

IN THE HIGH COURT OF JUDICATURE AT PATNA
CIVIL REVIEW No.380 of 2019

In
Letters Patent Appeal No.78 of 2018

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Ashok Prasad S/o Sri Radha Krishna Prasad Resident at Mohalla-Shivaji
Nagar, House No. JKS-E-114, Chandpur Bela Road, Police Station-
Jakkanpur, District-Patna.

... .. Petitioner/s

Versus

1. The Life Insurance Corporation Of India through its Chairman, Yogachhem,
Jeevan Bema Marg, Post Box No. 19953, Mumbai-400021
2. The Zonal Manager East Central Zone, Life Insurance Corporation Of India
Jeevan Deep Building, Exhibition Road, Patna
3. Senior Divisional Manager Life Insurance Corporation Of India, Patna
Division-I, Jeevan Prakash Building, Frazer Road, Patna
4. Senior Branch Manager Life Insurance Corporation Of India, Patna Branch-
IV, Jeevan Prakash Building, Frazer Road, Patna
5. Sri A.M. Sahay Manager (CLIA)-cum-Investigation Officer, Life Insurance
Corporation Of India, Patna Division-I, Jeevan Prakash Building, Frazer
Road.

... .. Opposite Party/s

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Appearance :

For the Petitioner/s : Mr.Krishna Kant Singh, Advocate

For the Opposite Party/s :

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CORAM: HONOURABLE THE ACTING CHIEF JUSTICE

and

HONOURABLE MR. JUSTICE PARTHA SARTHY

ORAL JUDGMENT

(Per: HONOURABLE THE ACTING CHIEF JUSTICE)

Date : 21-01-2025

Heard Mr. Krishna Kant Singh, learned
Advocate for the review petitioner.

2. The Agency Code of the review petitioner
was terminated by the Senior Divisional Manager, Life



Insurance Corporation of India on 27.09.2011. This order was affirmed by the Zonal Manager, Life Insurance Corporation of India in appeal preferred by the petitioner. The matter travelled to the High Court vide CWJC No. 7035 of 2015, wherein a learned Single Judge of this Court had held that the termination of the Agency Code of the petitioner was disproportionate to the offence committed by him, which was absolutely venial in nature.

3. In an appeal by the Life Insurance Corporation of India against such an order of the learned Single Judge, it was held by the Appellate Court that the whole purpose of grant of agency, which is in the nature of a license, is to bring business to the Corporation. It is not an appointment but it is in the nature of a contract, which is governed by the Life Insurance Corporation of India (Agents) Regulations, 1972 (for brevity 'Regulations,1972'). The Appellate Court found that the learned Single Judge had erred in holding the termination of the Agency Code of the petitioner to be disproportionate without even concluding that the allegations were venial or non-existent or for the purposes of harassing the petitioner. On such finding of the Appellate Court and



on further looking at the procedure adopted by the LIC viz. giving an opportunity to the petitioner to represent his cause, set aside the order of the learned Single Judge and sustained the order of the termination of the Agency Code of the petitioner.

4. Mr. Krishna Kant Singh, while seeking a review of the aforementioned order passed by the Appellate Court, has submitted that the requirement of one month's notice, referred to by the Appellate Court, was not required in case an agent acted in a manner prejudicial to the interest of the Corporation or to the interest of its policy holders.

5. The requirement of issuing a month's notice for termination of an agency is under Rule 17 of the Regulations, 1972, referred to above. He further seeks the review of the order on the ground that there are some references to some acts of indiscipline by the petitioner, whereas the termination was on account of his having conducted in a manner which proved to be prejudicial to the interest of the Corporation and simultaneously, to the interest of the policy holders.

6. Since notice was given to the petitioner and he was also afforded an opportunity to represent his cause, we find no reason to review the order passed on



27.09.2019.

7. The review petition is, thus, dismissed.

(Ashutosh Kumar, ACJ)

(Partha Sarthy, J)

Sujit/Krishna

AFR/NAFR	NAFR
CAV DATE	NA
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