



W.P.(MD).No.338 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 09.01.2024

CORAM:

THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

W.P.(MD).No.338 of 2024

and

W.M.P(MD) Nos.339 and 340 of 2024

Ravindran

... Petitioner

vs.

1. The Zonal Manager
Life Insurance Corporation of India (LIC)
LIC Building, Anna Salai,
Chennai – 600 002.

2. The Senior Divisional Manager – LIC,
Divisional Office,
Bridge Station Road,
Sellur, Madurai.

3. The Branch Manager – LIC,
Thirupathur Branch,
Thirupathur,
Sivagangai District.

... Respondents

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, to call for the records relating to the impugned suspension order dated 10.02.2023 on the file of the third respondent and quash the same and further direct the



W.P.(MD).No.338 of 2024

third respondent to restore the agency contract with the petitioner pending the final disposal of the enquiry proceedings against the petitioner.

For Petitioner : Mr.V.Kannan

For R1 to R3 : Mr.D.Shanmugaraja Sethupathi

ORDER

This writ petition has been filed challenging the impugned order of suspension dated 10.02.2023, issued by the third respondent and to quash the same and consequently direct the third respondent to restore the agency contract with the petitioner pending the final disposal of the enquiry proceedings against the petitioner.

2. By consent of both the parties, this writ petition is taken up for final disposal at the admission stage itself.

3. According to the petitioner, he was appointed as an Agent of Life Insurance Corporation of India (LIC) in the year 1999 and he was attached to the third respondent Branch. The third respondent suspended the petitioner's agency services on 10.02.2023, based on the complaints received on misappropriation. On 08.03.2023, the petitioner has



W.P.(MD).No.338 of 2024

submitted a detailed explanation to the second respondent. After receipt of his explanation, on 13.12.2023, the second respondent has replied that the revocation of suspension cannot be granted as the allegations are being enquired with by L.I.C. Hence, the petitioner has filed the present writ petition.

4. Mr.D.Shanmugaraja Sethupathy, learned counsel takes notice for the respondents.

5. When this Court raised a question regarding the maintainability of this writ petition, the learned counsel for the petitioner has produced the judgment of this Court in W.P.(MD).No.6414 of 2005, dated 18.11.2010, wherein it has been stated as follows:

“8.The entire scheme of these regulations would go to show that an appointment of an agent cannot be termed as a private contract pure and simple, as it is contended by the learned counsel appearing for the respondents. The very fact that there are certain qualifications prescribed, there is training prescribed and there is probation also prescribed would go to show that it is something more than a private contract. The duty of an agent appointed under this rule, is for the benefit of the public. The Life Insurance Corporation



of India itself has been constituted only for the benefit of the people. Therefore, there is an element of public duty which is discharged by an agent appointed by the Life Insurance Corporation of India (Agents) Regulations of 1972. When there is an element of public duty cast upon both the Life Insurance Corporation of India as well as the Agents appointed, in my considered opinion, an appointment of LIC agent, refusal to appoint an LIC agent and termination are all amenable to writ jurisdiction. Therefore, the foremost objection raised by the learned counsel appearing for the respondents regarding the maintainability is rejected.”

6. In view of the above, this writ petition is maintainable and the order of suspension cannot be considered by this Court. Hence, it is left open to the second respondent to conduct detailed enquiry and then pass appropriate orders, within a period of twelve weeks from the date of receipt of a copy of this order.

7. With the above direction, this Writ Petition is disposed of. No costs. Consequently, the connected Miscellaneous Petitions are closed.

09.01.2024

akv



W.P.(MD).No.338 of 2024

To

WEB COPY

1. The Zonal Manager
Life Insurance Corporation of India (LIC)
LIC Building, Anna Salai,
Chennai – 600 002.
2. The Senior Divisional Manager – LIC,
Divisional Office,
Bridge Station Road,
Sellur, Madurai.
3. The Branch Manager – LIC,
Thirupathur Branch,
Thirupathur,
Sivagangai District.



WEB COPY



W.P.(MD).No.338 of 2024

V.BHAVANI SUBBAROYAN,J.

akv

W.P.(MD).No.338 of 2024

09.01.2024