

2025:PHHC:034706



**IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH**

(109)

(1)

**RSA-2243-2024 (O&M)**

M.D.India Health Care Services

.....Appellant

Versus

Inder Ram & another

.....Respondents

(2)

**RSA-2244-2024 (O&M)**

M.D.India Health Care Services

.....Appellant

Versus

Inder Ram & another

.....Respondents

**Decided on : 11.03.2025**

**CORAM : HON'BLE MS.JUSTICE LAPITA BANERJI**

Present: Mr.Ashwani Talwar, Advocate and  
Mr.Deepak Goyat, Advocate, for the appellant.

**LAPITA BANERJI, J. (Oral)**

1. This judgment of mine will dispose of two Regular Second Appeals being RSA-2243-2024 and RSA-2244-2024 as the facts and the points of law arising therein are same. For the sake of convenience, the facts from RSA-2243-2024 have been narrated hereinafter.

2. In the present Regular Second Appeal, the decree and judgment dated September 2, 2023, passed by the Addl.Civil Judge (Sr.Divn.), Balachaur, affirmed by the judgment dated April 9, 2024, passed by the District Judge, SBS Nagar, have been challenged. The brief facts leading to the dispute between the parties are enumerated hereinafter:

- (i) The plaintiff was working as SDO in the office of the Executive Engineer, Ranjeet Sagar Dam, Shahpur Kandi Township, Pathankot.
- (ii) The plaintiff retired on January 31, 2016 from the said department.
- (iii) The plaintiff's son was born on June 7, 1991 and being unmarried, was totally dependent upon the plaintiff.
- (iv) The plaintiff's son, upon developing medical problem, was admitted to IVY Hospital, Nawanshahr which was admittedly an empanelled hospital.
- (v) Since the plaintiff's son did not receive proper treatment, he was shifted to IVY Hospital, Mohali from IVY Hospital, Nawanshahr.
- (vi) Plaintiff's son was admitted to IVY Hospital, Mohali for treatment from September 2, 2016 to October 5, 2016.
- (vii) During the aforesaid period, the plaintiff incurred an expense of Rs.16,22,159/-.
- (viii) On October 8, 2016, the plaintiff's son was shifted to Indus Super Speciality Hospital since there was no Doctor available at IVY Hospital, Mohali and the condition of his son became serious.
- (ix) He was again shifted to Landmark Hospital on October 21, 2016 and remained there till February 26, 2017.
- (x) The medical bills were to be reimbursed to the plaintiff for the period of January 1, 2016 to December 31, 2016. The defendant

No.4/Executive Engineer, through proper channel, sent the bills to the defendant No.5/M.D. India Health Care Services, appellant herein, for reimbursement.

(xi) The plaintiff issued reminder letters on April 17, 2017 and April 24, 2017.

(xii) Since no response was received by the plaintiff, a legal notice was served on May 23, 2017.

(xiii) Further the legal notice was served to defendant No.2/Chief Engineer who directed the defendant No.4, the Executive Engineer to collect the original bills from the appellant/defendant No.5 and send the same to defendant No.2 personally.

(xiv) No payment had been received by the plaintiff on account of reimbursement.

3. Hence, the plaintiff was constrained to file the instant suit. Defendants No.1 to 4 contested the suit by urging that no payment was due payable by them since the medical bills were forwarded by them to defendant No.5, for necessary action.

4. The defendant No.5/appellant herein filed a separate written statement and contended that the plaintiff's name was not enrolled in the insurance scheme. Therefore, the suit was not maintainable.

5. Defendant No.5 urged that as the plaintiff was not insured under the insurance policy issued by the Oriental Insurance Company Ltd. as a Punjab Government employee, the suit was not maintainable. On merits, it was argued that the suit was liable to be dismissed against the defendant No.5 since no bills were forwarded to it.

6. After hearing the rival contentions of the parties and appreciating the evidence, the learned Trial Judge held that the suit brought

by the plaintiff succeeded. It was held that the plaintiff was entitled to a decree of a sum of Rs.19,76,708/- along with interest @ 6% per annum from the date of filing of the suit till the realization of the decretal amount.

7. The learned Trial Court opined that undisputedly the plaintiff was a pension holder who retired from service on January 31, 2016. Moreover the fact that the plaintiff's son was admitted to several hospitals on various dates as mentioned hereinabove was not in dispute.

8. Admittedly, an employee could claim reimbursement for medical exigencies from the period January 1, 2016 to December 31, 2016. All the medical bills for that period was brought on record by the plaintiff.

9. From Exhibits P25, P26, P27, P28, P29, P30 & P31, it transpired that all the bills were sent by the defendant No.4 to the defendant No.5/appellant, after processing the same through proper channel.

10. The plaintiff and the witnesses appearing for the plaintiff were cross-examined at considerable length by the learned counsel for the defendants but the case of the plaintiff could not be diluted. The plaintiff admitted during cross-examination that part payments of the bills were made to him by defendants No.1 to 4. However, the amount due and payable from the appellant/defendant No.5 was not received by him. He deposed that the defendants No.1 to 4 were not at fault as the bills were forwarded to defendant No.5 for reimbursement. It was defendant No.5 who refused to reimburse the amount to the plaintiff.

11. The defence witness/DW-1 admitted that no payment was made to the plaintiff and all the Government serving employees and pensioners were covered under the notification No.21/28/12-5HB5/268 dated October 20, 2015 (Ex.DX1). The period covered under the said notification was from January 1, 2016 to December 31, 2016 had also been admitted by

DW1. DW1 specifically deposed that the expenses for treatment of the plaintiff's son also fell within the stipulated period and the hospitals in which the treatment had been done were covered under the scheme of empanelled hospitals.

12. The Trial Court held that the main factor which tilted the case in favour of the plaintiff was the version of DW1. Defendants No.1 to 4 had sent all the forms of the employees in bulk to defendant No.5. In the event of enrollment form/card not being provided to the plaintiff, the said fault lay with the defendant No.5 and not the plaintiff.

13. The cashless scheme admissible to the employees/pensioners, as mentioned in notification exhibited as Exhibit D6 merits reproduction:

*“A copy of the forms will be made available to all the DDOs. The forms can be filled online as well as offline but have to be submitted in hardcopy through DDO to Insurance Company. The Insurance Company will collect the filled forms from DDO and handover the insurance cards of the main member and dependent(s) to the DDO for onward delivery to the employee/pensioner. Every employee/pensioner will be notified regarding enrollment with Unique Insurance ID Numbers. In case of misplacement of the card/non availability of the card this Unique Insurance ID can be used for taking treatment in the designated hospitals.”*

14. Therefore, as per the notification, the plaintiff was only duty bound to fill the enrollment form for availing of the cashless scheme. The defendants No.1 to 4 were bound to send the same to defendant No.5 and had discharged their duty by sending the forms in bulk through the

representative of the defendant No.5/appellant. However, the defendant No.5 failed to enroll the plaintiff, issue a unique I.D. number and release his card.

15. The trial Court held that the defendant No.5 failed to explain in its pleadings whether the Insurance Company provided for a buffer of Rs.25 crores for meeting the expenses over and above of Rs.3 lakhs (cashless insurance) payable to the employees/pensioners and whether the said buffer had been exhausted. It was only upon exhaustion of such buffer that an employee would be required to make payment of the treatment over and above Rs.3 lakhs and then claim the same on reimbursement basis at par with PGI/AIIMs rates. Therefore, no reason at all could be cited by the defendants for not reimbursing the plaintiff.

16. The Trial Court concluded that there was no evidence to show that the plaintiff's son was a drug addict which disentitled him from claiming medical reimbursement. Accordingly, it directed the defendant No.5 to make payment of a sum of Rs.19,76,708/- along with interest @ 6% per annum from the date of filing of the suit till the realization of the decretal amount.

17. The judgment and decree passed by the Trial Court dated September 2, 2023 was challenged in appeal. The learned District Judge, SBS Nagar discussed the Trial Court's judgment in detail. The First Appellate Court also relied upon the admission made by DW1. It held that under the notification dated October 20, 2015 Exhibit D6, the employee alongwith his family could get cashless benefit of medical expenses to the tune of Rs.3 lakhs per year. For indoor medical admission, pre and post hospitalization expenses, day care procedures or OPD expenses, the said bills would have to be paid by the Government through cashless scheme

without any question being asked. However, the said notification did not limit the financial liability of the appellant to only Rs.3 lakhs per family per year.

18. Clause 7 of the said notification envisaged that the State Government through tender process would select an Insurance Company for providing medi-claims to its employees/pensioners. The Insurance Company was under an obligation to make a buffer fund of Rs.25 crores to meet out its expenses over and above Rs.3 lakhs cashless insurance benefits that the employees/pensioners were already entitled to, subject to the availability of the buffer.

19. On the exhaustion of the buffer fund, cashless reimbursement for more than Rs.3 lakhs would not be available to the employees/pensioners. No evidence was brought on record by defendant No.5 to show that the buffer of Rs.25 crores had been exhausted and therefore, the stipulation with regard to further treatment of the employees was not to be made on cashless basis but reimbursement basis as per the existing pattern at PGI/AIIMs rates had come into operation.

20. The notification was clear that in the event of stipulation comes into play, the bills which were over and above Rs.3 lakhs, would be reimbursed to the employee through Treasury. After discussing the scheme of the notification, the learned District Judge held that the plaintiff was suitably able to discharge the burden of proof. The defendant No.5/appellant was under an obligation to reimburse the entire billed amount to the plaintiff as it failed to give the plaintiff the benefits of a cashless scheme. Therefore, the well reasoned order passed by the Trial Court merited no interference.

21. Learned counsel appearing on behalf of the appellant submits that there was no enrollment card in favour of the plaintiff and therefore, he was not eligible for reimbursement.

22. This Court has considered the submission made on behalf of the appellant and perused the material on record.

23. It finds that the Trial Court and the First Appellate Court have discussed the evidence given by the parties in detail to hold that the enrollment forms were sent in a bulk to the defendant No.5. In the event the defendant No.5 failed to provide an enrollment card or a unique I.D. number to the plaintiff, the fault lay with the appellant/defendant No.5. The admissions made by DW1 were also taken into consideration by both the Courts. The scheme under the notification was well discussed by the First Appellate Court to arrive at the conclusion that the plaintiff was successfully able to prove its case.

24. This Court finds no reason to differ with the reasoning provided by the First Appellate Court. Accordingly, this Court finds no merit in the present Regular Second Appeal. Consequently, the same is **dismissed**.

25. Pending application(s), if any, are accordingly, disposed of.

26. A photocopy of this judgment be tagged with the file of RSA-2244-2024.

March 11, 2025  
*s/ sailesh*

(LAPITA BANERJI)  
JUDGE

Whether speaking/reasoned :  
Whether Reportable :

Yes/No  
Yes/No