

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

Date of Institution : 06.05.2016
Date of Reserving the order : 09.02.2026
Date of Decision : 13.05.2026

FIRST APPEAL NO.-255/2016

IN THE MATTER OF

UNITED INDIA INSURANCE CO. LTD.

THROUGH DEPUTY MANAGER,
REGIONAL OFFICE-I, 18, BARAKHAMBHA ROAD,
8TH FLOOR, KANCHENJUNGA BUILDING,
NEW DELHI-110001

...APPELLANT

(Through: Mr. Maibam N. Singh, Advocate
Mob.9811406660 &
Email: naba_ghana@rediffmail.com)

VERSUS

1. MR. GURVINDER SINGH BHASIN

S/O MR. AMARJIT SINGH
R/O RP 76, MAURYA ENCLAVE,
PITAMPURA, DELHI-110088

2. VIPUL MEDCORP TPA PVT. LTD.

515, UDYOG VIHAR, PHASE-V,
GURGAON, HARYANA-122016
THROUGH ITS MANAGING DIRECTOR.

.....RESPONDENTS

CORAM:

HON'BLE JUSTICE SANGITA DHINGRA SEHGAL PRESIDENT
HON'BLE MS. PINKI, MEMBER (JUDICIAL)

Present : Mr. Maibam N. Singh, counsel for the appellant.
None for the respondents.

PER : HON'BLE MS. PINKI, MEMBER (JUDICIAL)

JUDGMENT

1. By this judgment, we shall dispose of the appeal filed by the Appellant against the impugned order dated 23.01.2016, passed by Consumer Disputes Redressal Forum (Central), Maharana Pratap Bus Terminal, 5th Floor, Kashmere Gate, Delhi (hereinafter referred to as District Forum), in Complaint Case no. CC-238/2014 titled as Gurvinder Singh Bhasin vs. United India Ins. Co. Ltd. & Ors. *inter-alia* praying for setting aside the order passed by the District Forum.
2. It is noted that there was a delay in filing the present appeal, which was condoned vide order dated 27.09.2019.
3. While the Appellant was Opposite Party No. 1 before the District Forum and the Respondent No.1 and No.2 were Complainant and Opposite Party No.2 before the District Forum respectively.
4. The facts of the case as per the District Forum, record are as under:

“Complaint nos 238/14 and 239/14 have been filed by the same complainant namely Gurvinder Singh who is holder of a medical policy issued by OP1. In complaint no. 238/14 it is alleged that on 12.10.2013, the complainant’s son Bavjyot Bhasin was admitted to Ekansh Nursing Home and was discharged on 17.10.2013. Intimation about the admission was given to OP2 on 13.10.2013. The complainant had incurred a sum of Rs. 38,195/- on the aforesaid treatment and had

lodged a claim which was not settled. Hence, the complaint.....”

5. The District Forum after taking into consideration the material available on record passed the judgment dated 23.01.2016, whereby it held as follows:

“We have heard arguments advanced at the bar and have perused the record.

The learned counsel for the insurance company has contended that all the claims filed in the aforementioned complaints are bogus. He has contended that a perusal of the treatment record in all these cases shows a similar pattern where the records are maintained by the same person and tests have been undertaken which have no correlation to the disease suffered by the patients. He has also contended that the hospital was non cooperative and had not given information which was sought by the TPA. It is also contended that the complainants had also not given the required information as asked for by the TPA which is why the claims could not be processed.

We have considered the contentions raised by the learned counsel on behalf of the Op insurance company. A perusal of the record shows that the insurance companies had not settled the claims without any rhyme or reason.

In complaint numbers 431/2014, 434/2014, 238/14 and 239/14 , the defense of the insurance company is that it had written letters to the insured which were not replied to has been found to be false. The insurance company has not placed on record any letter written by it to the insured seeking information either with the written statement or with their evidence. The letters written by the TPA to the insured seeking information have duly been replied to by the insured.

.....

No document has been placed on record by the insurance company in order to show that its TPA had

sought information from the Hospital which the latter had refused to provide. But be that as it may, it was a matter between the Insurance Company and the hospital. The insured had nothing to do with the same. He was merely obliged to give a consent letter to the TPA authorizing it to access the record of the hospital with respect to the treatment given to the patient. In all the complaints, information about the admission of the patients was given to the TPA either on the date of admission or on the day next following. It appears that the TPA of the insurance company had not done its job in the right earnest. It had not verified the admission of the patients or the treatment undertaken by them. Merely alleging that the claims lodged with the insurance company were bogus does not help the cause of the insurance company. If the insurance company genuinely believed that the claims are bogus, it should have held an inquiry, lodged an FIR or appointed an investigator. The insurance company has not acted against the hospital in any manner whatsoever nor has blacklisted it in the face of the allegations being leveled against the hospital before us. We are, therefore, constrained to hold that the OP insurance company was not justified in not settling the claims lodged by the complainants. We, therefore, hold the OP insurance company guilty of deficiency in service and direct it as under:

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In Complaint No. 238/14 Gurvinder Singh Bhasin Vs
NIC

1. Pay to the complainant a sum of Rs. 38,195/-.

.....

The OP insurance company shall pay this amount within a period of 30 days from the date of this order failing which they shall be liable to pay interest on the entire awarded amount @ 10% per annum. IF the OP insurance company fails to comply with this order, the complainant may approach this Forum for execution

of the order under Section 25/27 of the Consumer Protection Act.”

6. Aggrieved by the aforesaid order of the District Forum, the Appellant/Opposite Party No.1 has filed the present appeal, contending that the District Forum has failed to appreciate that the Insurance Company through its TPA had raised certain queries and sought documents from the complainant, including leave records for the year 2013–2014 and clarification regarding investigations conducted during hospitalization, for processing the claim. It is further submitted that the respondent no.1/complainant did not furnish satisfactory replies to these queries and instead issued a legal notice threatening legal action if the claim was not settled within 14 days. It has further been submitted that in the absence of the required documents and clarifications, the claim could not be processed or settled. It is further submitted that the respondent No.1 has failed to justify the basis of the reimbursement amount claimed and the complaint itself was premature as the claim was still under consideration before the TPA and underwriting office. Additionally, it has been contended that the liability of the Insurance Company is strictly governed by the terms and conditions of the insurance policy, and since the respondent no.1 has failed to establish entitlement by furnishing the requisite documents and responses, the Insurance

Company cannot be held liable for reimbursement as claimed and the impugned order is liable to be set aside.

7. Reply to the appeal has not been filed by the respondents.
8. In the present appeal, Mr. Varun Dhingra, Advocate appeared on behalf of respondent no.1 on 13.10.2017 after service of the notice and stated that he would be filing Vakalatnam within three days. Thereafter, on 27.09.2019, Mr. Naman Gambhir Advocate had appeared on behalf of the respondent; on 04.08.2023 & 29.02.2024 Mr. Tanuj Sharma, Advocate appeared for the respondent and on 18.07.2025 Mr. Harsh Chachre, Advocate appeared for the respondent and requested one more date to file written synopsis on the ground that the office had been shifted.
9. It is pertinent to note that neither any vakalatnama on behalf of the respondents nor any reply to the appeal has been filed till date.
10. Written synopsis of the appellant has been filed. However, despite order dated 09.02.2026, the respondents has failed to file the written synopsis.
11. We have carefully and thoroughly perused the material on record.
12. The main question which arises for consideration before us is whether the Appellant/Insurance Company was justified in not settling the reimbursement claim of the respondent No.1 and

whether the District Forum rightly held the Appellant guilty of deficiency in service.

13. It is an admitted fact that the respondent No.1 had obtained a mediclaim insurance policy bearing No.040200/48/13/06/00000389 from the Appellant for the period from 13.06.2013 to 12.06.2014 and had lodged a reimbursement claim in respect of the treatment of his son, Master Bavjyot Bhasin, who remained admitted in M/s Ekansh Nursing Home from 12.10.2013 to 17.10.2013. It is also not disputed that intimation regarding hospitalization was duly furnished to the TPA on 13.10.2013 and the claim documents were submitted for reimbursement.

14. It is submitted by the Appellant that the claim remained under process as certain queries and clarifications sought by the TPA, including leave records for the year 2013–2014 and clarification regarding investigations conducted during hospitalization, were allegedly not satisfactorily answered by respondent No.1. According to the Appellant, in the absence of the requisite documents and clarification, the claim could not be processed or finalized. It has also been contended that instead of furnishing satisfactory replies, respondent No.1 issued a legal notice threatening legal action if the claim was not settled within 14 days. The Appellant has further submitted that the complaint was premature, as the claim was still under consideration before the

TPA and the underwriting office, and that the District Forum failed to appreciate that the Insurance Company could not be fastened with liability unless the insured established entitlement to reimbursement by furnishing all necessary documents and complying with the requirements raised by the TPA. According to the Appellant, the reimbursement amount claimed by respondent No.1 was also not properly substantiated.

15. From the perusal of record, it is evident that despite receipt of hospitalization intimation and claim papers, neither the Appellant nor its TPA took any final decision on the reimbursement claim within a reasonable period. The Appellant has merely alleged that certain queries remained pending but no convincing material has been placed on record to establish that respondent No.1 deliberately withheld any necessary document or failed to cooperate in the claim process. No correspondence, reminder letters, acknowledgment of pending deficiencies, or any other documentary evidence has been produced to show that the alleged queries were repeatedly pursued by the TPA and intentionally ignored by respondent No.1. On the contrary, the material on record indicates that respondent No.1 had responded to the communications issued by the TPA and had also furnished the available treatment records and claim documents relating to the hospitalization.

16. Further, the Appellant has failed to show that the queries raised were so important that the claim could not be processed without answering them. Mere pending clarifications or additional queries cannot be a valid reason to keep the reimbursement claim pending for an indefinite period, especially when the insurance coverage, hospitalization, and submission of claim documents are not disputed by the Appellant.
17. The District Forum has rightly observed that the defence of the Insurance Company that the insured had not replied to the letters seeking information was not substantiated by any documentary evidence. The appellant has failed to place on record any communication allegedly sent by it to the insured seeking clarification, either along with the written statement or by way of evidence. On the other hand, the material on record shows that the communications issued by the TPA had already been replied to by the insured.
18. Neither copies of reminder letters nor any proof of non-compliance on the part of respondent No.1 have been produced by the Appellant to establish that the insured had intentionally failed to furnish the requisite information. In the absence of any such documentary material, the plea taken by the Appellant that the claim could not be processed for want of clarification remains unsupported and unsubstantiated. The record rather indicates

that respondent No.1 had cooperated in the claim process and had furnished the available treatment documents and replies sought by the TPA.

19. Therefore, merely making bald assertions that the insured had failed to respond to queries cannot justify withholding or delaying settlement of the reimbursement claim for an indefinite period, particularly when no final decision on the claim was taken by the Insurance Company despite receipt of the claim papers and hospitalization records.

20. Further, no document whatsoever has been placed on record by the Appellant to establish that its TPA had sought any information or medical record from the concerned hospital which the hospital had refused to provide. Neither copies of correspondence addressed to the hospital nor any reminder letters or replies from the hospital have been filed on record. In absence of any such evidence, the allegation of non-cooperation by the hospital remains a bald assertion unsupported by record.

21. It is also pertinent to note that the insured had duly informed the TPA regarding hospitalization immediately after admission and had furnished the available treatment records, discharge summary, prescriptions, medical bills, and other claim documents required for processing of the reimbursement claim. Once the insured had submitted the consent and authorization permitting the TPA to

obtain records from the hospital, any further verification or collection of records from the hospital was the responsibility of the Insurance Company and its TPA.

22. Therefore, any dispute between the Insurance Company, its TPA, and the hospital regarding supply of records or verification of treatment cannot be made a ground to indefinitely delay or deny the legitimate reimbursement claim of the insured, who cannot be made to suffer for lapses or inaction on the part of the insurer or its TPA.
23. Further, the Appellant has failed to place on record any exclusion clause or policy condition disentitling respondent No.1 from reimbursement of the medical expenses incurred for the treatment of the patient. There is also no evidence to show that the hospitalization itself was fictitious or that the treatment records were forged or fabricated.
24. It is well settled that an insurance company is required to process and decide the claim of the insured within a reasonable time. If any additional documents or clarifications are needed, the insurer must show that such requirements were clearly communicated to the insured and that the insured deliberately failed to provide the same. In the present case, except for making general allegations about pending queries and incomplete documents, the Appellant

has not placed any convincing evidence on record to support its defence.

25. Further, the Appellant has failed to place on record any exclusion clause or policy condition disentitling respondent No.1 from reimbursement of the medical expenses incurred for the treatment of the patient. There is also no evidence to show that the hospitalization itself was fictitious or that the treatment records were forged or fabricated. The Appellant has not disputed the existence and validity of the mediclaim policy, the admission of the patient in the concerned hospital, or the fact that intimation regarding hospitalization was duly furnished to the TPA within the prescribed time.
26. No investigation report, medical expert opinion, affidavit of any investigator, or contrary medical evidence has been produced to discredit the diagnosis, treatment, or hospitalization of the patient. Apart from making general allegations regarding suspicious claims arising from the same hospital, the Appellant has failed to bring on record any cogent material to establish that the treatment undertaken by the patient was unnecessary, manipulated, or outside the scope of the insurance policy.
27. In the absence of any substantive evidence showing fraud, misrepresentation, suppression of material facts, or violation of any policy condition, the Appellant cannot avoid its contractual

liability merely on the basis of suspicion or unsubstantiated allegations. Therefore, the non-settlement of the reimbursement claim without any valid or proven ground clearly amounts to deficiency in service on the part of the Appellant Insurance Company.

28. This Commission is also conscious of the settled principle that while hearing an appeal, it normally does not interfere with the findings of fact recorded by the District Forum unless those findings are shown to be arbitrary, unreasonable, or against the material available on record. In the present case, the Appellant has failed to show any such error or defect in the impugned order which would justify interference by this Commission.
29. On the other hand, the findings recorded by the District Forum appear to be based on proper consideration of the pleadings and the material available on record. The District Forum has rightly held that the appellant/Insurance Company was deficient in service as it failed to settle the genuine reimbursement claim of the respondent no.1 within a reasonable time.
30. In view of the above discussion, we find no infirmity or illegality in the impugned order passed by the District Forum. The findings are based on proper appreciation of evidence and do not call for any interference by this Commission.

31. Accordingly, the appeal filed by the Appellant is dismissed, and the impugned order dated 23.01.2016 in Complaint Case no. 238/2014 passed by the District Forum is hereby upheld. There shall be no order as to costs.
32. Application(s) pending, if any, stand disposed of in terms of the aforesaid judgment.
33. The judgment be uploaded forthwith on the website of the Commission for the perusal of the parties.
34. File be consigned to record room along with a copy of this Judgment.

**JUSTICE SANGITA DHINGRA SEHGAL
(PRESIDENT)**

**(PINKI)
MEMBER (JUDICIAL)**

Pronounced on 13.05.2026