

Rekha Patil

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 16427 OF 2024

Rajendra Nee Raju Jeevanlal Bamb

...Petitioner

Versus

The Zonal Manager, Western Zone,

...Respondents

The Life Insurance Corporation of India And Ors.

Mr. Abhishek Avachat (through V.C.) with Mr. Indrajeet Jagdale, for the Petitioner.

Ms. Devyani Bhave with Ms. Komal Shah i/b Mr. Shriniwas Bhave, for the Respondent Nos. 1 to 3.

Mr. S. P. Kamble, AGP, for the Respondent No.4-State.

**CORAM: SUMAN SHYAM &
ADVAIT M. SETHNA, JJ.**

DATED: 9th JUNE 2026.

PC:-

1. Heard Mr. Abhishek Avachat, learned Counsel appearing for the Petitioner (through V.C.). Also heard Ms. Devyani Bhave, learned Counsel appearing for the Respondent Nos. 1 to 3 and Mr. S. P. Kamble, learned AGP, appearing for the Respondent No.4-State.

2. The Petitioner herein was appointed as an agent of the Life Insurance Corporation ("LIC" for short) under Agency Code No. 4593968. While functioning as an LIC agent, a complaint letter dated 9th June, 2022 was received by the LIC from the Sub Inspector of Police-Economic Offences Wing, Dhule, alleging

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involvement of the Petitioner in various financial malpractices under the garb of functioning as an LIC Agent. Taking cognizance of such complaint, the Authorities had taken a decision to suspend the agency of the Petitioner pending final decision in the matter.

3. A notice was also sent to the Petitioner vide registered letter dated 27th June, 2022, asking him to submit his explanation within seven days of the receipt of the letter, but the notice had returned undelivered. Consequently, by invoking jurisdiction under Regulation 16(2) of the Life Insurance Corporation of India (Agents) Regulations, 2017, by the order dated 22nd May, 2023, the Senior Divisional Manager, Nashik Division, had instructed the Petitioner not to service or procure any business until he is permitted to do so by the Competent Authority.

4. Aggrieved by the order dated 22nd May, 2023, the Petitioner had preferred an Appeal, which was also dismissed/rejected by the order dated 29th August, 2024, passed by the Zonal Manager (Appellate Authority). Aggrieved thereby, the present Writ Petition has been filed.

5. From the material available on record, it further appears that a First Information Report ("FIR") was registered against the Petitioner for illegal activities allegedly committed by him while functioning as an LIC agent, which had led to investigation by the Police and, thereafter, submission of charge-sheet. It is also the admitted position of fact that the charge has been framed against the Petitioner in the pending criminal proceeding. Notwithstanding the same, the Petitioner seeks a direction from this Court upon the Respondent Nos. 1 to 3 to restore his agency.

6. Mr. Abhishek Avachat, learned Counsel appearing for the Petitioner, submits that the enquiry proceeding initiated against the Petitioner by the LIC Authorities has not yet been concluded thus causing serious prejudice to the interest of the Petitioner. Therefore, a direction is required to be issued to the Respondent Nos. 1 to 3 to expedite the enquiry and also for expeditious disposal of the criminal proceeding.

7. Responding to the above submission, Ms. Devyani Bhawe, learned Counsel appearing for the Respondent Nos. 1 to 3, submits that until and unless the Petitioner is exonerated in the Departmental Enquiry and is also acquitted in the criminal proceeding, the question of restoring his LIC Agency would not arise in the eyes of law.

8. We have taken note of the submission made by the learned Counsel for the Petitioner to the effect that the principles of natural justice as well as the Regulations of 2017 have not been scrupulously adhered to by the Authorities while suspending his agency. However, the fact remains that there are serious allegations against the Petitioner, which are not only under enquiry at the departmental level but he is also facing criminal proceeding in respect thereto. If the charge brought against the Petitioner is established then in that event, he cannot be permitted to function as an LIC Agent. Under such circumstances, the question of issuing a Writ of Mandamus to the Authorities to restore the agency of the Petitioner by ignoring the seriousness of the allegations brought against him would not arise in the eyes of law. In our considered opinion, such a direction would also run counter to the scheme of

the Regulation. However, if the Petitioner is exonerated in the Departmental Enquiry and is also acquitted in the criminal proceeding then in that event, he would certainly be entitled to restoration of his agency.

9. Therefore, by directing the Respondent Nos. 1 to 3 to expedite the enquiry proceeding so as to bring it to its logical conclusion, as expeditiously as possible, preferably within six months from the date of receipt of the certified copy of this order, we dispose of this Writ Petition by providing that subject to the outcome of the enquiry proceeding as well as criminal trial, the Petitioner would be entitled to seek restoration of his agency.

10. For expediting the trial in the criminal proceeding, the Petitioner would be at liberty to move this Court by filing appropriate application, seek appropriate order from this Court, if so advised.

11. With the above observations, this Writ Petition stands closed.

(ADVAIT M. SETHNA, J.)

(SUMAN SHYAM, J.)