

Advantage Consumer

Monthly News Letter of Consumer Protection Council, Rourkela

“An aware consumer is an asset to the nation”

Website : www.advantageconsumer.com

VOLUME – XXXVIII

MAY 2026

ADVANTAGE - V

Queries & Answers through the Web

(www.advantageconsumer.com is the website of Consumer Protection Council, Rourkela. One of the major attractions of the website is that a visitor can ask queries on issues relating to consumer protection. Answers to these queries are made free of cost, by the Chief Mentor of the Council, Sri B. Vaidyanathan.)

Continued from April 2026 issue....

When the Insurance Policy proposal form lacks clarity, the insured cannot be penalised at the time of Claim settlement and deserves to be given the benefit of doubt.

IN THE NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION NEW DELHI

CONSUMER COMPLAINT NO. 1155 OF 2016

Smt. Balbir Kaur

W/o Late Sh. Iqbal Singh Bedi

R/o No. 2331-A, Ranjit Avenue

C-Block, Amritsar,

Punjab- 143001.

... Complainant

Versus

1. PNB Metlife Insurance Company Ltd.
Registered Office: Brigade Sheeshmahal,
5, Vani Vilas Road, Basavanagudi, Bangalore- 560004, Karnataka.

2. The Chairman, Claims Committee,
PNB Metlife India Insurance Co. Ltd.
1st Floor, Techniplex-1, Techniplex Complex,
Off: Veer Sarwarkar Flyover, Goregaon West,
Mumbai 400062, Maharashtra. ...Opposite Party(ies)

BEFORE:

HON'BLE MR. JUSTICE SUDIP AHLUWALIA, PRESIDING MEMBER

HON'BLE DR. SADHNA SHANKER, MEMBER

DATED: 11.02.2026

ORDER

JUSTICE SUDIP AHLUWALIA, MEMBER

This Consumer Complaint has been filed under Section 21 (a)(i) of the Consumer Protection Act, 1986, challenging the repudiation of the Life Insurance Policy by the Opposite Parties.

12. Regarding the Third Policy bearing No. 005319748, contention of the Complainant is that it was only a "Health Plan Policy" providing cover only for "Hospital admission" and never was a Policy on the life of the Insured. Therefore, there was no suppression on the part of the insured in not disclosing about this Policy because it was totally different from the nature of the Policy taken by him from the Opposite Parties. We are in agreement with this submission since it is common-sense that for disclosing about the particulars related to any previously taken Policies, it is a *sine qua non* that the coverage of such Policies would have to be identical or at least very similar with the Policy under Proposal. For example, an Insured, insuring his life might be the Owner of several vehicles for which he takes various Policies in his name. But the coverage of those Policies would extend to the liability pertaining to the vehicles, and not the own life of the assured. Consequently, the fact that the Policy No. 005319748 was a "Health Plan" and not a Policy on the life of the Insured, would put it on an altogether different pedestal, which the insured was certainly not liable to disclose in his Proposal Form.
13. At any rate, it has transpired that coverage in the said Policy had itself stood terminated a year after the date of its issuance (13.01.2012), on account of the fact that payment of Premium for the following year was not made by the Insured. Such terminated coverage status has been verified by us from Annexure-C16 which is on Page 150 of the Complaint/Paper Book.
14. Even otherwise, a glance over the relevant column in the Proposal Form which required the insured to disclose about his previous Insurance Policies would go to indicate that the queries which the Proposer was required to offer, were *ex facie* ambiguous or confusing. The format of the aforesaid column in the Proposal Form is set out as below —

D. Details of Insurance Policies of the Proposed Insured with PNB MetLife India Insurance Co. Ltd. and Other Life Insurance Companies								
In case the Proposed Insurer is a minor/student provide the following details for the entire family. In case Proposed Insurer is house wife provide the following details of husband.								
Relationship with Proposed Insured (Self, family member)	Name of the Insurance Company	Policy/ Application Number	Type of Policy	Existing Policy SA/Face Amount (Rs.) Base Term	Annualised Premium	Year of Issue	In force /Lapsed/ In case of Revival, Date of revival/P ending	Additional terms (Riders) with cover amount and duration (if any)
No previous policy								

.....

15. In "**Mahakali Sujatha Vs. Future General India Life Insurance, 2024 INSC 296**", the Hon'ble Apex Court had observed in a very similar situation, that there was a suppression of material contents by the Insured in the Proposal Form. The query in the aforesaid case was virtually identical with that as in the present case. Such query in "**Mahakali Sujatha Vs. Future General India Life Insurance**", (supra) happens to be as follows —

"6.1 Details of applications submitted to & existing life insurance policies with future Generali and with any insurer. (In case of housewife, major student or, minor life to be Assured please give details of husbands and parents insurance also.)"

16. The Hon'ble Apex Court in this regard observed *inter alia* —

"On a reading of Query 6.I, what was sought was details of applications submitted to and existing life insurance policies with Future Generali (respondent company) and with any (other) insurer. Further details sought were in case of housewife, major student or minor life to be assured and to give details of husband's and parents' insurance also. It is not clear as to whether Query 6.1 referred to details of insurance policy of the proposer with Future Generali and with any other insurer. as what was also sought was details of wife, major student or a minor life to be assured and to give details of the husband's and parents' insurance. Therefore, it is not clear from reading of Query 6.1 as to whether details of Insurance Policy of the insured with Future Generali and with other insurer were sought or the query related to the details of husband and parents' insurance policy being disclosed in case the insured was a housewife, major student or a minor life when the insured was a housewife or a minor child....."

(Emphasis added)

17. The Hon'ble Court further went on to observe —

"40. Insofar as the Query 6.1 is concerned it is noted that the same is not clear and it is not known in what context the details of the insured were sought with regard to any existing life insurance policy. On a reading of Query 6.1 holistically, it is also not clear regarding the nature of information that was sought by the respondent insurance company as discussed above. The Page 34 of 48 Civil Appeal No.3821 of 2024 answer given by the insured to the Query 6.1 was thus in the negative. In this backdrop, can it be said that there was a suppression of material fact by the insured in the proposal form. In this context, it is necessary to place reliance on the *contra proferentem* rule.... "

(Emphasis added)

18. Consequently, the Hon'ble Supreme Court concluded that —

"Having regard to the aforesaid discussion on *contra proferentem* rule, it is noted that the Queries 6.1 and 6.2 are not clear in themselves as we have discussed the same above. Therefore, the answer given by the deceased cannot be taken in a manner so as to negate the benefit of the policy by repudiation of the same on the demise of the insured. "

19. Such observations of the Hon'ble Supreme Court are directly applicable to the facts and circumstances of the present case. It may be mentioned that while there were two separate queries made by the Insurer in "**Mahakali Sujatha Vs. Future General India Life Insurance**" (supra), in the present case, the only query in this regard corresponds to query No. 6.1 in the Proposal Form which is similarly found to be ambiguous as it is not clear whether the query D in the present case refers to the details of the Insurance Policies of the Proposer himself, or of his family members with PNB MetLife India, or with any other Insurer, as what was also sought were the details of his family members.

20. At any rate, as already seen in respect of Policy bearing Nos. 005193866 and 005193546, the same were non-existent on the date the Proposal Form was filled up, and even the third Policy bearing No. 005319748 had already stood terminated a year after the date of its issuance, as no payment of premium following the First year was made by the Insured. When the matter came up for Final Hearing before us, we granted an opportunity to Ld. Counsel for the Opposite Party(ies)/Insurer(s) on 16.1.2026 to place on record appropriate documents to show that the Policy in question was actually a "Life Insurance" and not a "Health Plan Policy" meant only for "Hospital admission" as claimed on behalf of the Complainant. But the Opposite Party(ies) have failed to place on record any copy of the said disputed Policy itself, on account of which we have no other option but to accept the contention of the Complainant that not only it was only a "Health Plan Policy", but that it had already lapsed a year after 13.1.2012, and was not subsisting, as sought to be implied on behalf of the Opposite Party(ies)/Insurer(s)

21. In this regard, a recent decision of the Hon'ble Supreme Court in SLP(C) No. 12081 of 2021 is directly on the point, in which it had been observed inter alia –

"In the present case, the High Court has noted in paragraph 17 of the impugned judgment that the respondent took policies of another insurance company, but the same had already lapsed and were not in force at the time when the policy of petitioner-company was taken. Unless the petitioner had pleaded and proved that the lapsed policies were later on revived. the non-disclosure of previous policies as observed by the High Court would be of no avail. We agree with that view."

(Emphasis added)

22. For the aforesaid reasons, we are of the view that repudiation of the Complainant's claim by the Opposite Party(ies)/Insurer(s) on the ground that the life assured had suppressed about existence of his previous Insurance Policies was entirely incorrect and uncalled for.

23. Consequently, the Complaint is allowed, and the Opposite Parties are directed to pay the insured amount to the Complainant along with interest @ 6% p.a. from the date of filing of the present Complaint, within two months from the date of this Order, along with an additional amount of Rs. 50,000/- as litigation costs.

24. In case of non-compliance of this Order within the directed time, the interest rate shall be enhanced to 8% p.a. for any outstanding amount(s). ■

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In the absence of evidence to prove the negligence of the Hospital, especially when the attendant of the patient was supposed to be present in the room, the complaint of medical negligence is dismissed.

**IN THE NATIONAL CONSUMER DISPUTES REDRESSAL
COMMISSION, NEW DELHI**

CONSUMER COMPLAINT NO. 415 OF 2018

J.N. Mehra(Deceased) Through LRs.
Gayatri Rewal D/o J.N. Mehra,
R/o 564/A-59-III, Jubilee Hills, Road No. 92,
Jubilee Hills, Hyderabad – 500033.

..... Complainant

Versus

Apollo Hospital&Anr., City Campus,
Jubilee Hills, Hyderabad, A.P.-500096.
Through Its Chairman

..... Opp. Parties

BEFORE:

HON'BLE AVM J. RAJENDRA, AVSM VSM (RETD.), PRESIDING MEMBER HON'BLE MR. JUSTICE ANOOP KUMAR MENDIRATTA, MEMBER

JUSTICE ANOOP KUMAR MENDIRATTA, MEMBER

Date of pronouncement:- 15.04.2026

ORDER

1. Present complaint has been preferred on behalf of complainant J.N. Mehra alleging negligence on the part of the opposite parties in providing requisite services during treatment as an indoor patient in the hospital and seeks payment of Rs.2,42,58,977/- with interest @ 24% p.a. (i.e.Rs.2,40,00,000/- towards compensation and Rs.2,58,977/- towards reimbursement of medical charges paid to opposite parties).

During the course of proceedings, complainant expired on 20.01.2023, whereupon his daughter Gayatri Rawal has been substituted on record, being the legal heir of the deceased.

2. In brief, complainant J.N. Mehra aged about 90 years suffered some injuries due to fall in the bathroom and was taken by his daughter Gayatri Rawal to Apollo Hospital at Jubilee Hills, Hyderabad (opposite party No.1) for treatment on 03.04.2017. Complainant was advised for admission of five days for treatment of bacterial infection and for observation. It is further the case of complainant that at the time of admission, complainant and his daughter were assured of round-the clock monitoring and care at the hospital. However, during the course of treatment, complainant suffered a fall from the hospital bed on 05.04.2017 about 5.30 a.m., when none of the hospital staff was present. Consequently, complainant suffered injury on the occipital region, which is attributed to have been caused due to negligence of opposite party in providing the necessary care and support services. The lacerated wound was sutured, and complainant was, thereafter, also shifted to Advance Critical Unit in the hospital wherein he remained admitted for about 06 days and was finally discharged from the hospital on 12.04.2017.

3. As per the complaint, complainant was in a bad shape at the time of discharge from the Hospital and was advised to receive oxygen at home. An amount of Rs.2,58,977/- with a discount of 22,463/- was also paid by the complainant to the Hospital towards treatment undertaken under protest. It is further the case of complainant that after the discharge from the hospital, condition of complainant deteriorated day-by-day and was on support of oxygen. It is pointed out that complainant was in a better shape prior to admission at Apollo Hospital. In the aforesaid background, complainant preferred the present complaint seeking compensation of Rs.2,42,58,977/- with interest @ 24% p.a.

To be concluded in the next issue.....

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