BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **11.01.2024**

CORAM:

THE HONOURABLE **MR.JUSTICE B.PUGALENDHI**

W.P.(MD)No.5226 of 2017

H.T.Sathiyadhas ... Petitioner

/Vs./

1.The Chairman,
L.I.C. of India,
Central Office,
Mumbai

2.The Zonal Manager,
Southern Zonal Office,
P.B.No.2450, LIC Building,
153, Anna Salai, Chennai

3.The Divisional Manager,
L.I.C. of India, Divisional Office,
9A, Punithavathiar Street,
Palayamkottai, Tirunelveli-627 002

4.The Branch Manager,
L.I.C. of India, Xavier Building,
P.W.D. Road, Nagercoil,
Kanyakumari District. ... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the impugned order of the 3rd respondent dated 10.06.2016, quash the same and consequently direct the respondents to convert the paid up policy premium of Rs.8,98,624/- in policy No.323351810 into paid up on endowment scheme policy on the light of the section 4 of the Insurance Act.

For Petitioner : Mr.I.Velpradeep

For Respondents : Mr.G.Prabhu Rajadurai

ORDER

The petitioner in the month of February, 2011, had taken a life insurance policy with the fourth respondent vide Policy No.323351810 for the face value of Rs.1 Crore fetching quarterly premium of Rs.2,24,656/- and he had paid four quarterly premium, totalling to a sum of Rs.8,98,624/-. While so, suddenly in the month of March, 2012, the petitioner was suffered from paralysis attack with bone diseases and hence, his business was collapsed. Hence, the petitioner was not able to pay the premium after the fourth installment. Therefore, the petitioner requested the respondent Insurance Company for converting the Life Insurance into a paid up policy and to return the remitted policy premium amount. The said request was rejected by the fourth respondent on 10.06.2016. As against that order, the present writ petition was filed.

2.The learned counsel for the petitioner submits that the petitioner has paid the premium of Rs.8,98,624/-, towards his life insurance policy and he could not continue with the payment of premium amount due to the sudden paralysis attack during the year 2012. Therefore, he has requested the insurance company for converting the policy into any one of the notification policies, which are available with the Life Insurance Corporation. But the said request was rejected.

3.The learned counsel for the respondent corporation submits that in the event if the petitioner failed to pay the premium amount, then the policy itself would lapse. According to him, the policy of the petitioner was already lapsed as he had not paid the premium due after March, 2012. He further submits that the petitioner had paid the premium for four months only. Thereafter, he had not paid the premium. Therefore, the petitioner is not entitled to any relief. He also submits that this is purely a contractual obligation between the petitioner and the respondent corporation and hence, the petitioner could have work out his remedy either before the Ombudsmen or before the Consumer Dispute Redressal Forum.

4.This Court had considered the rival submissions made on either side and perused the documents placed on record.

5.Admittedly, the petitioner has availed the life insurance policy with the respondent corporation and he has paid four premiums to the tune of Rs.8,98,624/-. Thereafter, he failed to pay the premium after 2022. According to the petitioner, he suffered with paralysis attack and hence, he could not continue with the payment of policy premium, therefore he requested the respondent corporation for converting the policy.

6.As rightly pointed out by the learned counsel for the respondent corporation, the insurance policy is purely contractual and therefore, the petitioner has to work out his remedy only before the the Ombudsmen or before the Consumer Dispute Redressal Forum.

7.In view of the above, this writ petition is disposed of with a direction to the petitioner to approach the appropriate forum in the manner known to law within a period of four weeks from the date of receipt of a copy of this order. In the event if any such application is filed by the petitioner within the time stipulated, the concerned forum shall consider the same without insisting upon the period of limitation by taking note of the pendency of this writ petition from the year 2017. No costs.

11.01.2024

Index : Yes / No
Internet : Yes / No
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B.PUGALENDHI,J.

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