IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE : 14.11.2025

CORAM

THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P. NO.42978 OF 2025
AND
W.M.P. NOS. 48106 & 48107 OF 2025

Star Health & Allied Insurance
Company Ltd. Rep. By its
Authorised Signatory
No.1, New Tank Street, Valluvar
Kottam High Road, Nungambakkam
Chennai 600 034. .. Petitioner

- Vs -

1.The Insurance Ombudsman
Fathima Akthar Court
4th Floor, 453 (Old 312)
Anna Salai, Teynampet
Chennai 600 018.

2.Mrs. D.Preethi .. Respondents

Writ petition filed under Article 226 of the Constitution of India praying this Court to issue a writ of certiorari calling for the records of the 1st respondent in impugned Award No.IO/CHN/A/HI/2025-2026 dated 29.09.2025 and quash the same.

For Petitioner : Mr. S.Udaya Kumar

ORDER

Assailing the award passed by the 1st respondent directing the petitioner to pay a sum of Rs.30,000/- towards maternity benefit to the 2nd respondent, the present writ petition has been filed before this Court.

2. It is the case of the petitioner that the policy was procured by the 2nd respondent with inception date as 01.07.2020 covering the 2nd respondent with a floater sum insured of Rs.5,00,000/=. Thereafter, the policy was renewed periodically for the period 01.07.2024 to 30.06.2025 for the 2nd respondent and her spouse. It is the further case of the petitioner that the 2nd

respondent was admitted in Saravana Hospital at Cuddalore on 11.03.2025 and delivered a male child on 12.03.2025 through cesarean and discharged on 14.3.2025 and upon discharge, the 2nd respondent claimed reimbursement of Rs.78,993/-.

3. Upon such claim being made, the same was rejected by the petitioner citing that though the policy was incepted on 1.7.2020, however, the spouse of the 2nd petitioner was insured only on 11.11.2023 and the spouse of the 2nd petitioner has not completed the 36 months waiting period under the policy. The repudiation was challenged by the 2nd respondent before the 1st respondent, which having been allowed, the petitioner is before this Court.

4. Learned counsel appearing for the petitioner submits that as per the coverage available under the Gold Plan, delivery expenses is reimbursable

in a sum of Rs.30,000/- per delivery, however, such cover is available only when both self and spouse have been covered for a continuous period of 36 months under the Young Star Insurance Policy and further the payment is permissible when the policy covers self and spouse and should be in force.

5. It is the further submission of the learned counsel that insofar as the present case is concerned, though the 2nd respondent had completed the cooling period of 36 months from the date of inception, however, her spouse had not completed the period of 36 months and, therefore, the repudiation was done based on the conditions in the policy.

6. It is the further submission of the learned counsel that the terms of the policy shall govern the contract between the parties and all the expressions appearing therein should be interpreted with reference to the terms of the policy. When the policy in clear terms has spelt out that both

the spouses have to complete 36 months period for the purpose of making any claim, one of the spouses having not completed, no right accrues to the other spouse for making the claim and rightly the claim was repudiated.

7. It is the further submission of the learned counsel that while repudiating the claim of the 2nd respondent, it has been clearly mentioned in the said communication that for any further queries regarding the decision relating to the claim, either the policy holder could contract the Grievance Redressal Officer and only thereafter could they approach the office of the 1st respondent. However, without exhausting the said remedy, the 2nd respondent has rushed before the 1st respondent, who has passed the order without considering the provisions under the policy and, therefore, the said award deserves to be interfered with.

8. Since no adverse order is passed against the 2nd respondent, notice on the 2nd respondent is dispensed with.

9. This Court gave its careful consideration to the submissions advanced by the learned counsel appearing for the petitioner and perused the materials available on record to which the attention of this Court was drawn.

10. There could be no quarrel with the fact that the 2nd respondent had the policy since 1.7.2020, which the date of inception of the policy and based on the said date, she has completed 36 months of cooling period by the time, she delivered a child on 12.3.2025. It could be easily inferred from the averments that the 2nd respondent had been married after she had taken the policy and, upon entering into marriage, she had included her spouse in the said policy on and from 1.7.2024.

11. The consummation of marriage resulted in the delivery of child on 12.3.2025 and the claim was repudiated on the ground that the spouse, who had been inducted into the policy had not completed the cooling period of 36 months. In this regard, before the 1st respondent as well as before this Court the petitioner has adverted to the policy conditions relating to delivery and claims that the particular policy, which has been taken by the 2nd respondent requires that both self and spouse should have been covered for a continuous period of 36 months, whereinafter alone, the reimbursement relating to delivery would be payable.

12. The 1st respondent, applying the principle of 'Main Purpose Rule', had allowed the claim in favour of the 2nd respondent.

13. In this backdrop, it is to be pointed out that upon consummation of marriage, pregnancy is underwent by the 2nd respondent, who was holding the

policy since 1.7.2020. The said factum is not in dispute. The petitioner places reliance upon the following condition in the policy document to substantiate its case, which is quoted hereunder for ready reference :-

> *"As per Section III. Coverave available only under Gold Plan:*
>
> *A.Delivery Expenses :-*
>
> *   *   *   *   *   *   *
>
> *This cover is available only when*
>
> *(i)Both Self and Spouse are covered under this policy either on floater basis or on individual basis and both Self and Spouse have been covered for a continuous period of 36 months under Young Star Insurance Policy.*
>
> *(ii)The policy covering the self and spouse are in force when the benefit becomes payable."*

14. It is to be pointed out that the purpose of a person taking a health insurance policy is to cover contingencies, including delivery. The cooling period in a policy is given only for the purposes of safeguarding the interests

of the insurer, where certain persons take the policy knowing very well that they have ailments, but do not disclose the same resulting in loss to the insurer by way of reimbursement. In the case of delivery even, the very same condition is enforced. There could be no quarrel with the fact that the said condition is to safeguard the insurer from reimbursement by persons taking policy and paying a paltry premium upon getting married and thereafter getting reimbursement for the delivery as a result of consummation of marriage.

15. However, the present case cannot be looked at only from the angle of the insurer to the effect that the policy holder is trying to get the reimbursement without waiting for the cooling period. In the present case, the 2nd respondent had taken the policy way back in July, 2020 and the cooling period of 36 months has already passed in the year 2023. The 2nd respondent had included her spouse in the policy on 1.7.2024.

16. True it is that after marriage the 2nd respondent had delivered the child and had sought reimbursement from the petitioner. This Court can very well understand the reasonable restriction that is imposed on the persons taking the policy at the first instance immediately after marriage which requires a cooling period of 36 months. However, could the very same cooling period be made applicable to the spouse, who has been inducted into the policy at a later point of time, while the policy has been in force since July, 2020 is the question that requires the consideration of this Court.

17. The main purpose for which a health insurance policy is taken is to cover contingent expenditure and in case of females, who take the policy, delivery is also a contingent expense, which arises on their marriage. If the policy has been taken immediately after marriage, as aforesaid, cooling period is mandatory. However, in the present case, the policy has been taken by the

2nd respondent almost four years back and it is only the induction of her spouse after marriage.

18. The 2nd respondent had already completed the waiting period of 36 months in her individual capacity and had satisfied the conditions with regard to cooling period. Pregnancy is relatable only to females and the health of the other spouse is in no way connected with the pregnancy. Restriction, if any, imposed in a policy, should be reasonable so as to safeguard the interests of the insurer and it cannot be a weapon to cut the legitimate claim of the insured. In the present case, the restriction in the policy that both the spouses should covered under the policy for a continuous period of 36 months is a restriction, which could in no way be said to be reasonable, moreso, when the 2nd respondent has already completed the 36 months waiting period.

19. The inclusion of restriction under 5 (i) in the policy conditions that both self and spouse should be covered for a continuous period of 36 months could never be claimed to be a reasonable restriction, as the freedom of the couple to beget a child is impeded, which freedom is otherwise available to the 2nd respondent in her individual capacity. The restriction imposed should be harmoniously construed so that it is not in detriment to the insured and at the same time, it also safeguards the interests of the insurer. However, the present interpretation canvassed by the petitioner by relying on clause 5 (i) above would be very much against the interests of the 2nd respondent and would be an unreasonable restriction. If such an interpretation is to be accepted, then even persons, who have been holding a policy for a decade upon getting married would be made to wait for 36 months to realise the benefits of the policy, which was never and could never be the intent of the policy, which is against the fundamental rights of the insured.

20. The main object of the policy is to safeguard the interests of the insurer against frivolous claims while seeing to it that unacceptable repudiations are not done and that both the parties to the contract exhibit genuineness. However, in the present case, the petitioner is harping on a technicality by giving an interpretation beneficial to the insurer which would defeat the interests of the insured and such a construction cannot be allowed to be continued. The 1st respondent, properly appreciating the facts of the case and applying the Doctrine of Reasonable Restriction to the Main Purpose Rule, had rightly acceded to the claim of the 2nd respondent and passed the award, which, by no means, could be held to be perverse, arbitrary or unreasonable and the same does not deserve any interference at the hands of this Court.

21. For the reasons aforesaid, there are no merits in this writ petition and accordingly the same is dismissed confirming the award passed by the 1st respondent. Consequently, connected miscellaneous petitions are closed.

14.11.2025

Index : Yes / No

GLN

To

The Insurance Ombudsman
Office of the Insurance Ombudsman
(Tamil Nadu & Puducherry)
IV Floor, Fathima Akthar Court
453 – Anna Salai, Teynampet
Chennai 600 018.

M.DHANDAPANI, J.

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