

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 27.07.2017

CORAM:

THE HONOURABLE MR.JUSTICE S.VAIDYANATHAN

W.P.No.9831 of 2004
and
W.P.M.P.No.46495 of 2004

A.S.Nithyanantham .. Petitioner

Vs.

- 1) The Chairman,
The Insurance Regulatory and
Development Authority,
Life Insurance Corporation of India,
Hyderabad.
- 2) The Chairman,
Life Insurance Corporation of India,
Central Office, Mumbai 400 021
- 3) The Regional manager,
Secretary, Zonal Office,
Life Insurance Corporation of India,
Chennai 600 002
- 4) The Marketing Manager,
Life Insurance Corporation of India,
Madurai Division,
'Jeevan Prakash',
Bridge Station Road,
Madurai 625 002.

- 5) The Branch Manager,
Life Insurance Corporation of India,
Rajapalayam Branch office,
Rajapalayam.
- .. Respondents

Writ Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records resulting in the impugned order dated 11.02.2004 passed by the 4th respondent herein and quash the same as illegal and to direct the 4th respondent herein to renew the petitioner's agency licence.

For Petitioner : Mr.B.K.Sreenivasan
For R1 & R2 : No appearance
For R3 to R5 : M/s.Usharaman

O R D E R

The petitioner has come forward with this petition to quash the impugned order dated 11.02.2004, passed by the fourth respondent and direct the fourth respondent to renew his Agency licence.

2. According to the petitioner, he has been working as an Agent in the Life Insurance Corporation of India, Rajapalayam Branch from 30.04.1973 and has been performing his duty without any blemish for the past three decades. Generally, the licence to act as an Agent is granted for a period of three years periodically, and the last renewal of such licence granted to the petitioner was in the year 2000, for the period from 26.04.2000 to 26.04.2003 and the same got expired in the year 2003. It is the case of the petitioner that he has been successful in procuring 50%-60% of insurance policy proposals per annum. The petitioner's request for the above said renewal of Agency licence was submitted in January 2003, i.e. two months in advance prior to the expiry period of licence and the licence of the petitioner was withdrawn by the respondent, and the petitioner re-submitted the application with necessary renewal fee.

3. Unfortunately, after a period of one year, on 11.02.2004, the petitioner's application for renewal of licence was rejected through the impugned order dated 11.02.2004 issued to the petitioner by the fourth respondent, on the ground that the Agency licence period had already expired on 24.04.2003 and the designated person has not recommended for renewal of licence and renewal application along with the Demand Draft vide No.370648, dated 21.06.2003 for a sum of Rs.1000/- paid towards the renewal fee, has been returned.

4. Learned counsel for the petitioner submitted that the petitioner had been working as an Agent for more than 30 years and there is no justification on the part of the respondents in rejecting the request for renewal of Agency licence application on technical grounds.

5. Per contra, learned counsel appearing for respondents 3 to 5 submitted that the period of the petitioner's Agency Licence had already expired as early as in April 2003 and that the petitioner has not submitted the application for renewal of Agency licence in the prescribed format. According to the learned counsel, as there is no recommendation by a designated

person for renewal of the petitioner's Agency license, his request was rejected. It is his further submission that after the expiry of the petitioner's Agency License in April 2003, the petitioner did not collect any premium policy. However, learned counsel

6. Since the allegations were not reflected in the impugned order, the respondents cannot be permitted to improve their stance even by means of a counter. Thus, taking note of the fact that the period of licence had already expired and there is rejection on the ground that the designated person has not recommended for renewal of the Agency licence, this Court cannot grant the relief sought by the petitioner. However, this will not preclude the petitioner from making a fresh application in accordance with the norms prescribed and in case the petitioner satisfies the provisions of law relating to grant of Agencyship and instructions made thereunder, the case of the petitioner can be considered by the respondents, as the petitioner had been an Agent for more than three decades. It is made clear that if a fresh application is made by the petitioner in a proper format to the respondents within 15 days from the date of receipt of a copy of this order for renewal of license for continuing as an Agent, the respondents shall consider such request within a period of thirty days.

With the above observations and direction, the Writ Petition is disposed of. No costs. Consequently, connected W.P.M.P. is closed.

Sd/-
Asst.Registrar (CCC)

/true copy/

Sub Asst. Registrar

To:

- 1) The Regional manager,
Secretary, Zonal Office,
Life Insurance Corporation of India,
Chennai 600 002
- 2) The Marketing Manager,
Life Insurance Corporation of India,
Madurai Division,
'Jeevan Prakash',
Bridge Station Road,
Madurai 625 002.

3) The Branch Manager,
Life Insurance Corporation of India,
Rajapalayam Branch office,
Rajapalayam.

+ 1 cc to Mr.B.K.Sreenivasan, Advocate,SR.53361

+ 1 cc to M/s.Usharaman, Advocate,SR.53473

Order in
W.P.No.9831 of 2004

SV (CO)
NR 22/09/2017



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