IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.11671 of 2021

Rajendra Prasad Son of Late Tufani Prasad @ Tufani Ram Resident of Sasamusa, Gopalganj, District- Gopalganj.

... ... Petitioner/s

Versus

1. The Life Insurance Corporation of India Patna Divisional Office, Jeevan-Deep Bhawan, Frazer Road, Patna through its Divisional Manager.
2. The Chief Branch Manager, Gopalganj Branch Office, the Life Insurance Corporation of India, Near Minz Stadium, Sahi Complex, Gopalganj.
3. The Branch Manager, Gopalganj Branch Office, the Life Insurance Corporation of India, Near Minz Stadium, Sahi Complex, Gopalganj.

... ... Respondent/s

Appearance :

For the Petitioner/s	:	Mr. Raj Kishore Prasad, Advocate
For the Respondent/s	:	Mr. Rajni Kant Singh, Advocate

CORAM: HONOURABLE THE CHIEF JUSTICE
and
HONOURABLE MR. JUSTICE PARTHA SARTHY
ORAL JUDGMENT
(Per: HONOURABLE THE CHIEF JUSTICE)

Date : 05-12-2022

Heard learned counsel for the parties.

The petitioner via this writ petition seeks a direction to the respondents to pay the full maturity amount of a policy under the ‘Jeevan Saral Policy’ of the respondent- The Life Insurance Corporation of India.

The grievance arose from the fact that upon the maturity of the policy bearing no.538612746 for a period of ten years from 28.01.2010 to 28.01.2020, the respondent-Corporation not only did not pay the full amount due but also reduced from the amount deposited by the petitioner a sum of

Rs.90,900/- and returned the remaining amount. The total amount of the policy is Rs.5,00,000/-, the amount deposited by the petitioner is Rs.2,45,000/- and the amount refunded to him is Rs.1,54,000/-.

The petitioner had taken this policy for a period of ten years, with premium on quarterly basis which he had paid in the entirety. Some receipts from the payment of premium form part of the record as Annexure - 2 series.

Upon being paid the reduced amount of Rs.1,54,000/- (Annexure-3) on 03.02.2020 after maturity of policy on 28.01.2020, petitioner met with the Branch Manager and was informed that since the age of the petitioner was above the prescribed limit and so the amount to the tune of Rs.90,900/- had been deducted. Upon the asking of the Branch Manager, a written application ventilating such grievances was submitted on the same day but no response/reply has been received by the petitioner.

A further representation was made on 22.02.2020 (Annexure-4), but no response was received thereto as well. It is submitted that the petitioner is entitled to the full amount payable on maturity as there has been no laches on the part of the petitioner and he has paid the entire premium. The reduction in amount paid to the petitioner is in violation of Articles 14 and 16 of the Constitution of India.

In its counter affidavit, the respondent-Corporation details the policy by which calculation of reduction is made and the benefits to be given to applicants under the Jeevan Saral Policy. The basic principle, it is submitted, of deciding the insurance premium is higher the age at entry, higher the amount of premium charged. In regards the policy, we find it fit to quote verbatim the counter affidavit – page-4

> "Unlike regular insurance plans wherein higher premium is charged for proponent higher in age, under this plan the premium amount is decided, irrespective of age of proponent, at start of policy and the Death sum Assured is equal to 250 times of monthly premium amount. As such for the proponents higher in age will get same insurance cover in same premium amount as for the proponent lower in age, but the maturity value would differ according to the age at the entry of the insured. The higher the age at the entry of the insured, lower will be the Maturity amount and vice-versa."

Further, it is submitted that the proposal form which asks the questions whether the terms and conditions duly understood by the signatory thereto, has been answered in the affirmative by the petitioner. The main purpose of the plan is to provide death risk coverage and so the petitioner is now stopped from contending otherwise. The amount calculated and paid to the petitioner is as per the maturity value, particulars contained in Circular No.1934 dated 12.02.2004 whereunder maturity value is payable per Rs.100/- monthly premium and the amount payable is provided in advance. (Annexure-R/1 to the counter affidavit).

Annexure- R/2 to the counter affidavit which is a payment status report spells out the arrival at the amount of Rs.1,54,100/-. The method is, age of the petitioner (57 years at the time of policy being taken) and Rs.100/- as per the payment of premium for a period of ten years, which is Rs.5407/- (Annexure- R/1) multiplied by the monthly payment of premium amounting to Rs.2000/- and the total arrived being divided by Rs.100/- as stated above. This amount is Rs.1,08,140/-. A total of Rs.45,960/- has been added as loyalty addition, therefore, arriving at Rs.1,54,100/-.

The reply on behalf of the petitioner does in no way contradict the statements made by the respondent-Corporation nor does it provide any calculation to counter the amount so arrived at.

The ground of Article 14 of the Constitution being violated rings hollow as the petitioner has not been able to establish grounds of differential treatment or arbitrariness. It is also well settled that the Court is not to interfere in decisions that are best left to those who have themselves drafted policies or are experts in the area.

Therefore, finding no merit in the submissions made on behalf of the petitioner, present writ petition is dismissed.

However, noting the advanced age of the petitioner, we leave it open for him to approach the grievance redressal mechanism of the respondent-Corporation and hope that the best possible solution can be arrived at, keeping in mind the rights and interests of both parties.

Interlocutory application(s), if any, shall stand disposed of.

No order as to costs.

(Sanjay Karol, CJ)

(Partha Sarthy, J)

Sunil

AFR/NAFR	
CAV DATE	
Uploading Date	20.12.2022
Transmission Date	