*** THE HONOURABLE SRI JUSTICE BALAJI MEDAMALLI**

+W.P.NO. 23554 OF 2023

% 04.11.2026

#Between:

Kota Venkateswaramma

…… Petitioner

$And:

The Zonal Manager, Life Insurance Corporation of India,
South Central Zonal Office & another

… Respondents

!Counsel for the Petitioner : Sri Srinivasa Rao Narra

^Counsel for the Respondents : Sri Bathula Raj Kiran, learned Standing Counsel

<Gist:

>Head Note:

? Cases referred:

IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

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W.P.NO. 23554 OF 2023

Kota Venkateswaramma

…… Petitioner

And:

The Zonal Manager, Life Insurance Corporation of India, South Central Zonal Office & another

….Respondents

DATE OF ORDER RESERVED	**:**	**25.09.2026**
DATE OF ORDER PRONOUNCED	**:**	**04.11.2026**
DATE OF ORDER UPLOADED	**:**	**11.11.2026**

SUBMITTED FOR APPROVAL:

THE HON'BLE SRI JUSTICE BALAJI MEDAMALLI

1. Whether Reporters of Local newspapers may be allowed to see the Order? Yes/No

2. Whether the copies of order may be marked to Law Reporters/Journals? Yes/No

3. Whether Your Lordships wish to see the fair copy of the Order? Yes/No

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JUSTICE BALAJI MEDAMALLI

Date of reserved for orders : 25.09.2026
Date of pronouncement : 04.11.2026
Date of uploading : 11.11.2026

APHC010454482023

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI
(Special Original Jurisdiction)

WEDNESDAY, THE 04th DAY OF NOVEMBER 2026

PRESENT

THE HONOURABLE SRI JUSTICE BALAJI MEDAMALLI

WRIT PETITION NO: 23554 OF 2023

Between:

1. KOTA VENKATESWARAMMA, W/o. Late Pulugu Poli Reddy, aged about 58 years, Higher Grade Assistant (HGA), S.R. No.555466, R/o. D. No. 1-13-60/5, Ward No.1, Ramakrishnapuram, Bapatla, Bapatla District, A.P.

...Petitioner

AND

1. THE ZONAL MANAGER, Life Insurance Corporation of India, South Central Zonal Office, Saifabad, Secretariat Road, Hyderabad, Telangana State.

2. The Senior Divisional Manager, Life Insurance Corporation of India, Divisional Office, Jeevan Prakash Building, 2nd Floor, Kennedy Road, Machilipatnam, Krishna District, A.P.

...Respondents

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue Writ, Order or Direction more particularly one in the nature of writ of Mandamus declaring the action of the Respondentsin issuing the impugned final order dated 29.03.2023 by awarding penalties of removing the Petitioner from her services and to pay an amount of Rs. 5,44,206/- (Rupees

Five Lakh Forty Four Thousand Two Hundred and Six only) towards the loss said to be caused to the Corporation and thereafter, rejecting the Petitioner's appeal on the final order by confirming the same through an impugned order dated 07.07.2023 issued by the Respondent No.1 ashighly illegal, arbitrary, unjust, contrary to law and against the principles of natural justice and in violation of Article 14, 16, 21 and 300-A of the Constitutionof India and consequently set aside the same and direct the Respondents to reinstate the Petitioner into service as Higher Grade Assistant (HGA) in Bapatla branch office with all attending benefits including seniority and pass

IA NO: 1 OF 2023

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to pass an interim order by suspending the impugned final order dated 29.03.2023 issued by the Respondent No.2 by removing the Petitioner from her services and to pay an amount of Rs. 5,44,206/-(Rupees Five Lakh Forty Four Thousand Two Hundred and Six only) towards the loss said to be caused to the Corporation,until disposal of the main writ petition and pass

Counsel for the Petitioner: SRINIVASA RAO NARRA

Counsel for the Respondents: BATHULA RAJ KIRAN (SC FOR LIC)

The Court made the following order:

THE HONOURABLE SRI JUSTICE BALAJI MEDAMALLI

WRIT PETITION NO: 23554 OF 2023

O R D E R:

1. The Writ Petition is filed for the following relief:

> *"…to issue Writ, Order or Direction more particularly one in the nature of writ of Mandamus declaring the action of the Respondentsin issuing the impugned final order dated 29.03.2023 by awarding penalties of removing the Petitioner from her services and to pay an amount of Rs. 5,44,206/- (Rupees Five Lakh Forty Four Thousand Two Hundred and Six only) towards the loss said to be caused to the Corporation and thereafter, rejecting the Petitioner's appeal on the final order by confirming the same through an impugned order dated 07.07.2023 issued by the Respondent No.1 ashighly illegal, arbitrary, unjust, contrary to law and against the principles of natural justice and in violation of Article 14, 16, 21 and 300-A of the Constitutionof India and consequently set aside the same and direct the Respondents to reinstate the Petitioner into service as Higher Grade Assistant (HGA) in Bapatla branch office with all attending benefits including seniority …"*

2. The facts of the case, as narrated by the petitioner in the writ petition, are briefly set out hereunder:

(i) Petitioner was working as Higher Grade Assistant (HGA), S.R. No.555466, at Bapatla Branch, Machilipatnam Division, Life Insurance Corporation of India. Her sister, Shaik Razia Begum, obtained two insurance policies bearing Nos.678551201 and 678551202 in her own name, wherein the Petitioner was named as nominee. Petitioner contends that she neither misused her official position nor derived any undue advantage in respect of the said policies. On 21.06.2022, Respondent No.2 issued a notice alleging

that Petitioner had fraudulently obtained the aforesaid policies in her sister's name and claimed the early death benefits of Rs.3,23,595/- and Rs.2,20,611/-, totalling Rs.5,44,206/-, thereby causing loss to the Corporation. Petitioner submitted her explanation on 25.06.2022, denying the allegations.

(ii) A charge-sheet was thereafter issued on 14.10.2022. Petitioner submitted her written statement denying the charges and subsequently made representations seeking closure of the proceedings. A departmental enquiry was conducted and the enquiry report was furnished to her on 06.02.2023. Petitioner submitted her further explanation pursuant to the show-cause notice dated 15.03.2023 on 28.03.2023, reiterating that the policies had been obtained by her sister in her own name and issued by the Branch after verification of the requisite records.

(iii) By order dated 29.03.2023, Respondent No.2 imposed the penalty of removal from service, which shall not be a disqualification for future employment under Rule 39(1)(i) of the LIC of India (Staff) Rules, 1960, and directed recovery of Rs.5,44,206/- towards the alleged loss arising from the said claims.

(iv) On 25.04.2022, daughter of Petitioner's sister had informed the Respondents that the policies had been obtained by her mother in accordance with the prescribed procedure and that Petitioner had not

made any effort to secure the claim amounts. She also requested closure of the complaint against the Petitioner.

(v) Aggrieved by the order of removal dated 29.03.2023, Petitioner preferred an appeal on 13.04.2023, contending that the enquiry officer had failed to properly consider the material on record, her defence and had conducted the enquiry contrary to the principles of natural justice. It was also pointed out that she had rendered nearly 38 years of service and was at the verge of retirement. Respondent No.1, by order dated 07.07.2023, rejected the appeal and confirmed the penalty and recovery. Thereafter, on 09.08.2023, Respondent No.2 called upon Petitioner to remit Rs.5,44,206/-, while the Branch authorities initiated proceedings for settlement of her terminal benefits.

(vi) Petitioner contends that she had no role in obtaining or processing the policies or claims, except being named as nominee, and that the relevant material, including the representation of the legal heirs, was not duly considered. It is therefore contended that the orders dated 29.03.2023 and 07.07.2023 are arbitrary, contrary to the principles of natural justice and violative of Articles 14, 16, 21 and 300-A of the Constitution of India.

3. Respondents filed counter affidavit, contended that pursuant to a vigilance investigation, Petitioner was found to have facilitated two policies

bearing Nos.678551201 and 678551202 in the name of Shaik Razia Begum, while naming herself as nominee. Petitioner misrepresented the ages of the life assured and herself, suppressed the life assured's medical history and misused her official position in procuring the policies. Respondents rely upon the statements of the Agent and Development Officer, which allegedly establish that Petitioner initiated the proposals, insisted upon her nomination, paid the initial deposits and collected the policy documents. It is further alleged that Petitioner subsequently claimed death benefits of Rs.5,44,206/- under the said policies. On the basis of the investigation, Petitioner was issued a notice dated 21.06.2022 and charge-sheet dated 14.10.2022. A departmental enquiry was conducted in accordance with the LIC of India (Staff) Rules, 1960, and the Petitioner was afforded reasonable opportunity to defend herself. The enquiry report was furnished to her and, after considering her explanation, a show-cause notice was issued. By order dated 29.03.2023, the Disciplinary Authority imposed the penalty of removal from service, which shall not be a disqualification for future employment, under Rule 39(1)(i), besides recovery of Rs.5,44,206/- under Rule 39(1)(c). Petitioner's appeal was thereafter rejected by order dated 07.07.2023. Respondents deny any violation of natural justice and contend that the disciplinary proceedings were conducted in accordance with the applicable Rules and that the findings were based on the material available on record. The alleged misconduct was held to violate Rules 21 and 24 of the LIC of India (Staff) Rules, 1960. Petitioner has an alternative remedy by way of a Memorial under Rule 49 of the said

Rules, which she has not availed. The writ petition is therefore liable to be dismissed for non-exhaustion of the available departmental remedy. Respondents accordingly contend that the impugned orders dated 29.03.2023 and 07.07.2023 were passed in accordance with the applicable Rules after due enquiry and consideration of the material on record and warrant no interference.

4. Heard Sri Srinivasa Rao Narra, learned counsel for petitioner and Sri Bathula Raj Kiran, learned Standing Counsel for Respondents.

5. As seen from the averments made in the writ petition and the material annexed thereto, the Enquiry Report dated 23.01.2023 speaks that petitioner had admitted that the policyholder was not her sister and that she had merely been brought up, from her childhood, by the parents of the deceased Life Assured. Since the nomination under the policies was in favour of petitioner, who was admittedly a third party, the Enquiry Officer found that there was no relationship between petitioner and the deceased life assured (DLA). A specific finding to that effect was accordingly recorded by the Enquiry Officer. It was further found that the dates of birth furnished in respect of both petitioner and the deceased Life Assured, in whose name the policies had been obtained, were also incorrect. Deceased’s daughter, in her statement, categorically stated that she was not even aware of the policies having been purchased in her mother's name.

6. Upon consideration of the documentary evidence and after noticing the discrepancies relating to the dates of birth and the relationship between the parties, the Enquiry Officer recorded a categorical finding that the charges levelled against the petitioner stood fully established. The Disciplinary Authority, upon consideration of the Enquiry Report and the material on record, imposed a major penalty by passing the final order dated 29.03.2023 under the Life Insurance Corporation of India (Staff) Rules, 1960. The Disciplinary Authority, after elaborately considering petitioner's case and holding that the misconduct stood proved, ordered her removal from service, with a specific stipulation that such removal would not amount to disqualification for future employment, in terms of Rule 39(1)(i) of the Life Insurance Corporation of India (Staff) Rules, 1960. The Disciplinary Authority further directed recovery of a sum of Rs.5,44,206/- under Rule 39(1)(c) of the said Rules, towards the loss caused to the Corporation on account of the fraudulent claims made under the said two policies. The Appellate Authority, by its order dated 07.07.2023, also considered the submissions made by petitioner in detail and, upon independent consideration of the matter, confirmed the order passed by the Disciplinary Authority.

7. Learned counsel appearing for respondents-Corporation, referring to the findings recorded in the enquiry, submitted that petitioner, taking advantage of her position as an employee of the Corporation, had prevailed upon the agent to obtain insurance policies in the name of the deceased life assured, by showing herself as the nominee, though she had no permissible

relationship with the DLA for being nominated. Petitioner had misused her position and caused financial loss to the Corporation.

8. As regards, the grievance of petitioner regarding non-furnishing of documents and non-disclosure of witnesses, it is noticed from the enquiry report that petitioner participated in the enquiry and was afforded sufficient opportunity to defend herself. No specific objection in this regard was raised during the enquiry, nor was any prejudice caused to her defence demonstrated before the appellate authority. Petitioner had also taken the stand that the amount received under the policies was paid to the daughter of the DLA. However, no material was placed before the Enquiry Officer in support of the said contention. On the other hand, the statement of the daughter of the DLA indicates that she was not even aware of the insurance policy obtained in the name of her mother. The said material was considered by the Enquiry Officer while recording the finding against the petitioner.

9. Having regard to the material on record, this Court finds that the petitioner was afforded adequate opportunity in the enquiry and has failed to establish any violation of the principles of natural justice or any prejudice to her defence. The disciplinary authority also considered the enquiry report and passed the order impugned herein. The findings recorded in the enquiry cannot be said to be perverse or unsupported by the material on record.

10. This Court, while exercising jurisdiction under Article 226 of the Constitution of India, does not ordinarily re-appreciate the evidence or

substitute its own view for that of the Enquiry Officer, unless the findings are shown to be perverse or the enquiry is vitiated by violation of the principles of natural justice. No such ground is made out in the instant case and this Court finds no reason to interfere with the order of the disciplinary authority as well as the appellate authority.

11. Accordingly, writ petition is ***dismissed***. No order as to costs.

As a sequel, pending miscellaneous applications, if any, shall stand closed.

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JUSTICE BALAJI MEDAMALLI

Date: 04.11.2026
SAK

Whether the order is:

Speaking	☑	Reasoned	☑
Reportable	☑	Non-reportable	

THE HONOURABLE SRI JUSTICE BALAJI MEDAMALLI

WRIT PETITION NO: 23554 OF 2023

Date: 04.11.2026

SAK