

**DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION  
CHANDIGARH DISTRICT COMMISSION  
CONSUMER COMPLAINT NO. DC/AB1/44/CC/406/2023**

RAMA KANT VERMA  
PRESENT ADDRESS - HOUSE NO.1202, SECTOR 44-B,  
CHANDIGARHCHANDIGARH,CHANDIGARH.

.....Complainant(s)

Versus

STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED  
PRESENT ADDRESS - EGD AND CORPORATE OFFICE 1, NEW TANK STREET, VALLUVAR  
KOTTAM HIGH ROAD, NUNGAMBAKKAM, CHENNAICHANDIGARH,CHANDIGARH.  
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED  
PRESENT ADDRESS - OFFICE NO. 15, SRI BALAJI COMPLEX, 1ST FLOOR, WHITES LANE,  
ROYAPETTAH, CHENNAICHANDIGARH,CHANDIGARH.  
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED  
PRESENT ADDRESS - BRANCH OFFICE SCO SA, 2ND FLOOR, MADHYA  
MARGCHANDIGARH,CHANDIGARH.

.....Opposite Party(s)

**BEFORE:**

**AMRINDER SINGH SIDHU , PRESIDENT  
BRIJ MOHAN SHARMA , MEMBER**

**FOR THE COMPLAINANT:**

**FOR THE OPPOSITE PARTY:**

**DATED: 09/12/2025**

**ORDER**

DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION-II, U.T. CHANDIGARH

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Consumer Complaint No : 406 of 2023

Date of Institution : 09.08.2023

Date of Decision : 09.12.2025

Rama Kant Verma s/o Late

Sh.Om Parkash Verma, R/o House No.1202, Sector 44-B, Chandigarh.

... .. Complainant

Versus

1. Star Health and Allied Insurance Company Limited, Regd. and Corporate Office:- 1, New Tank Street, Valluvar Kottam High Road, Nungambakkam, Chennai-600034 through its Director/Managing Director/Chairman/ Manager/Authorized Signatory.
2. Star Health and Allied Insurance Company Limited, Office:- No.15, Sri Balaji Complex, 1 st Floor, Whites Lane, Royepettah, Chennai-600014 through its Director/ Managing Director / Chairman / Manager/Authorized Signatory.
3. Star Health and Allied Insurance Company Limited, Branch Office:- SCO 5A, 2 nd Floor, Madhya Marg, Chandigarh-160019 through its Director/ Managing Director / Chairman / Manager/Authorized Signatory.  
E-mail:- info@starhealth.in

... .. Opposite Parties

**BEFORE: MR.AMRINDER SINGH SIDHU, PRESIDENT**

**MR.B.M.SHARMA, MEMBER**

**Argued by:** Sh.Sandeep Bharwaj, Counsel for Complainant.

None for OPs.

**ORDER BY AMRINDER SINGH SIDHU, M.A.(Eng.),LLM,PRESIDENT**

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1] The complainant has filed the present complaint pleading that he has availed the facility of health insurance of himself and his family members

from the OPs and obtained Family Health Optima Insurance Plan with Policy. The proposal for the same was submitted on 19.06.2017 and inception of the policy was from 08.07.2017. The complainant renewed the policy in the year 2021 by paying the premium of Rs.22,875/- to the OPs. The policy was affected for the period 25.07.2021 to 24.07.2022. The OPs insured the complainant, his wife Seema Verma and daughter Taniya Verma for sum assured of Rs.10,00,000/- with a limit of Rs.15,50,000/-, bonus of Rs.5,50,000/- and recharge benefit of Rs.1,50,000/-. The OPs issued letter dated 23.07.2021 (Annexure C-1) alongwith policy (Annexure C-2). The OPs also issued premium receipt (Annexure C-3) alongwith tax certificate (Annexure C-4).

It is pleaded that wife of the complainant Seema Verma underwent a Bariatric Surgery which is required mandatory for her and treating doctor issued certificate (Annexure C-5) for the same. The wife of the complainant remained admitted in Fortune Hospital, Kanpur from 09.07.2022 to 11.07.2022. The expenses on the treatment was Rs.2,25,000/- (Bill Annexure C-6) but the OPs, after assessment of the amount (Bill Assessment Sheet Annexure C-7), approved an amount of Rs.69,958/- against the total medical expenses of Rs.2,25,000/-. The complainant paid the expenses on the treatment from his own pocket (Receipts Annexure C-8 & C-9).

It is pleaded that the OPs deducted the amount but failed to justify the same and also failed to disclose the reasons for disallowance to the complainant in detail. The complainant replied to the amount being approved and settled by the OPs by writing a letter dated 14.06.2023 (Annexure C-10) but no reply or response has been received from the OPs. It is pleaded by

the complainant that the detailed terms and conditions of the policy has never been supplied, communicated and explained to him. The deductions made by the OPs are totally illegal and in contravene to the policy. Alleging the aforesaid act of OPs amounts to deficiency in service and unfair trade practice on their part. Hence, the present consumer complaint has been filed by the complainant with a prayer to direct the OPs to pay an amount of Rs.1,55,042/-, i.e. Rs.2,25,000/- minus Rs.69,958/-, alongwith interest; compensation for harassment and cost of litigation expenses.

2] OPs in their written version while admitting the factual matrix of the case stated that the insurance policy was obtained by the complainant after understanding all the terms and conditions of the insurance coverage as well as exclusions/limitations. The terms and conditions of the policy were explained to the complainant at the time of proposing policy and the same was served to the complainant alongwith policy schedule. The insured/complainant submitted a claim for Rs.2,25,000/- and maximum quantum of liability under the terms of the policy was Rs.69,958/- As per terms and conditions of the policy, the complainant was entitled to receive the claim amount of Rs.69,958/- only which has already admittedly been paid to the hospital in satisfaction of his insurance claim. The complainant had raised exaggerated claim in this case and accordingly after deducting the amount of Rs.1,55,042/-, the admissible and payable amount came to be Rs.69,958/- only which has already been indemnified to him. The details of the deductions made are as under:

S.No.	Deduction Amount	Deduction Reasons
1	Rs.18,500/-	As per the other excluded expenses of the policy, the charge towards Harmonic, Lap System, Monitor, OT Asst. not Payable... hence an amount of Rs.18500/- are deducted.
2	Rs.2,120/-	As per the other excluded expenses of the policy, Miscellaneous charge towards No Report for Echo, CBC, hence disallowed, hence an amount of Rs.2120/- are deducted.
3	Rs.454/-	As per the other excluded expenses of the policy, the charge towards ECG Electrodes, Eco Bath, G-Dress not payable..... an amount of Rs.454/- are deducted.
4	Rs.1,24,420/-	As per the other excluded expenses of the policy, the charge towards Implant and Consumable not payable..., an amount of Rs.124420/- are deducted.
5	Rs.9548/-	As per the other excluded expenses of the policy, the charge towards General Charges, IPD Charges, GDMO Room not payable... an amount of Rs.9548/- are deducted.
Total	Rs.1,55,042/-	

It is stated by the OPs that it is clear from the above mentioned details that the complainant is not entitled to receive any further amount qua the insurance claim. Denying any deficiency in service or unfair trade practice as well as all other allegations, the OPs have prayed for dismissal of the complaint.

3] Replication has also been filed by the complainant controverting the assertions of OPs as made in their written version.

4] Parties led evidence in support of their contention.

5] We have heard the learned counsel for the complainant and gone through the entire documents on record.

6] Admittedly, the complainant, his wife Seema Verma and daughter Taniya Verma, were covered under the policy in question i.e. Family Health Optima Insurance Plan (Annexure C-2), which was valid w.e.f. 25.07.2021 to 24.07.2022. It is also admitted case of the parties that the wife of the complainant underwent Bariatric Surgery and she remained admitted in Fortune Hospital, Kanpur from 09.07.2022 to 11.07.2022 where the expenses incurred on her treatment was Rs.2,25,000/-. The insured/complainant submitted a claim for Rs.2,25,000/- but the OPs passed Rs.69,958/-out of the same, after deducting the amount of Rs.1,55,042/-.

7] The case of the complainant is that the OPs were unjustified in only partially allowing the claim whereas the defence of the OPs is that whatever amount was due under the terms and conditions of the policy, same was paid.

8] However, there is nothing on record that the terms and conditions of the policy were ever signed and agreed upon by the complainant, especially the excluded clause of the policy. Moreover, there is specifically stand of the complainant that detailed terms & conditions of the policy never provided to

him. In [\*M/s Modern Insulators Ltd. v. Oriental Insurance Co. Ltd\*](#)., (2000) 2

**SCC 734**, it was held as under:-

*“(8) It is the fundamental principle of insurance law that utmost good faith must be observed by the contracting parties and good faith forbids either party from non-disclosure of the facts which the parties know. The insured has a duty to disclose and similarly it is the duty of the insurance company and its agents to disclose all material facts in their knowledge since the obligation of good faith applies to both equally.*

*9. .... As the above terms and conditions of the standard policy wherein the exclusion clause was included, were neither a part of the contract of insurance nor disclosed to the appellant, respondent cannot claim the benefit of the said exclusion clause.....”*

As such, in the absence of proof/signature of the insured/complainant on the terms & conditions of the policy, it cannot be said that the same were ever disclosed/informed to him and thus are of no help to the OPs.

9] Though the defence of OPs is that as per the terms and conditions of the policy, the complainant is entitled to claim amount of Rs.69,958/- only, which has already been paid to treating hospital, but they have failed to refer to the specific/particular clause of the policy under which they made deductions of Rs.1,55,042/- out of total claim of Rs.2,25,000/- and fixed maximum quantum of liability as Rs.69,958/- only. It is not the first time that insurers like the OP in the present case by turning totally blind eye to the facts before them just concentrate on issuing/selling their policies but when the time comes to honour the claim they, with a view to repudiate/reject the

same, resort to one or the other technicalities by totally ignoring that the purpose of taking insurance is not for any luxury but to cover up for some unforeseen eventuality.

10] Moreover, it is usual with the insurance company to show all types of green pastures to the customer at the time of selling insurance policies, and when it comes to payment of the insurance claim, they invent all sorts of excuses to deny the claim. In the facts of this case, ratio of the decision of

**Hon'ble Apex Court in case of Dharmendra Goel Vs. Oriental Insurance Co. Ltd., III (2008) CPJ 63 (SC)** is attracted, wherein it was held that:-

*“Insurance Company being in a dominant position, often acts in an unreasonable manner and after having accepted the value of a particular insured goods, disowns that very figure on one pretext or the other, when they are called upon to pay compensation. This ‘take it or leave it’, attitude is clearly unwarranted not only as being bad in law, but ethically indefensible. It is generally seen that the insurance companies are only interested in earning the premiums and find ways and means to decline claims.*

11] In similar set of facts the **Hon'ble Punjab & Haryana High Court, Chandigarh in case titled as New India Assurance Company Limited Vs. Smt.Usha Yadav & Others, 2008(3) RCR (Civil) Page 111** went on to hold as under:-

*“It seems that the insurance companies are only interested in earning the premiums and find ways and means to decline claims. All conditions which generally are hidden, need to be simplified so that these are easily understood by a person at the time of buying any policy. The Insurance Companies in*

*such cases rely upon clauses of the agreement, which a person is generally made to sign on dotted lines at the time of obtaining policy. Insurance Company also directed to pay costs of Rs.5000/- for luxury litigation, being rich”*

12] In view of the above discussion, it can be safely concluded that the act of OPs in only partially disbursing the genuine claim of the complainant is not only wrong and arbitrary but also certainly amounts to deficiency in service as well as unfair trade practice. Hence, the present consumer complaint succeeds, the same is accordingly partly allowed and the OPs are directed as under:-

- i) to pay remaining claim amount of Rs.1,55,042/- to the complainant along with interest @ 9% per annum from the date of filing of this complaint i.e. 09.08.2023 till the date of its actual realization.
- ii) to pay Rs.20,000/- to the complainant as compensation for the harassment caused as well as litigation expenses.

This order be complied with by the OPs within 45 days from the date of receipt of its certified copy.

13] The pending application(s) if any, stands disposed of accordingly.

The Office is directed to send certified copy of this order to the parties, free of cost, as per Rules under The Consumer Protection Rules, 2020. After compliance file be consigned to record room.

**Announced**

09.12.2025

**Sd/-**

**(AMRINDER SINGH SIDHU)**

**PRESIDENT**

**Sd/-**

**(B.M.SHARMA)**

**MEMBER**

as

.....

**AMRINDER SINGH SIDHU**

**PRESIDENT**

.....

**BRIJ MOHAN SHARMA**

**MEMBER**