



2024:DHC:6620-DB



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

+ **LPA 838/2024 & C.M.Nos.49114-49116/2024**

**PAWAN HANS HELICOPTERS LTD**

.....Appellant

Through: Mr.Puneet Taneja with Mr.Anil  
Kumar, Mr.Amit Yadav and  
Mr.Manmohan Singh Narula,  
Advocates.

versus

**MRS. ANNIE THOMAS & ORS.**

.....Respondents

Through: Mr.Aayush Agarwala with Mr.Ajit  
Pudussery, Advocates.  
Mr.Ripu Daman Bhardwaj, CGSC  
with Mr.Abhinav Bhardwaj, GP for  
UOI.

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Date of Decision: 28<sup>th</sup> August, 2024

**CORAM:**

**HON'BLE THE ACTING CHIEF JUSTICE**

**HON'BLE MR. JUSTICE TUSHAR RAO GEDELA**

**JUDGMENT**

**MANMOHAN, ACJ : (ORAL)**

1. Present appeal has been filed challenging the judgement dated 01<sup>st</sup> July, 2024, passed by the learned Single Judge of this Court in W.P.(C) 7455/2014 wherein the Appellant was directed to pay an amount of Rs.30 lakhs, as additional insurance cover, to the Respondent Nos.1 & 2 (Petitioners therein) with interest @ 6% per annum from the date of the death of the husbands of the Respondent Nos.1 & 2 till the date of payment.
2. The husbands of Respondent Nos.1 & 2 were pilots, who were employed with the Appellant and who unfortunately passed away on 19<sup>th</sup>

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October, 2011 in a helicopter crash while performing a sortie for Respondent No. 2 herein, in Naxal-infested areas.

3. Learned counsel for the Appellant submits that the learned Single Judge has wrongly applied the principle of legitimate expectation since the Appellant had never given any assurance to the pilots for enhancing their insurance cover beyond what was stipulated in their appointment letters.

4. He further states that the principle of legitimate expectation for payment of the enhanced insurance amount cannot be applied at the relevant point in time i.e., the date of crash, as the policy in question i.e. the additional insurance policy was not applicable then, owing to the fact that it had not been renewed at that point in time. He emphasizes that the heavy risk insurance policy cover was not in existence on the date of crash and the enhanced insurance policy cover came into force w.e.f. from 20<sup>th</sup> June, 2012.

5. He states that the learned Single Judge has erred by placing reliance on certain internal notings of the officers of the Appellant to assume a legal right for the Respondent Nos.1 & 2. He contends that the additional policy was to act like a substitute to the first policy depending upon the reason for loss of life.

6. He also contends that the heavy risk insurance policy would not be applicable in the present case as the crash was not due to any attack by the Naxals. He lastly states that if the impugned judgment is not set aside, it would have huge financial repercussions on the Appellant –which is a public sector company.

7. A perusal of the paper book reveals that the husband of Respondent No.1 had joined the service of the Appellant-company on a contractual basis



in 2010 when the un-named group insurance policy for heavy risk was in existence. Thus the Respondent No.1 had a legitimate expectation that in the event of her husband passing away in an aviation accident, she would receive the enhanced compensation under the un-named group heavy risk insurance policy.

8. Though the husband of Respondent No.2 had joined the service of the Appellant-company on contractual basis on 29<sup>th</sup> April, 2008, yet he had written a letter dated 03<sup>rd</sup> September, 2009 along with other pilots suggesting that the insurance policy be enhanced for those involved in anti-Naxal operations. Since the un-named group heavy risk insurance policy was obtained immediately thereafter, the Respondent No.2 also had a legitimate expectation that in the event of her husband passing away in an aviation accident, she would receive the enhanced compensation. In furtherance, as noted by the learned Single Judge, the Appellant-company in its office note dated 29<sup>th</sup> October, 2009 had also noted that the second insurance policy is “*over and above the existing PA/GPA policies.*”

9. It is pertinent to mention that the heavy risk un-named group insurance policy was initially valid between 03<sup>rd</sup> September, 2009 to 03<sup>rd</sup> September, 2010 and renewed from 04<sup>th</sup> September, 2010 to 03<sup>rd</sup> September, 2011. Thereafter, the Appellant-company had requested the Respondent No.4 for its renewal, but due to certain issues flagged by the insurance company, there was no insurance cover available between 04<sup>th</sup> September, 2011 and 20<sup>th</sup> June, 2012.

10. In the opinion of this Court, the learned Single Judge has correctly held that the renewal of the additional heavy risk policy was not done solely based on the discussion between the Appellant and the insurance company,



as the Appellant had intent to renew the same, evident from the fact that the policy stood renewed on 20<sup>th</sup> June, 2012.

11. Since the place where the accident took place was a Naxal-infested area, this Court is of the view that the doctrine of legitimate expectation is applicable, as in the present case the Appellant had for the period prior in time and for the subsequent period taken an additional heavy risk insurance policy for its employees working in the Naxal-infested areas.

12. It is settled law that the doctrine of legitimate expectation is invoked when a public authority acts in a manner that leads an individual or a group to expect a particular outcome. It is based on the idea of fairness and consistency in action. The Apex Court in ***Sethi Auto Service Station vs. DDA, (2009) 1 SCC 180***, has explained the concept of legitimate expectation as under:-

*“24. The protection of legitimate expectations, as pointed out in De Smith's Judicial Review (6th Edn.), (Para 12-001), is at the root of the constitutional principle of the rule of law, which requires regularity, predictability and certainty in the Government's dealings with the public....*

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***31. Very recently in Jitendra Kumar v. State of Haryana [(2008) 2 SCC 161 : (2008) 1 SCC (L&S) 428] it has been reiterated that a legitimate expectation is not the same thing as an anticipation. It is distinct and different from a desire and hope. It is based on a right. It is grounded in the rule of law as requiring regularity, predictability and certainty in the Government's dealings with the public and the doctrine of legitimate expectation operates both in procedural and substantive matters....”***

(emphasis supplied)

13. In our view, the learned Single judge has, after considering all averments and documents, correctly held that the additional policy was taken as additional insurance to enhance the cover of the pilots and other staff doing flying activities and not as an alternative/substitute to the first policy.



14. This Court is further of the view that if the heavy risk un-named group insurance policy was to be a substitute policy for those working in the Naxal-infested area, there would be no question of the Appellant paying the Respondent-wives under the normal risk policy, as has been done in the present case.

15. This Court is also of the view that the additional insurance cover of Rs.30 lakhs was to be paid not only if there was an attack by the Naxalites on the helicopter but to all the pilots involved in accidents in the Naxal-infested areas.

16. It cannot be denied that the pilots who operate in the Naxal-infested areas are under tremendous strain and the additional coverage is payable in the event of any mishap in the Naxal areas.

17. This Court is lastly of the view that the impugned judgment will have no financial repercussions beyond the payments that have been directed to be made to Respondents Nos.1 & 2 as the insurance cover has admittedly been enhanced for all the employees of the Appellant working in a Naxal-infested area post 2012.

18. Accordingly, the present appeal along with the application is dismissed.

**ACTING CHIEF JUSTICE**

**TUSHAR RAO GEDELA, J**

**AUGUST 28, 2024**  
**KA**