IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

CWP-10019-2019 (O&M)
Date of Decision:29.08.2019

United India Insurance Company Ltd. ... Petitioner

Versus

Permanent Lok Adalat & others ... Respondents

CORAM:- HON'BLE MR.JUSTICE TEJINDER SINGH DHINDSA.

Present:- Mr. Munish Goel, Advocate for the petitioner.

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TEJINDER SINGH DHINDSA, J. (ORAL)

Petitioner/Insurance Company has filed the instant writ petition assailing the award dated 26.10.2018 (Annexure P-8) passed by the Permanent Lok Adalat (Public Utility Services) Bathinda, whereby an application moved by respondent No.2 herein under Section 22-C of the Legal Services Authorities Act has been allowed and the Insurance Company has been directed to reimburse the medical claim as per entitlement of respondent No.2 under the Top Up Insurance Policy for a cover of Rs.5 lakhs instead of Rs.2 lakhs. Further directions have been issued to release such amount along with interest @ 6% per annum.

Counsel would submit that respondent No.2 had obtained a Super Top Up Medicare Policy from the Insurance Company for the period 26.11.2014 to 25.11.2015 for covering a risk upto Rs.5 lakhs. It was a Family Medicare Insurance Policy. It is argued that respondent No.2 had concealed a pre-existing disease of his wife and on account of exclusion Clauses 4.1 and 4.2 of the Insurance Policy, the claim under the Top Up

Policy was repudiated on 20.07.2015. Clauses 4.1 and 4.2 of the Insurance Policy and upon which counsel has placed reliance read as follows:

> *"The expenses on the treatment of following ailment/disease/surgery for the specific period are not payable if contracted and/or manifested during the currency of the policy, and if these diseases are pre-existing at the time of proposal, the exclusion clause No.4.1 for pre-existing condition shall be applicable."*

Counsel for the petitioner has been heard at length.

Apparently, respondent No.2 had obtained a Medi-claim Insurance Policy for the period 26.11.2014 upto 25.11.2015. Copy of such Insurance Policy was adduced on record before the Permanent Lok Adalat as Ex.R-11. It was a Family Medicare Policy and the sum insured was Rs.2 lakhs and the premium paid was Rs.6100/-. Respondent No.2 then availed of a Super Top Up Medicare Policy (Ex.R-12) and the period of insurance was identical as the first Policy i.e. 26.11.2014 upto 25.05.2015 but the sum insured now was upto Rs.5 lakhs. The extra premium paid was Rs.6517/- including service tax. In other words, by virtue of paying extra premium, the sum insured was enhanced from Rs.2 lakhs to Rs.5 lakhs for the same period. Counsel does not dispute that the Insurance Company has reimbursed the medical claim in respect of the wife pertaining to the same very disease as regards the first Insurance Policy and where under the maximum sum assured was Rs.2 lakhs. Under such circumstances, the Insurance Company could not have repudiated the medical claim pertaining to the wife of respondent No.2 for the same disease and relating to the same very period of Insurance cover i.e. 26.11.2014 upto 25.11.2015 under the Top Up Insurance Policy and for which additional premium had already been deposited.

The view taken by Lok Adalat for the Insurance Company to reimburse the medical claim as per entitlement under the Top Up Insurance Policy carrying a cover of Rs.5 lakhs instead of Rs.2 lakhs cannot be faulted.

There is no merit in the instant petition and the same is dismissed.

29.08.2019 **(TEJINDER SINGH DHINDSA)**
harjeet **JUDGE**

i) Whether speaking/reasoned? Yes/No

ii) Whether reportable? Yes/No