



2025:DHC:8474



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% ***Date of Decision: 17.09.2025***

+ **W.P.(C) 12723/2025, CM APPL. 51974/2025**

NATIONAL INSURANCE COMPANY LIMITEDPetitioner

Through: Mr. Zorawar Singh and Mr. Jayant
Rastogi, Advocates.

versus

UNION OF INDIA & ORS.Respondents

Through: Mr. Arnav Kumar, CGSC along with
Mr. Adit Garg and Ms. Manya Gupta,
Advocates for R-1 to R-3.

CORAM:

HON'BLE MR. JUSTICE SACHIN DATTA

SACHIN DATTA, J. (ORAL)

1. The present petition assails the order dated 15.07.2024 passed by the National Grievance Redressal Committee ('NGRC') under Rashtriya Swasthya Bima Yojana ('RSBY Scheme').
2. The background of the matter is that the Government of India came out with the RSBY Scheme wherein the petitioner was appointed as the insurer under the said scheme for 14 districts in the State of Bihar. Under the Scheme, medical aid was to be extended by the concerned panel hospitals to the beneficiaries (families belonging to Below Poverty Line) and subsequently, the hospitals were to make their claims with the petitioner.
3. The Bihar Swasthya Suraksha Samiti (BSSS), a society under the Department of Health, Government of Bihar was the nodal agency for implementing the RSBY Scheme in the said State.



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4. Accordingly, for the aforesaid purpose, the petitioner had entered into agreement with the State of Bihar, through its nodal agency for each district in the State (for which the work was allotted to the petitioner). It is submitted that under the agreement, the petitioner was entitled to receive the premium towards the insurance cover, which was to be paid by the State Government to the petitioner including the share of the premium of the Central Government.

5. The present dispute arose when certain hospitals preferred writ petitions against the petitioner in the High Court of Patna which culminated into contempt proceedings against the petitioner alleging non-payment of claims under the RSBY Scheme by the petitioner to the hospitals.

6. The High Court of Patna directed the State Grievance Redressal Committee (SGRC) to look into the grievance of the hospitals in terms of the said agreement. Thereafter, the SGRC passed an order dated 26.11.2020 whereupon an appeal was preferred by the petitioner culminated in the impugned order passed by NGRC.

7. It can be seen that substantial part of cause of action has arisen in the State of Bihar inasmuch as (i) the entire controversy between the parties which led to litigation arose in the State of Bihar; (ii) the agreement of the petitioner was with the Government of Bihar; (iii) it was pursuant to orders passed by the High Court of Patna that the SGRC was initially directed to look into the grievance of the hospitals in terms of the said agreement.

8. The mere situs of NGRC by itself would not confer jurisdiction on this Court. In any event, applying the doctrine of '*forum conveniens*' as elucidated by the Supreme Court in *Kusum Ingots & Alloys Ltd vs. Union*



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of India., AIR 2004 SC 232 (paragraph 30) and this Court in *Sterling Agro Industries Ltd. v. Union of India and Others.*, 2011 SCC OnLine Del 3162 (paragraph 33); *Anand Kumar vs. Union of India and Ors.*, 2025 SCC OnLine Del 188 (paragraphs 4-6) and *Aryans College of Education vs. National Council for Teacher Education*, 2024 SCC OnLine Del 7165 (paragraphs 73-76 and 81), it would be apposite to relegate the petitioner to the concerned jurisdictional High Court *i.e.*, the High Court of Patna. Accordingly, the petition is disposed of with liberty to the petitioner to approach the said Court.

9. Pending application also stands disposed of.

SACHIN DATTA, J

SEPTEMBER 17, 2025/r