

**DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION, LUDHIANA.**

Complaint No:172 dated 25.03.2021.

Date of decision: 25.01.2024.

Lakhwinder Singh aged 51 years son of Shri S. Malagar Singh, resident of V.P.O. Goh, Tehsil Khanna,  
District Ludhiana. ....

Complainant

Versus

1. The Apollo Munich Health Insurance Company Ltd., Central Processing Center, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, iLabs Centre, Pot No.404-405, Udyog Vihar, Phase III, Gurgaon-122016, Haryana through its Director/M.D.
2. The Apollo Munich Health Insurance Company Ltd., S.C.O. 146, 2<sup>nd</sup> Floor, Feroze Gandhi Market, Ludhiana-141002, through its Manager.
3. The Manager, Canara Bank, Near Dawat Vegetarian, G.T. Road, Khanna, District Ludhiana.

.....Opposite parties

**Complaint Under section 35 of the Consumer Protection Act, 2019.****QUORUM:****SH. SANJEEV BATRA, PRESIDENT****MS. MONIKA BHAGAT, MEMBER****COUNSEL FOR THE PARTIES:**

For complainant : Sh. Shamsheer Singh Lohat, Advocate.

For OP1 and OP2 : Sh. Ajay Chawla, Advocate.

For OP3 : Sh. Rahul Singla, Advocate.

**ORDER****PER SANJEEV BATRA, PRESIDENT**

1. Shorn of unnecessary details, the case of the complainant is that earlier OP1 and OP2 were having collaboration with Canara Bank, Near Dawat Vegetarian, G.T. Road, Khanna, Ludhiana and they had advanced the benefit of Group Insurance to the bank employees and account holders of Canara Bank on concessional rates. The complainant stated that he has savings bank account No.2101101004573 in Canara Bank, Near Dawat Vegetarian, G.T. Road Khanna, District Ludhiana and the representative of OP1 and OP2 allured him to avail family floater health/mediclaim insurance policy from them. On the allurements of representative of OP1 and OP2, the complainant availed insurance policy No.120100/12001/2017/A007631/465 w.e.f. 01.05.2017 and had been maintaining the policy continuously without any default by making payment of premium on auto debit mode from his savings account. According to the complainant he never opted or chosen to cancel or revoke his insurance policy. The complainant further stated that OP1 and OP2 ended their collaboration with Canara Bank and this fact was never intimated to the complainant. The complainant came to know that OP1 and OP2 had not debited the latest premium for policy from his account and rather they had alleged to cancel/revoke the policy which they had no right or authority to unilaterally cancel and revoke the policy of the complainant without giving any call

up notice to him. The complainant requested the OPs to redeem his policy with the benefit of continuity and on the same terms and conditions but the OPs flatly refused to accede to genuine request of the complainant. This amounts to deficiency in service and unfair trade practice on the part of the OPs due to which the complainant has suffered physical and mental pain, agony, harassment etc. The complainant served a legal notice dated 22.01.2021 upon the OPs through his counsel but to no effect. Hence this complaint whereby the complainant has prayed for issuing direction to the OPs to redeem his insurance policy with the benefit of continuity and on the same terms and conditions along with compensation of Rs.70,000/- and litigation expenses of Rs.21,000/-.

2. The OP1 and OP2 appeared and filed joint written statement and by taking preliminary objections assailed the complaint on the ground of maintainability; concealment of material facts; lack of jurisdiction; lack of cause of action etc. OP1 and OP2 stated that their name has been changed from Apollo Munich Health Insurance Co. Ltd. to HDFC ERGO General Insurance Company Limited. OP1 and OP2 further stated that the complainant being customer of Canara Bank which is Group Policy Holder of their company had taken a tailor made Easy Health Group Insurance being offered only to the existing customer of Canara Bank. The complainant Mr. Lakhwinder Singh submitted an enrolment form bearing No.CB10528946 dated 01.05.2017 for obtaining Easy Health Group Insurance having sum assured of Rs.5,00,000/- and as per his declaration, insurance policy No.120100/12001/2017/ A007068/PE00539898 was issued to the complainant w.e.f. 05.01.2017 to 30.04.2018, which was further renewed from 01.05.2019 to 30.04.2020. All the policy documents were duly received by the complainant. OP1 and OP2 further stated that In April 2020, arrangement between them and Canara Bank had ended of Easy Health Group Insurance Plan and they communicated to Canara Bank to inform all policy holders about policy discontinuation. Canara Bank had pasted a public notice on its website regarding discontinuation of the policy and also informed the policy holders to renew their policies with existing general insurance partners Bajaj and TATA AIG. According to OP1 and OP2, the complainant has initiated a false complaint only to harass them. They have never misrepresented or misguided the complainant and have acted in accordance with terms and conditions.

On merits, OP1 and OP2 reiterated the crux of averments made in the preliminary objection. OP1 and OP2 have denied that there is any deficiency of service and have also prayed for dismissal of the complaint.

3. Initially, OP3 did not appear despite service of notice and as such, OP3 was proceeded against *ex parte* vide order dated 03.08.2021. Later on, Sh. Rahul Singla, Advocate appeared and filed application for setting aside *ex parte* order against OP3. The said application was disposed of by granting permission to OP3 to join the proceedings from the stage the complaint was pending at.

4. In evidence, the complainant tendered his affidavit as Ex. CA and reiterated his averments of the complaint. The complainant also placed on record Ex. C1 copy of legal notice dated 22.01.2021, Ex. C2 to Ex. C4 are the postal receipt, Ex. C5 is the copy of insurance policy w.e.f. 01.05.2018 to 30.04.2019, Ex. C6 is the copy of terms and conditions of insurance policy, Ex. C7 and Ex. C8 are the copies of ID Cards of complainant and Smt. Sanmeet Kaur, Ex. C9 is the copy of Aadhar Card of the complainant and closed the evidence.

5. On the other hand, the counsel for OP1 and OP2 tendered affidavit Ex. RA of Sh. Manoj Kumar Prajapati, Manager-Corporate Legal, HDFC ERGO General Insurance Company, Regional office at C-25, Steller IT Park, Sector 62, Noida (UP) along with documents Ex. A is the copy Certificate of Incorporation pursuant to change of name issued by Government of India, Ministry of Corporate Affairs, Ex. B is the copy of insurance policy w.e.f. 01.05.2017 to 30.04.2018, Ex. C is the copy of Email dated 15.09.2020 and closed the evidence.

The counsel for OP3 tendered affidavit Ex. RA/3 of Sh. Jatinder Vir Kohli, Senior Manager, Canara Bank, Khanna in which OP3 assailed the complaint on the ground of maintainability, suppression of material facts, lack of cause of action etc. the counsel for OP3 also tendered document Ex. R1/3 is the copy of authority letter and closed the evidence.

6. We have heard the arguments of the counsel for the parties and also gone through the complaint, affidavit and annexed documents and written statement, affidavits and documents produced on record by the parties.

7. On 01.05.2017, OP3 being intermediary, enrolled the complainant (a savings bank account holder with OP3) as a member of Group Insurance Policy known as “*Easy Health Group Insurance*” having a coverage period from 01.05.2018 to 30.04.2019. The policy was issued by the erstwhile Apollo Munich Health Insurance Company Ltd. arrayed as OP1 and OP2 but now known as HDFC ERGO General Insurance Company Limited. However, the first premium was paid and according to the complainant, he authorized OP3 Bank for the payment of future premium by way of auto debit. Subsequently, the complainant found that his policy has not been renewed and OP3 had not utilized the auto debit facility to pay the subsequent premium. Perusal of record shows that a legal notice Ex. C1 was also served upon the OPs by the complainant. In fact, in April 2020, the arrangement between OP1 and OP2 insurance company and OP3 bank had come to an end and a public notice dated 14.11.2020 was issued whereby OP3 was asked to inform the existing policy holders of OP1 and OP2 about discontinuation of the arrangement between them and to opt for new insurance partners like Bajaj and TATA AIG. OP3 bank submitted a very cryptic affidavit Ex. RA/3 of Sh. Jatinder Vir Kohli, Senior Manager, Canara Bank, Khanna and even the admitted facts were denied in blatant manner. **Casual approach in submitting the affidavit of the said branch officer is hereby deprecated.** Once the arrangement of insurance had ended, it was the bounden duty of OP3 to inform the existing policy holders and give them option for continuation of policy with other insurance companies like Bajaj and TATA AIG so that benefit which has been accrued to them can continue but OP3 did not inform the existing policy holders including the complainant and the complainant remained deprived of his valuable right. It is apposite to mention that the enrolment form and other documents were got filled for issuance of policy at the branch premises of OP3 and the policy was foisted upon the complainant being account holder of OP3. OP3 bank practically acted as corporate agent of OP1 and OP2 at the time of enrolling the complainant as member policyholder but failed to discharge its duties when it mattered the most for the complainant. So there is a deficiency in service on the part of OP3 which entitles the complainant for compensation. In these circumstances, it would be just and appropriate if OP3 is burdened with composite cost of Rs.10,000/-.

8. As a result of above discussion, the complaint is partly allowed with direction to opposite party No.3 to pay a composite compensation of Rs.10,000/- (Rupees Ten Thousand only) to the complainant within 30 days from the date of copy of order failing which the complainant shall be entitled to interest @8% per annum from the date of order till actual payment. The complaint as against OP1 and OP2 is hereby dismissed. Copies of order be supplied to parties free of costs as per rules. File be indexed and consigned to record room.

9. Due to huge pendency of cases, the complaint could not be decided within statutory period.

**(Monika Bhagat)**

**(Sanjeev Batra)**

**Member**

**President**

Announced in Open Commission.

Dated:25.01.2024.

Gobind Ram.