the same and remanded back the matter to this Commission by issuing directions as mentioned in Para 1<sup>st</sup> (Supra). However, from the order dated 05<sup>th</sup> March, 2020, it is made clear that cost of Rs.25,000/- imposed by Hon'ble National Commission was paid by the appellant to respondents.

4. Brief facts of the complaint filed before learned District Commission are that Mr. Satbir Singh (since deceased), father and husband of complainants No.1, 2 & 3 purchased policy bearing No.8165727 dated 26.11.2010 from the OP for Rs.8,48,720/-. It was alleged that on 07.01.2011, he suffered chest pain, breathlessness and died on the same day. It was further alleged that the complainants No. 1 and 2, son and daughter of the deceased, filed insurance claim with the OP alongwith the necessary documents, but the claim was repudiated on the ground that late Mr. Satbir Singh, had concealed about his ill health before submitting proposal form. Thus, there was deficiency in service on the part of OP.

5. Upon notice, OP appeared before learned District Commission and filed its written version by submitting therein that the deceased-life assured was himself guilty of material medical non-disclosure and he never disclosed to the OP that he was a known case of renal cell carcinoma clear cell, furhman's nuclear grade 2. It was further alleged that the OP has rightly repudiated the claim of complainant since repudiation of the claim was based on material medical non-disclosure from the side of the deceased life assured and by doing so, the OP has committed no illegality. Finally, it was submitted that there was no deficiency in service on the part of OP and prayed for dismissal of the complaint.

6. After hearing the parties, learned District Commission accepted the complaint of complainant and issued directions as mentioned above in 2<sup>nd</sup> para (Supra).

7. The arguments have been advanced by Mr. Ravi Kant, learned counsel for the appellant-OP and Mr. Vineet Chaudhary, Advocate alongwith Mr. Shivam Chaudhary, Advocate for respondents-complainants. With their kind assistance, contents of the appeal has also been properly perused and examined.

8. As per the contentions of learned counsel for appellant-OP, however, the life assured-Shri Satbir Singh (deceased) obtained life insurance policy bearing No.8165727 dated 26.11.2010 from the appellant for an amount of Rs.8,48,720/-. He further argued that the life assured (deceased) died on 07.01.2011. Thereafter, legal heirs of life assured submitted the claim, but the same was repudiated on the ground of non-disclosure of his ill health. He further argued that Shri Satbir Singh-life assured (deceased) had a history of Renal Cell Carcinoma i.e. kidney cancer and was advised nephrectomy i.e. removal of affected portion of kidney in the year, 2007 and was undergoing regular treatment for the same from All India Institute of Medical Science, New Delhi ('AIIMS') till 2010, prior to the signing of proposal form dated 23.11.2010. This factum of medical non-disclosure has been traced pursuant to the investigation carried out after receiving the death claim for abovementioned insurance policy. Finally, he argued that claim of life assured was rightly repudiated as per terms & conditions of the insurance policy and there was no deficiency in service on the part of appellant-OP. Further, he prayed for setting-aside the impugned order by acceptance of present appeal.

9. On the other hand, as per contentions of learned counsel for respondents-complainants life assured-Shri Satbir Singh (deceased) purchased an life insurance policy bearing No.8165727 dated 26.11.2010 for an amount of Rs.8,48,720/- from the appellant-OP and adopted yearly installment of Rs.49,998/-. On 07.01.2011, he suffered from breathlessness in his chest and shifted to Vardhman General Hospital, Sonapat for treatment, where he was diagnosed for myocardial in fraction complaint shock due to which he died on the same day during the existence of said policy. Thereafter, present respondents being legal heir of life assured filed the claim with present appellant-OP, but the same was repudiated illegally on the ground of non-disclosure of ill health of life assured (deceased). He further argued that Shri Satbir Singh (deceased) never concealed any material fact regarding his state of health from the appellant-OP because at the time of purchasing the said policy he was medically checked up through the appellant-OP and after their satisfaction the policy was issued. He further argued that there was deficiency in service on the part of appellant-OP and it was just to harass the respondents-complainants that they have repudiated the claim. Finally, he argued that learned District Commission rightly allowed the complaint and further he prayed for dismissal of the present appeal.

10. It is an admitted fact that Mr. Satbir Singh-life assured (deceased), father and husband of respondents-complainants No.1, 2 & 3 purchased an insurance policy bearing No.8165727 dated 26.11.2010 from the present appellant-OP for Rs.8,48,720/- with a yearly installment of Rs.49,998/-. It is also an admitted fact that on 07.01.2011, he suffered chest pain, breathlessness and died on the same day. Claim was filed with appellant-OP, but the same was repudiated on the ground that late Mr. Satbir Singh, had concealed about his ill health before submitting proposal form. The only issue involved in the present case is as to whether the life assured-Shri Satbir Singh (deceased) was having any serious disease at the time of obtaining insurance policy or not?

11. As per learned counsel for respondents-complainants, Shri Satbir Singh-life assured (deceased) was not having any previous disease history at the time of obtaining the insurance policy. On the other hand, as per the version of learned counsel for appellant-OP, he had a history of Renal Cell Carcinoma i.e. kidney cancer and was advised nephrectomy i.e. removal of affected portion of kidney in the year, 2007 and was undergoing regular treatment for the same from All India Institute of Medical Science, New Delhi ('AIIMS') till 2010, prior to the signing of proposal form dated 23.11.2010. However, it is nowhere mentioned in the death certificate or treatment summary as well as information sought by the Medical Officer, Max New York Life Insurance (appellant-OP) from treating Doctor Shri Arun Garg, who attended the deceased on 07.01.2011 that life assured (deceased) died due to Renal Cell Carcinoma i.e. kidney cancer, whereas, as per certificate issued by treating Doctor Shri Arun Garg, life assured (deceased) died due to sudden breathlessness and chest discomfort. Accordingly, in the absence of any evidence to prove the contentions of insurance company, learned District Commission rightly observed that the insurance company wrongly repudiated the claim of complainant.

12. In view of the above observations and discussion, learned District Commission rightly allowed the complaint of the complainant. The impugned order passed by learned District Commission is well reasoned, based on facts and as per law, and therefore, there is no need to interfere with it. In view of this, present appeal is without any merit\ and thus, stands dismissed.

13. Statutory amount of Rs.25,000/- deposited at the time of present appeal be refunded to the appellant against proper receipt, identification and as per rules.

14. A copy of this order be provided to all the parties free of cost as mandated by the Consumer Protection Act, 2019. This order be uploaded forthwith on the website of the Commission for the perusal of the parties.

15. Application(s), pending, if any, stands disposed off in terms of the aforesaid order.

16. File be consigned to record room alongwith a copy of this order.

**Pronounced on 14<sup>th</sup> May, 2024**

**S.C. Kaushik**

**Member**

**Addl. Bench**

R.K