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W.P. Nos.24621-25120/2025

**IN THE HIGH COURT OF JUDICATURE AT MADRAS**

**DATE : 26.11.2025**

**CORAM**

**THE HONOURABLE MR. JUSTICE M.DHANDAPANI**

**W.P. NOS.24621 & 25120 OF 2025**

Elasan John  
Jiji Mathew

.. Petitioner in WP 24621/25  
.. Petitioner in WP 25120/25

**- Vs -**

1. The Branch Manager  
LIC Of India – CBO-27  
Jeevan Pallava Building, 1<sup>st</sup> Floor  
142-144, Tondiarpet High Road  
Tondiarpet, Chennai 600 081.
2. The Senior Divisional Manager  
LIC of India, CRM Department  
Divisional Office – II  
C-47, 2<sup>nd</sup> Avenue, 3<sup>rd</sup> Floor  
Anna Nagar Plaza, Anna Nagar  
Chennai 600 040.
3. The Insurance Ombudsman  
Office of the Insurance Ombudsman  
(Tamil Nadu & Puducherry)  
IV Floor, Fathima Akthar Court  
453 – Anna Salai, Teynampet  
Chennai 600 018.

.. Respondents in both the  
Writ petitions

W.P. No. 24621 of 2025 filed under Article 226 of the Constitution of  
India praying this Court to issue a writ of certiorari mandamus calling for



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the records from the 2<sup>nd</sup> respondent and quash the impugned letter Ref. No.CRM P5/2020-21/D701145565 dated 03.10.2020 and direct them to pay the sum assured as Rs.7,50,000/- plus loyalty additions as per the original policy document.

W.P. No. 25120 of 2025 filed under Article 226 of the Constitution of India praying this Court to issue a writ of certiorari mandamus calling for the records from the 2<sup>nd</sup> respondent and quash the impugned letter Ref. No.CRM P5/2020-21/D701145566 dated 03.10.2020 and direct them to pay the sum assured as Rs.5,00,000/- plus loyalty additions as per the original policy document.

For Petitioners : Mr. D.Ashok Kumar

For Respondents : Mr. SP.Chockalingam  
for RR-1 & 2

### **COMMON ORDER**

Through the present writ petitions, the petitioners have sought for a direction to the 2<sup>nd</sup> respondent to pay the sum assured on the aforesaid policies along with the loyalty additions, as per the original document by setting aside the respective impugned letters of the 2<sup>nd</sup> respondent dated 3.10.2020.



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2. It is the case of the petitioners that the respective life assured had taken the policy, viz., Jeevan Saral and after proper underwriting, the policy was issued to the life assured based on the respective proposal forms submitted, in which the date of maturity prescribed in the respective policies. The policies, while provided for death benefit during the period of policy cover, but, in the event of the life assured surviving the policy period, maturity amount along with loyalty addition is payable, which is shown as equivalent to the death benefit in the respective policy documents, which have been issued by the petitioner.

3. It is the further case of the petitioners that out of blue, inspite of the specific mention in the policy document with regard to the maturity amount, in the year 2020, a letter was issued mentioning that the maturity sum assured had been wrongly mentioned in the policy document. The petitioners, therefore, addressed representations to the respondents, more particularly mentioning the fact that their policies are to get matured during November, 2023, however, the impugned letter, reiterating the error that had crept in, in the policy document while printing with regard to the maturity sum assured was addressed and the petitioners were informed that the amount of maturity sum assured will be less along with the loyalty additions.



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Aggrieved by the said communication of the respondents, the present writ petitions have been filed.

4. Learned counsel appearing for the petitioners submitted that the plan was launched in the year 2004 and was withdrawn in the year 2014. The petitioners had taken the plan in the year 2010 and had been paying the premium since then with the term being 15 years and 13 years respectively. It is further submitted by the learned counsel for the petitioners that in the policy document as well as in the premium receipt, there is a clear indication that the maturity sum assured has been clearly spelt as Rs.5,00,000/- and Rs.7,50,000/- respectively. After entering into the policy and consenting to pay the aforesaid sum by way of issuance of policy document, the respondents 1 and 2 cannot not turn back and claim that an error in maturity sum assured had crept in while printing and cannot desist from paying the maturity sum assured along with loyalty additions.

5. It is the further submission of the learned counsel that when the policy document clearly stipulates the maturity sum assured payable, the letter of the 2<sup>nd</sup> respondent stating that the maturity sum assured has been wrongly printed in the column is grossly erroneous as the respondents are



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bound by their policy document and cannot seek any alteration once it is accepted. Therefore, he prays that the impugned letter of the 2<sup>nd</sup> respondent deserves to be quashed with a further direction to the 2<sup>nd</sup> respondent to pay the maturity sum assured as printed in the policy document along with the loyalty additions.

6. Per contra, learned counsel appearing for respondents 1 and 2 submitted that there is a positional error in the printing of the sum assured, as the amounts printed are towards death sum assured and accident benefit sum assured and it is not towards maturity sum assured. In this regard, learned counsel placed reliance upon the decision of this court in ***W.P. Nos.44572/2025, etc. Batch – Dated 24.11.2025***, wherein this Court had held that the maturity sum assured is not printed and only the death sum assured and the accident benefit sum assured are printed. Such being the case, the positional error in printing the death sum assured and accident benefit sum assured cannot be put against respondents 1 and 2, moreso, when the term of the policy is over and respondents 1 and 2 are ready and willing to pay the commitment as made in the policy. Accordingly, learned counsel prays for dismissal of the present petitions.



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7. This Court gave its careful consideration to the submissions advanced by the learned counsel appearing for the parties and perused the materials available on record.

8. This Court in ***LIC of India – Vs – Insurance Ombudsman & Ors. (W.P. Nos.44572/2025, etc. Batch – Dated 24.11.2025)*** had occasion to consider a similar issue, which was filed by the Insurance Corporation, in which upon the life assured surviving the term of the policy, the amount was less than the amount paid by way of premium and in that context, perusing the policy document, this Court held that the maturity sum assured has not been spelt out in the policy document and in such view of the matter held as under :-

*“32. According to the petitioner, inadvertently, the amount of the benefit payable at the time of maturity, which is shown as “Maturity Sum Assured” has erroneously been omitted to be entered in the policy. However, in clause 14 of the proposal, the life assured has given an undertaking that he/she has fully understood the terms and conditions of the plan, which he/she is taking and, therefore, he/she cannot try to wriggle out of the same by claiming that the maturity amount is not even equivalent to the premium paid by them and, therefore, the premium paid should be refunded to them along with interest, moreso, when the life assured, over the term of the policy has enjoyed the risk coverage.*



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33. *In the aforesaid backdrop, the whole case lingers upon the policy document and the benefits which is committed to be provided to the life assured during the subsistence of the policy and at the time of maturity.*

34. *True it is that the respective life assured has enjoyed risk coverage under the policy during the entire extent of the term. However, can his enjoyment be the ground to negate the case of the life assured when the error in the policy is due to the omission/error on the part of the petitioner.*

35. *A careful perusal of the policy bond reveals that in the 'Schedule' the maturity sum assured payable, the death benefit sum assured payable, the accident benefit sum assured payable along with the instalment premium and instalment rider premium have been shown. While the death benefit sum assured and accident benefit sum assured have been shown, however, there is a conspicuous absence of any figure relating to 'Maturity Benefit Sum Assured', which according to the petitioner, is an inadvertent slip.*

\* \* \* \* \*

38. *In case of a contract, both the parties are equally liable for any mistake and in a case of this sort, the petitioner being the author of the document with which it is more conversant, ought to have been more careful while issuing the policy as it is bound by the terms of the policy and any error crept in due to its own act, cannot be fastened on the other party, who has taken the policy by adverting to the last page of the document, where a disclaimer is given to the effect that if any error or*



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*mistake is found, the policy document is to be returned back to the insurer.*

*39. Merely because the life assured have not returned the policy to the insurer, it cannot be taken to mean that he/she has accepted the terms of the policy or that he/she has found the mistake and still has retained the policy with them. The error or mistake, which has crept in could also be found out and corrected by the petitioner, but the petitioner only puts the blame on the 2<sup>nd</sup> respondent that he has accepted the terms of the policy, when it is the petitioner who is the author and who of its own volition has accepted over affidavit that an inadvertent error in not mentioning the maturity sum assured had crept in, in the policy. In spite of the petitioner having issued lakhs of similar policy, yet the error in the maturity sum assured not being mentioned has not passed the eyes of the petitioner, yet the petitioner wants to rely upon a disclaimer in the 4<sup>th</sup> page to tie the hands of the policy holder by stating that the error/mistake has not been pointed out, which would be a deemed acceptance by the policy holder. The petitioner cannot mulct the responsibility on the life assured alone for this act, as it is the author of the document who ought to have been more careful, while handling public money and now it cannot now turn back and claim that returning the premium back to the life assured would cause grave prejudice to the other policy holders, as it is the duty of the petitioner to have been vigilant and the sufferance of the other policy holders is the look out of the petitioner and not that of the life assured.*

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41. *The last of the contention relates to the maturity sum assured payable on the maturity of the policy in the event of the policy holder surviving the term of the policy.*

42. *In this regard, it is the claim of the petitioner that the higher the age, the higher the premium, but lower the maturity benefit, in case of survival of the policy holder till the maturity of the policy, though the death benefit is 250 times of the monthly premium payable excluding the return of premium paid less the first year premium.*

43. *In this regard, a careful perusal of the policy issued by the petitioner reveals that the 'Schedule' to the policy details about the maturity benefit and benefit on death and for better appreciation, the same are quoted hereunder:-*

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Maturity Benefit</i> | <i>In the event of the Life Assured surviving the date of maturity a sum equal to Maturity Assured in force after partial surrenders, if any, along with the corresponding loyalty addition, if any, shall be payable.</i>                                                                                                                                                                                                                                                                                                                                |
| <i>Benefit on Death</i> | <i>A sum equal to the Death Benefit Sum Assured along with all premiums paid (excluding premiums paid for the first policy year, any extra premium and premiums in respect of Accident Benefit and Term Rider Benefits) shall be payable provided the policy is in full force on the date of death. Loyalty Addition, if any, shall also be payable. If the proposer and/or Life Assured had surrendered the policy partially, as per terms of this policy, the benefit shall be reduced in proportion of the reduction in premium for the main plan.</i> |



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44. *There is no ambiguity with regard to the terms relating to maturity benefit and benefit on death. In this regard, a perusal of the policy, more particularly, the top portion of the Schedule when looked at, it reveals that Death Benefit Sum Assured under main plan and Accident Benefit Sum Assured is fixed and it is explicitly shown in the requisite column and the instalment premium for the main plan and accident benefit premium is shown. However, there is a conspicuous absence with regard to the maturity sum assured as the column is empty. There is no amount specified against the maturity sum assured.*

45. *Even if it is to be taken, as provided in the tabular statement that a sum equal to maturity sum assured in force, after partial surrenders, if any, along with corresponding loyalty addition, if any, shall be payable, the entire policy document is silent on the maturity sum assured in force, if the stand of the petitioner is to be taken that it is based on the age of the policy holder coupled with the premium amount paid. It is the duty cast on the petitioner, as the issuer of the policy, to commit as to what would be the amount that would be payable to the policy holder on his surviving the term of the policy, excluding the loyalty addition.*

46. *The conditions and privileges, which are referred to within the policy, which are provided in the succeeding pages of the policy document is also silent on the aspect relating to maturity sum assured, though there is specific mention about the surrender value, guaranteed surrender value, accident benefit, if opted for, loans, partial surrenders, disability to the*



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*life assured and death of life assured. Even in the conditions, annexed to the policy document, except for the above, there is no specific mention about the maturity sum assured.*

*47. Though it is the submission of the petitioner that the maturity value payable per Rs.100/- monthly premium is provided in advance for each age and term of policy and the maturity value payable under the plan is well defined at the inception itself, however, as pointed out above, neither the proposal form nor the policy document which have been issued to the 2<sup>nd</sup> respondent clearly spells out the maturity value which would be payable under the plan and if at all it is well defined at the hands of the petitioner, it would not suffice as knowledge of the same should be had by the policy holder/life assured and not the petitioner alone. Unless the policy holder/life assured is provided with the details as to what is the maturity sum assured that would be receivable by him if he survives the term of the policy, the petitioner cannot attribute any responsibility on the life assured.*

*48. When the manner in which the maturity sum assured would be payable, as is provided for in the schedule, it is incumbent on the petitioner, as the issuer of the policy, to provide the details as to the maturity sum assured that would be payable to the policy holder on his surviving the policy term in the policy document. Failure to spell out the same in the policy document would have to be mulcted on the petitioner and it cannot be fastened on the policy holder/life assured.*

*49. In the present case, as pointed out above, there is a clear absence of all the necessary details relating to the*



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*maturity sum assured that would be payable to the life assured and there is also no material evidencing that the life assured/policy holder was provided with all the details with regard to the maturity sum assured that would be payable to him on his surviving the term of the policy and that being the case, the only inference that could be drawn from the incontrovertible materials is that the petitioner did not have the consent from the policy holder/life assured with regard to the essential term of the agreement relating to the exact value of the maturity sum assured that would be payable on his surviving the policy term at the inception of the policy. Therefore, this mutual mistake would render the contract/agreement void ab initio in terms of Section 20 of the Indian Contract Act and, therefore, the fact situation warrants the liability to be fixed on the petitioner to refund the premium paid by the life assured as the contract itself is void, as the computable maturity sum assured has not been specifically spelt out.”*

9. The policy, which was subject matter of consideration before this Court in the aforesaid decision was a policy named “Jeevan Saral”, which is the policy, which is put in issue in the present case as well. A careful perusal of the policy document, more particularly, the Schedule appended thereto would reveal that Maturity Sum Assured has not been spelt out in the said policy and it is only the Death Sum Assured and the Accident Benefit Sum



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Assured, which has been mentioned in the said document. There is a clear absence of the Maturity Sum Assured being spelt and only in that scenario, this Court had passed orders therein confirming the orders of the Insurance Ombudsman directing the refund of the premium paid to the life assured along with interest.

10. The present case also falls within the very same policy and merely because, the 1<sup>st</sup> respondent has erroneously mentioned in its notification that there is a printing error in the policy document showing the maturity sum assured, that cannot form the basis of the claim of the petitioners when the Schedule to the policy document clearly spells out the amount that would be payable as maturity benefit, which has not been spelt out in the document. Therefore, the submission of the learned counsel for the respondents that the positional error in printing the sum assured requires to be sustained. However, nevertheless, the positional error in printing the sum assured will not absolve the respondents 1 and 2 of its commitment, as the respondents are duty bound to print as to what is the amount that would be paid as maturity sum assured.



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11. Though the petitioners reference that the sum assured shown in the premium receipt is the amount shown in the policy document and, therefore, reference has to be taken that it is the maturity sum assured, however, there is no material evidencing that the amount printed in the premium receipt is the maturity sum assured, as according to the policy document, the main object of the policy is the death benefit, which is to safeguard the family during times of calamity.

12. Further, this Court perused the policy document and finds that there is a positional misalignment in the printing of the amount, as it is neither shown as maturity sum assured or death sum assured or accident benefit sum assured. Further, there is a clear prescription in the policy document that the death sum assured is equal to 250 times of the premium amount, which works out to the sum assured fixed. However, no such prescription is made with regard to the maturity sum assured. Therefore, in the said backdrop, it cannot be taken that the amount shown in a misaligned position would be equatable to maturity sum assured, as the Schedule to the policy document does not spell out the exact maturity sum assured. Therefore, the findings rendered by this Court in the decision extracted supra would be squarely attractable to the case on hand.



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13. In such view of the matter, as the maturity sum assured has not been spelt out clearly and it is only the death sum assured and the accident benefit sum assured, which are spelt out, the amount as specified by the 2<sup>nd</sup> respondent in the impugned letters cannot be justified to be payable to the petitioners as there is no specific amount that has been agreed to between the petitioners and respondents 1 and 2 and, therefore, the contract entered into through the policy document cannot form the subject matter of payment of amounts to the petitioners.

14. In the light of the above, the failure of respondents 1 and 2 to mention the maturity sum assured in the policy document or to spell out the terms to the proposer in the form of documents at the time of canvassing for the policy cannot form the basis to defeat the legitimate right of the life assured/policy holder in the absence of his explicit consent to accept the amount that is to be paid towards the maturity sum assured.

15. For the reasons aforesaid, the impugned letters in and by which the amount specified to be paid towards maturity sum assured and loyalty additions cannot be allowed to survive and, therefore, the same requires to



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be set aside. Equally, the claim made by the petitioners for payment of maturity sum assured in a sum of Rs.5,00,000 and Rs.7,50,000/- along with loyalty additions also cannot be countenanced as there is no specific mention of the maturity sum assured that is payable at the time of maturity in the documents and, therefore, the said claim also cannot be accepted. However, this Court, while negating the claim of the petitioners for receipt of the amount as prayed for, is inclined to mould the relief so as to enable the petitioners to receive the entire premium amount paid by the respective petitioner along with interest at 6% p.a.

16. Accordingly, both the writ petitions are allowed by setting aside the impugned letters and further moulding the relief by directing respondents 1 and 2 to refund the premium amount paid by the respective petitioners along with interest at 6% p.a. from the date of maturity till the date of payment within a period of four weeks from the date of receipt of a copy of this order. There shall be no order as to costs.

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Index : Yes / No

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To



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**M.DHANDAPANI, J.**

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