

**IN THE DELHI STATE CONSUMER DISPUTES REDRESSAL
COMMISSION**

Date of Institution: 05.04.2024

Date of Hearing: 29.10.2025

Date of Decision: 14.11.2025

FIRST APPEAL NO. 247/2024

IN THE MATTER OF

**MRS. SHYAMA RAZDAN,
W/O MR. T. K. RAZDAN,
R/O A-117, SARITA VIHAR,
NEW DELHI-110076.**

**(Through: Mr. Manish K. Choudhary & Kanchan Prashant K. Jha,
Advocates)**

...Appellant

VERSUS

**LIFE INSURANCE OF INDIA,
THROUGH MANAGER LEGAL,
4TH FLOOR, JEEVAN PRAKASH BUILDING,
25, KASTURBA GANDHI MARG,
NEW DELHI-110001.**

(Through: Mr. Abhishek Nanda, Advocate)

...Respondent

CORAM:**HON'BLE JUSTICE SANGITA DHINGRA SEHGAL (PRESIDENT)****HON'BLE MS. BIMLA KUMARI, MEMBER (JUDICIAL)**

Present: Mr. Prashant K. Jha and Mr. Manish Kumar Chaudhary, Counsel for the Appellant, E-mail: manish.juris@gmail.com.
None for the Respondent.

PER: HON'BLE JUSTICE SANGITA DHINGRA SEHGAL, PRESIDENT**JUDGMENT**

1. The facts of the case as per the District Commission record are:

“1. The complaint pertains to deficiency in service on the part of OP in repudiating the claim of the complainant.

2. Brief facts are stated in the complaint are that the son of complainant has taken an Life bearing no. 115232143 for sum assured of Rs. 8,00,000/-. The said policy was for 21 yo Insurance Policy from OP namely Jeevan Anand (with profits) (with accident benefit) starting from 28.09.2007 and the last premium was to be paid on 28.03.2018. The complainant is the sole nominee in the said policy.

3. On 15.02.2010, the policy holder i.e. the complainant's son expired due to cardiac arrest Batra Hospital. On 02.12.2010, the complainant informed OP about the demise of her son and requested for settlement of claim. The complainant sent a reminder letter to OP on 07.02.2011.

4. OP repudiated the claim vide letter dated 28.07.2011 on ground of the deceased withholding material information regarding his health. It was alleged by OP that the complainant had a single kidney and suffered from chronic kidney disease since 2004.

5. The complainant denied all these allegations vide letter dated 24.08.2011. The complainant clarified that it was rightly mentioned in her son's proposal form that he had neither taken any medication nor suffered from any disease in the last five years. The complainant and her son came to know about the existence of solitary kidney in November, 2007, after taking the policy when he was hospitalized in Batra Hospital for treatment

of a lump in his right armpit. They were informed by the doctor that the deceased had a single kidney since childhood and for which doctor suggested 2-3 hours dialysis every week. The complainant's son recovered his health and attended his office regularly thereafter.

6. The complainant had enclosed a certificate dated 22.10.2010 issued by Batra hospital. The complainant approached the Insurance Ombudsman. The complainant was informed vide complainant's case and decided to uphold the earlier repudiation decision. The complainant OP letter dated 13.12.2011 that the Zonal Office Claims Review Committee reviewed the appealed against this order in Central Office, Claims Review Committee vide letter dated 02.02.2012. The complainant has also relied on an order of a Consumer Commission in complaint case no.478/08 titled as Mr. Vikrant Razdan Vs National Insurance Co. Ltd. wherein the court has categorically held that the complainant therein was not suffering any ailment before October, Central Office Reviewing Committee.

7. The complainant prays for insurance claims amounting Rs.8,00,000/- with interest @18%, Rs.2,00,000/- towards compensation for sufferance of actual mental agony, stress, anxiety, harassment and physical strain and Rs.40,000/- as litigation cost.

8. OP in its reply submits that the deceased son of the complainant, Mr. Vikram Razdan, had taken an insurance policy bearing no. 115232143 for a sum assured of Rs.8,00,000/- for a premium of Rs.21640/-half yearly. The said policy was for 21 years starting from 28.09.2007. The complainant's son died on 15.02.2010 due to a cardiac arrest during ensuing treatment of kidney disease at Batra Hospital. OP alleges that the policy was taken to get income tax rebate and insurance benefit. OP admits to receiving letter from the complainant dated 02.12.2010 and 07.02.2011. OP sent a reply vide letter dated 08.02.2011.

9. OP repudiated the claim on grounds of deceased policy holder having withheld material medical information regarding his health. OP alleges that the deceased was suffering from chronic kidney disease since 2004 and was taking treatment for

this ailment from a hospital. OP further alleges that the deceased policy holder wrongly answered the questions regarding general health and good health in the last five years.

10. Complainant in its rejoinder has reiterated the averments made in the complaint. The complainant admits that policy holder was taking treatment for chronic kidney disease from 30.10.2007 till 16.11.2007 from Batra Hospital. The complainant clarifies that the condition of the policy holder was critical during hospitalization and as such the case history regarding kidney disease was mistakenly noted by the attending doctor.”

2. The District Commission after taking into consideration the material available on record passed the order dated **16.02.2024**, whereby it held as under:

“13. The Commission has considered the pleadings and materials filed by the parties. It is admitted by both the parties that the deceased son of the complainant has taken the poli bearing no. 115232143 for a sum assured of Rs.8,00,000/-. The said policy commenced from 28.09.2007.

14. The complainant's son expired on 15.02.2010. The complainant informed the OP about the death of the son on 02.12.2010 and 07.02.2011 which has been duly received by OP. A claim form has also been duly filled by the complainant.

15. OP vide letter dated 28.07.2011 repudiated the claim:

In this connection, we have to inform you that in the proposal for Assurance dated: 30.09.07, he had answered the following questions as under-noted:

A.

11.(a) During the last five years did you consult a Medical practitioner for any ailment requiring Treatment for more than a week?No

(b)Have you even been admitted to any hospital Or nursing home for General check-up, observation, treatment or operation?No

(e) Are you suffering from or have you ever suffered from Diabetes, Tuberculosis, High or Low Blood Pressure, Cancer, Epilepsy, Hernia, Hydrocele, Leprosy or any other Disease? No

i. What has been your usual state of health?

Good

We may, however, state that all these answers were false as we have evidence & reasons to believe that DLA was having single kidney and suffered from chronic Kidney disease since 2004 and for which he had consulted a Medical man and had taken treatment from a Hospital. He did not, however, disclose these facts in his proposal Form. Instead he gave false answers therein as stated above.

It is, therefore, evident that he had made deliberate mis-statements and with-held material information from us regarding his health at the time of effecting the assurance and hence in terms of the Policy Contract and the Declarations contained in the form of Proposal for Assurance and Personal Statement, we hereby repudiate the claim and accordingly we are not liable for any payment under the above policy and all moneys that have been paid in consequence thereof belong to us.

16. The complainant in her letter dated 24.08.2011 has replied to this letter in the following manner:

1. The proposal for Assurance was taken on 28.09.07 and not on 30.09.07 as stated by you in the letter under reference.

2. During the last five years or earlier than that VIKRANT, my beloved son never consulted a medical practitioner for ailment requiring treatment for a week or more. There is no such evidence material or otherwise on record.

3. He was never admitted to any Hospital or nursing home for any check up before 28-09-2007. No such evidence is available on record. LIC has fabricated this to repudiate this claim.

4. VIKRANT RAZDAN was not suffering from any of the diseases mentioned by you at question No. (e).

5. It is about state of health was not only good but very good on 28-09-2007 the date when he answered the proposal for Assurance.

VIKRANT was a healthy young man, highly educated, a successful careerist & ignorant about him having sole kidney which fact came to light in October, November 2007 when his dialysis was started.

17. A certificate dated 22.09.2010 by Doctor Ramesh Kumar from Department of Nephrology of Batra hospital is as follows:

Wish reference to the Certificate of Hospital Treatment and Medical Attendants Certificate of Mr. Vikrant Razdan S/o MR. T.K. Razdan who had expired in this hospital on 15.02.2010 vide Admission No.3065093, following details are verified.

1. He had first Heamodialysis in this hospital on 1st November, 2007.

2. He had a Solitary Left Atrophic Kidney and is not likely to have familial predisposition.

18. A medical claim form filled by the said Dr. Ramesh Kumar is as follows:

<i>What other disease or illness (i)preceded (ii)or co-existed with that which immediately Caused his death?</i>	<i>i. End stage Renal Disease. ii. Hypertension. iii. Gross Urine State. iv. Severe fluid and elecholyte imbalance. v. Severe pericardial effusion. vi. Peripheral Vascular Collapse.</i>
<i>Give history of such disease or illness stating: (a) Date when first observed? (b) By whom treated? (c) By whom history resorted to you?</i>	<i>(a) Since 6 years as per history given. First seen in October. (b) The undersigned as Batra Hospital and Medical Research Centre since October, 2007. (c) Parents of patient.</i>
<i>When and for what ailment did you treat the deceased for during the three year preceeding his last illness?</i>	<i>Since 2007, October for Hemodia for Endstage Renal Disease are emanated complaints.</i>

19. OP has annexed proposal form filled by the complainant. The relevant portion is as follows:

<p><i>In Non-Medical cases please state exact height in Cms. And Weight in Kgs. (Without shoes)</i></p>	<p>•</p>
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20. A complaint was filed by Mr. T.K. Razdan, father of the deceased son of the complainant against National Insurance Company in this Commission. An order dated 08.11.2011 was passed by a Consumer Commission in favour of complainant. The relevant portion is as follows:

In the present case also the TPA has relied upon the discharge summary prepared in the Batra Hospital and in the said history, in para No.3, it was mentioned "Known case of Chronic Kidney Disease" since 2004, not on any medications." Complainant has denied this fact from the very beginning. As per complainant he was not suffering from any such disease and it was the wrong history sheet which was prepared by the doctors of the hospital, whereas he apprised the doctor that he had not past history of kidney problem.

His worthwhile to reiterate here that only such disease which falls within "exclusion clause" can be considered as pre-existing disease for which the insured had been hospitalized or operated upon and that too in the reasonable proximity of date of mediclaim policy. This is the only ground for which insures claim can be repudiated and on no other ground. OP has not brought on record the declaration form which was supposed to be filed in by the complainant at the time of obtaining mediclaim policy from the OP. Had it been brought on record, only then one could infer that complainant had disclosed or not any disease suffering from.

21. Hon'ble Punjab State Commission in Care Health Insurance Co. Ltd. & Others Vs. Nirmal Kumar decided on 09.08.2023 has observed:

15. As per the version of the appellants/OPs, the complainant had been suffering from seizure disorder since 2013 but in support of their version no treatment record of the complainant pertaining to the year 2013 was placed on record. The documents placed on record by the appellants/OPs pertained to the year 2019, wherein past history as recorded in Ex.

OP1,2,3,/12 that patient had same problem in the year 2013 and was taking antileptic drugs which were stopped about 1 years ago. The surveyor report had not been placed on record. Even the source of obtaining said documents had also not been disclosed. The affidavits of doctor and nurses, who prepared the notes/documents had not been placed on record. The appellants/OPs had failed to rebut the documents Ex. C-8 an Ex.C-13 on the record. In preliminary objections of written statement filed by the OPs it was mentioned in para No. 1 that OPs had denied the claim vide claim denial letter dated 14.08.2019 for the reason "Non-disclosure of seizure disorder and Epileptic drugs at the time of policy inception" but had not placed on record any authentic document to prove his version for the year 2013.

17. As per the documents made available by the appellants Insurance Company, the complainant had been taking treatment of seizure much earlier since 2013 but at the time of filling up of the Proposal Form, complainant was not taking any medicines, as is clear on perusal of document Ex.OP1.2.3/12. Accordingly, there was no reason to mention anything in the online Proposal Form.

22. Hon'ble Delhi State Commission in Apollo Munich Health Insu. Co. Ltd. vs Ashok Kr. & Anr. First Appeal No.1089/2012 decided on 06.04.2023 has observed:

6. The aforesaid certificate has been issued to the Appellant by Delhi Heart Hospital on the which is based information provided by the family of the patient at the time of admission on 01.03.2011. However, the Appellant failed to show any evidence regarding the pre-existing disease suffered by the insured at the time of getting policy.

9. Further, it is well settled law that the Insurance Company before issuing the policy should have examined the person through medical tests in order to check whether the person is suffering from any pre-existing diseases. HOwever, in the present case, the Appellant failed to show any evidence that any medical tests or examination was done, before issuing the said policy in question.

23. Hon'ble National Commission in *Sunil Kumar Sharma Vs. Tata AIG Life Insurance Company & Anr. II (2021) CPJ 222 (NC)* has observed:

10. I have carefully considered the arguments advanced by the Learned Counsel for both the Parties and have examined the material on record. The Insurance Company had relied on bed head ticket of the Jawaharlal Nehru hospital for the period 03.11.2009 till 16.11.2009, when the insured died. This bed head ticket was even not a certified copy issued by the hospital, nor the same had been proved by the concerned doctor or any authority of the hospital, either in examination in chief or by way of an affidavit. The repudiation letter was on the ground that the insured was suffering from the diabetes for the last 20 years. The Complainant had mentioned in the Complaint itself that his mother was not suffering from diabetes prior to filing the proposal form. Under these circumstances, the onus lies on the Insurance Company to prove that the insured was suffering from diabetes prior to filing the proposal form. The bed head ticket mentioned under the column of past history "DM for 20 years, the patient is on insulin". As this document is part of the record of the hospital and its copy was not provided to the patient, the patient or the family members may not be aware about the exact contents of the bed head ticket. A discharge summary is generally provided to the patient or the family members when the patient is discharged from the hospital or if the patient dies, a discharge cum death summary is given to the family members of the patient. As the bed head ticket was not provided to the Complainant, there was no occasion for the Complainant to know the contents of this bed head ticket and to get it rectified, if something incorrect was recorded in it. The Insurance Company had not filed the discharge summary to prove that the patient was suffering from diabetes for last so many years. The Insurance Company had not filed any other document, either a treatment prescription or any other admission details, in any other hospital where the patient was treated for diabetes during the past 20 years. It would have been a clear proof that the patient was suffering from diabetes prior to filing of the proposal form. On the basis of one entry in the bed head ticket, which had not even

been proved by either the doctor or any other staff of the hospital or even duly certified by the hospital authorities, particularly when the fact of diabetes was denied by the Complainant in the Complaint itself, the Insurance Claim of the Complainant cannot be repudiated.

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16. Based on the above discussion, I am of the opinion that the Insurance Company had not been able to prove beyond doubt that the Complainant was suffering from diabetes before filing of the proposal form. It is also to be noted that the Insurance Company had given Insurance to a person of 66 years of age without any preliminary medical examination which could have definitely revealed whether the proposer was suffering from diabetes or not. It is commonly known that a person of 66 years of age has a high probability of suffering from common lifestyle diseases like diabetes and hypertension. If the company is ready to take the risk at this age of the proposer, without any preliminary medical examination, then the company should be ready to honour the claim also because the chances of death of such persons are more during the currency of the Policy.

24. Hon'ble National Commission in Life Insurance Corporation of India and Ors. Vs. Bhanjo 2022 (4) CPR 523 has observed:

The State Commission vide its order dated 10.05.2017 affirmed the order of the State Commission and ordered as under:-

The OPs have not produced on record the medical record of DLA with regard to their panelled doctor, who examined the DLA before issuing the policy. SO far as the point of suffering from prinary artery disease and triple vessel disease and off pump coronary artery bypass X 3 was done on 04.01.2003, no such original medical record has been produced on the record. Even the doctor, who conducted the above surgery, has not been examined on record in this case.

In this Revision Petition filed by Insurance against the judgment of the State Commission, the decision has been upheld by hon'ble National Commission.

25. *A Medical Attendant's Certificate Claim Form dated 28.05.2010 was filled by the treating doctor Dr. Ramesh Kumar stating that the complainant's son was being treated since October, 2007. The certificate issued by the same doctor shows that first Heamodialysis was conducted on 01.11.2007.*

26. *The lack of any filed documents, such as hospital records, prescriptions, or treatment details, fails to demonstrate that the complainant had prior knowledge of having a single kidney or was undergoing treatment for renal disease before the policy's inception. This stance mirrors the decision made by the Consumer District Redressal Forum-II in Delhi. In a similar case where the complainant's father filed a complaint against the insurance company for repudiating a medical claim, the complaint was upheld due to insufficient evidence regarding the awareness or treatment of any illness prior to the policy's issuance.*

27. *From the sequence of event it can be seen that proposal form was filled on 28.09.2007 and policy commenced on 28.09.2007. As per the proposal form a medical examination of the deceased was done. However, no report by the insurance company regarding the said medical has been placed on record. It can be inferred that the health of the complainant was found to be good at the time of issuance of policy after the medical examination was conducted.*

28.

28. *Hence, in the light of discussion above, we find OP guilty of deficiency in service and direct it to pay:*

- i. Rs.8,00,000/- with 9% interest from the date of complaint till its realization.*
- ii. Rs.30,000/- as compensation, mental harassment, agony, and physical inconvenience.*
- iii. 10,000/- towards litigation expenses."*

3. Aggrieved by the aforesaid order of the District Commission, the Appellant has preferred the present Appeal contending that the District Commission erred in awarding interest @ 9% p.a. from the date of filing of Complaint Case No. 390 of 2013 on 25.07.2013 till realisation. The Appellant has submitted that she is

entitled to interest from the date of filing the claim i.e. 02.10.2010. Pressing the aforesaid submissions, the Appellant prayed for setting aside the order of the District Commission.

4. The Respondent has filed the Reply to the present Appeal, whereby, denied all the allegations and submissions of the Appellant therein. The counsel for the Respondent has submitted that the claim of the Appellant was repudiated due to non-disclosure of material facts. Further, the counsel for the Respondent has submitted that the Appellant is not entitled to any interest. Pressing the aforesaid submission, the counsel for the Respondent prayed for the dismissal of the present Appeal.
5. Written Arguments of the Appellant are on record, wherein the Appellant has reiterated the contents of the Appeal, and the same has been considered.
6. Written Arguments have been filed by the Respondent, whereby the Respondent has reiterated the contents of the Reply to Appeal, and has relied on the following judgments in support of its case:
 - (i) *Asha Garg vs. United India Insurance Co. Ltd.* as reported in *2005 (4) CPJ 269 NC*
 - (ii) *LIC vs. G.M. Channabasamma* as reported in *(1991) 1 SCC 357*
 - (iii) *United India Insurance Co. Ltd. vs. M.K.J. Corporation* as reported in *(1996) 6 SCC 428*
7. We have perused the material available on record and heard the counsel appeared on behalf of the parties.
8. The *main question* before us is *whether the District Commission erred in awarding interest from the date of filing of the Complaint.*

9. To deal with this issue, we deem it necessary to refer to ***Complaint Case No. 289 of 2019*** titled ***Pravinbhai Ganpatbhai Dave vs. National Insurance Co. Ltd. & Anr.*** as decided on ***30.12.2023.***, wherein it was held as under:

“16. We generally award interest from the date of repudiation of the claim. In the present case there is no repudiation letter on record so we award interest from the date of filing of the complaint.”

10. From the aforesaid dicta, it is clear that in the amount towards interest to be paid is awarded from the date of the repudiation of the insurance claim. On further perusal of record, we find that the letter of repudiation of the claim of the Appellant is on record (***annexed as Annexure-7 alongwith the Appeal on page no. 37***), and the date of repudiation of the said claim i.e. 28.07.2011 is clear. Therefore, interest shall be paid from the said date of repudiation of the claim of the Appellant.

11. With respect to the aforementioned, we find that the District Commission has rightly awarded the compensation amount to the Appellant. However, we find that the District Commission erred in not awarding interest from the date of repudiation of the claim to the Appellant, and therefore, ***the Respondent is directed to pay interest at 9% on the principal amount of Rs. 8,00,000/- (Rupees Eight Lakh Only) from the date of the repudiation of the claim in question, i.e. 28.07.2011 to the Appellant.***

12. In view of the foregoing, we ***partly modify*** the Judgment dated 16.04.2024 passed by the ***District Consumer Disputes Redressal Commission-II, Udyog Sadan, C-22&23, Qutub Institutional Area (Behind Qutub Hotel), New Delhi-110016*** in ***Case No. 390 of 2013*** with the rest of the contents of the Judgment remaining unchanged.

13. Resultantly, the present Appeal stands ***allowed*** with no order as to costs.

14. Application(s) pending, if any, stand disposed of in terms of the aforesaid judgment.
15. The judgment be uploaded forthwith on the website of the Commission for the perusal of the parties.
16. File be consigned to record room along with a copy of this Judgment.

(JUSTICE SANGITA DHINGRA SEHGAL)
PRESIDENT

(BIMLA KUMARI)
MEMBER (FEMALE)

Pronounced On: **14.11.2025**

LR-DK