BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 03.11.2025

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)No.4300 of 2022

Durairaj ... Petitioner

Vs.

1.The Zonal Manager,
UCO Bank, Chennai.

2.The Branch Manager,
UCO Bank,
East Rajaveethi, Pudukkottai,
Pudukkottai District.

3.The Senior Divisional Manager,
Life Insurance Corporation of India,
Jeevan Prakash, Gandhi Salai,
Thanjavur 613 001.
(R3 is impleaded vide order dated
11.06.2025 in W.M.P.(MD)No.2583 of 2025 by SSYJ)

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, to direct the respondents to consider the petitioners claim application dated 06.08.2021 under the Pradhan Mantri Jeevan Jyoti Bima Yojana scheme.

For Petitioner : Mr.M.Ramu

For Respondent : Mr.P.T.S.Narendravasan
for Mr.K.Periyasamy
for R1 & R2

: Mr.S.Anwar Sameem
for R3

ORDER

Heard both sides.

2. The petitioner's wife was struck by lightening and died. The petitioner had been enrolled as a policy holder under Pradhan Mantri Jyoti Bima Yogana Scheme. The petitioner submitted an application only on 06.08.2021 seeking payment of insurance amount. Since it was not considered, the present writ petition came to be filed.

3. The petitioner's wife had maintained an account with the second respondent bank. The bank as well as LIC filed counter affidavits. The stand of the LIC is that the premium for the year in question ie., 2017-18 was not received and therefore, it must be concluded that policy was not in force. The stand of the bank is that they were unable to make any deduction from the petitioner's bank account and remit the premium because there was no amount

available for reduction in the bank account. The learned standing counsel for LIC would further add that no claim application was ever received from the bank. He had also submitted that the claim is patently time barred.

4. I carefully considered the rival contentions and went through the materials on record.

5. The facts are beyond dispute. The writ petitioner's wife was admittedly a policy holder. She had been enrolled under the PMJJBY scheme. Premium policy was in force till 01.04.2017. The premium ought to have been remitted before the expiry period. But as rightly pointed out by the learned counsel for the petitioner, the grace period of 30 days was available for remitting the premium. The grace period would expire only on 30.06.2017. The petitioner's wife had passed away on 07.06.2017 ie., before the expiry of the grace period.

4. The learned standing counsel for LIC would claim that the concept of grace period would not apply to the scheme in question. This issue had already been dealt with by me vide order dated 06.03.2024 in W.P.(MD)No.1259 of 2024 (M.Chellammal Vs. Office of the Insurance Ombudsman). Paragraph No.

6 of the said order reads as follows:-

"6.The petitioner's husband had enrolled himself under Pradhan Mantri Jeevan Jyoti Bima Yojana . The Rules governing the said scheme have been enclosed in the typed set of papers. Rules 6, 8 and 15 read as follows:

"6.PREMIUM : Premium to be deducted from member's SB Account. The premium is Rs.330/- plus Service Tax (if payable) irrespective of date of entry i.e. during enrollment period or after that date during the first year. Renewal premium is chargeable as per the rate decided from time to time on Annual Renewal dates.

8.BENEFITS ON DEATH PRIOR TO TERMINAL DATE : Upon the death of the Member prior to Terminal Date, the sum assured under the Assurance shall be payable to the nominated Beneficiary, provided the assurance is kept in force by payment of premium for that member.

15.GRACE PERIOD : The Grace Period for payment of premium to the Designated Office of the LIC OF INDIA shall be 30 days from the due date. In case of death during Grace Period, assured benefit as defined in rule 7 shall be settled on receipt of premium."

All the aforesaid Rules will have to be read together. I do not agree with the learned Standing Counsel's contention that every year a fresh policy is being issued. It is not so. The policy issued in favour of the petitioner's husband in the year 2015 was being renewed every year. The renewal premium must be paid on or before 31st of May every year. If such payment could not be made, grace period of 30 days is given. My attention is drawn to Clause 1A-m of the Insurance Regulatory and Development Authority (Linked Insurance Products) Regulations, 2013 issued by IRDA. It reads as follows:

"1A Definitions:

m) "Grace Period" means that time granted by the insurer from the due date for the payment of premium, without any penalty/late fee, during which time the policy is considered to be in-force with the risk cover without any interruptions as per the terms of the policy."

5. Since the writ petitioner's wife's death took place before the expiry of the grace period, the policy amount ought to be paid.

6. The learned standing counsel adds yet another objection. He points out that even in the claim form submitted by the writ petitioner, the age of his wife has been mentioned as 52. The Scheme was applicable only to those who were below 50. I must take note of the fact that the petitioner as well as his wife are ordinary villagers and that was why varying dates have been given. As per the postmortem certificate, the age of the deceased was 45 years. As per the death certificate also, the deceased was aged 45 years. Therefore, this Court can very well take them into account.

7. I am not impressed with the objection that the claim stands time barred. These are not matters which can be approached from a technical perspective. The second respondent which was maintaining the account of the deceased, ought to have submitted an application well in time. They did not do so. They need not have waited till the submission of the form by the writ petitioner.

8. In this view of the matter, I direct the second respondent to immediately submit the claim form to the third respondent. The third respondent shall honour the same. The question of paying interest does not arise at all. The Writ Petition is allowed. No costs.

03.11.2025

Index : Yes / No
Internet : Yes/ No
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G.R.SWAMINATHAN, J.

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W.P(MD)No.4300 of 2022

03.11.2025