



W.A.No.831 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10.04.2023

CORAM

THE HON'BLE MR.T.RAJA, ACTING CHIEF JUSTICE

AND

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

Writ Appeal No.831 of 2023

Life Insurance Corporation of India
Rep. by its Branch Manager
No.362, Bharathiyar Street
Karaikkal
Tiruvarur District 609 602.

.. Appellant

Vs.

1. Pakkirisamy
2. The District Collector
Karaikal District.
3. The Oil and Natural Gas Corporation
Rep. by its CGM
Cauvery Asset
Neravy Office Complex
Karaikal 609 602.
4. The Manager
Indian Overseas Bank
Tiruvarur, Tiruvarur District.

.. Respondents



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Prayer: Appeal under Clause 15 of Letters Patent against the order dated 20.03.2023 made in W.P.No.28244 of 2019.

For the Appellant : Mr.C.K.Chandrasekar

For the Respondents : Mr.P.Muthukumar
State Government Pleader
for Respondent-2

JUDGMENT

(Delivered by the Hon'ble Acting Chief Justice)

Assailing the order of the learned Single Judge dated 20.03.2023 made in W.P.No.28244 of 2019, directing the appellant to release and pay the entire deposited amount of Rs.6,29,100/- to the first respondent within a period of two weeks from the date of receipt of a copy of that order, the appellant has filed this appeal.

2. On 18.11.2009, three persons were injured in a fire accident due to gas leakage in the underground pipelines laid by ONGC at Uchimedu Village, Tiruvarur District. P.Anandraj, son of the first respondent/writ petitioner succumbed to injuries on 30.11.2009. The



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third respondent ONGC, as a measure of compensation, facilitated issue of an annuity scheme, Jeevan Akshay V, in favour of the first respondent herein, by paying a corpus of Rs.6,29,100/-. Accordingly, the monthly annuity of Rs.4,000/- is being credited to the account of the first respondent by NEFT.

3. As the first respondent could not run his family with the meagre amount of Rs.4,000/- and that he was not permitted to surrender the policy and withdraw the amount of Rs.6,29,100/-, he filed the writ petition seeking a direction to ONGC to release the compensation amount of Rs.6,29,100/- and a direction to the respondents therein to give enhanced compensation of Rs.30,00,000/- to him and his family.

4. Learned Single Judge, taking note of the submission made by ONGC that they have no objection for releasing and paying the amount deposited with the LIC, in favour of the first respondent, directed the LIC to release and pay the entire deposited amount of Rs.6,29,100/-



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to the first respondent within a period of two weeks from the date of receipt of a copy of that order. Hence, the above appeal.

5. Learned counsel appearing for the appellant contended that Jeevan Akshay V policy, which is an annuity policy, was purchased in favour of the first respondent with the corpus fund of ONGC, to enable the first respondent to receive monthly annuity of Rs.4000/- till his lifetime and thereafter, by the spouse till her lifetime and that it would cease on the death of the annuitant, if the spouse predeceases him or on the death of the spouse if the annuitant predeceases his spouse and therefore, the said policy cannot be surrendered.

6. Learned counsel further contended that when the first respondent failed to challenge the rejection of his request to return the amount on his surrender of the policy in the year 2010 by the LIC, a mandamus cannot be issued to release the entire deposited amount, particularly when it is a contract entered into between the ONGC and LIC.



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7. Admittedly, a sum of Rs.6,29,100/- was deposited with the LIC in an annuity policy, by ONGC, in favour of the first respondent, as a measure of compensation for the death of his son due to the leakage of gas in the underground pipelines of ONGC and to meet the financial needs of every month. It is not in dispute that the monthly annuity of Rs.4,000/- is being credited in the account of the first respondent every month.

8. The learned Single Judge, taking note of the submission made by ONGC that they have no objection for releasing the entire deposited amount to the first respondent and the submission of the first respondent that he could not maintain his day-to-day life with the meagre amount of Rs.4,000/-, directed the appellant to release the entire deposited amount.

9. Even as per the counter affidavit filed by the appellant, it is clear that money was not paid to the individual and the individual was provided with any informed choice of opting for a policy, that too for



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the particular policy. The entire facts that a huge sum of Rs.6,29,100/- would be taken for ever and a sum of Rs.4,000/- per month alone will be paid, which would be less than the savings bank interest at the relevant point of time is unconscionable. Further, no amount is payable even on the death of the insured. The poor mother will get something if only she survives the father. Contract of insurance is based on good faith and unless there is informed choice and consent, the contention on the basis of contractual obligations cannot be entertained.

10. We do not find any reason to interfere with the order of the learned Single Judge. Accordingly, the writ appeal is dismissed with a direction to the appellant to release the entire deposited amount to the first respondent within a period of two weeks from the date of receipt of a copy of this order. There will be no order as to costs. Consequently, CMP No.7931 of 2023 is also dismissed.

(T.R., ACJ.) (D.B.C., J.)
10.04.2023

Index : Yes/No
Neutral Citation : Yes/No

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