



2026:AHC:221877-DB

HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT - C No. - 28051 of 2023

Km.Vidyawati

.....Petitioner(s)

Versus

State of U.P. and 4 others

.....Respondent(s)

Counsel for Petitioner(s)	: Ramesh Chandra Pathak
Counsel for Respondent(s)	: Arun Kumar Shukla, C.S.C.

A.F.R.

Reserved on 25.09.2026

Delivered on 26.10.2026

Court No. - 5

HON'BLE PRAKASH PADIA, J.
HON'BLE GARIMA PRASHAD, J.
(As per Hon'ble Garima Prashad, J.)

1. Heard Sri Jagdish Prasad Chaurasia, learned Advocate holding brief of Sri Ramesh Chandra Pathak, learned counsel for the petitioner, Sri Arun Kumar Shukla, learned counsel for the respondent no. 5 and learned Standing Counsel for the State.

2. The present Writ Petition has been filed challenging the rejection of the petitioner's claim under the Mukhyamantri Kisan Evam Sarvahit Bima Yojana, communicated by the Oriental Insurance Company Limited on 16.04.2021. The petitioner seeks payment of Rs.5,00,000/- on account of the accidental death of her brother, Abhay Charan Darshan Dubey.

3. Briefly stated, the facts are that the petitioner's brother died in a road accident on 18.05.2019. A First Information Report was lodged at Police Station Chhawani, District Basti, and his death was registered by the competent authority. The petitioner claims that, after the death of their parents, her brother cultivated the family agricultural land and was the head and breadwinner of the household. She was unmarried and dependent upon him. The revenue records concerning the family holding have been filed with the Writ Petition.

4. The petitioner submitted a claim for the insured amount under the Scheme. By a communication dated 03.10.2019, the Insurance Company informed her that the claim had been rejected because a sister was not included in the definition of family in the Memorandum of Understanding. The claim was thereafter placed before the District Committee, Basti. In its meeting held on 18.11.2019, the Committee considered the report of the Sub-Divisional Magistrate, Harraiya, recorded that the deceased was the head of the family and directed the Insurance Company to accept the claim and ensure payment. The petitioner was informed of that decision by the office of the District Magistrate on 09.03.2021.

5. The Insurance Company nevertheless maintained its rejection. In the communication dated 16.04.2021, it stated that the claim had been made by the deceased's sister and that, under the definition of family on page 5 of the Memorandum of Understanding, a sister was not entitled to the benefit upon her brother's death.

6. Learned counsel for the petitioner submits that the deceased was an agriculturist and the head and breadwinner of the family. After the death of their parents, the petitioner depended upon him and is now the only

surviving member of the household. She claims as his nominee and legal heir. The Scheme provides for payment to the nominee or legal heir upon the accidental death of the insured head or breadwinner. The Committee examined the claim and directed payment after considering the report of the revenue authority. The petitioner submits that her relationship as sister cannot defeat the death claim when the insured event and the deceased's coverage are otherwise established.

7. Per contra, learned counsel for the Oriental Insurance Company submits that the Scheme is implemented under an agreement between the State Government and the Company, and the rights of the parties are governed by the Memorandum of Understanding and the insurance policy. The family composition specified in those documents includes the head or breadwinner, the spouse, an unmarried daughter, a dependent son and parents in the stated circumstances. A sister is not included. The Company therefore maintains that the Committee acted contrary to the contractual terms in directing payment and that the Court cannot require payment of an uncovered claim merely because the Scheme has a beneficial object.

8. The Company also refers to its challenge to the payment directions issued by the District Magistrate, Basti, in Writ-C No. 28577 of 2021 before the Lucknow Bench. It relies upon *The Oriental Insurance Company Limited and others v. State of U.P. and others*, Writ-C No. 59959 of 2017, decided on 21.12.2017, and *Smt. Rajwati Devi v. State of U.P. and others*, Writ-C No. 5612 of 2023, decided on 19.04.2023, to submit that the Committee must act within the Scheme and give reasons, and that an unlawful direction cannot be enforced through a writ of mandamus.

9. We have considered the rival submissions and the material on record. The question is whether the omission of a sister from the list of persons covered as family members also excludes her from receiving the personal accident death benefit as the legal heir of an insured head or breadwinner.

10. The present claim is governed by the Mukhyamantri Kisan Evam Sarvhit Bima Yojana implemented through the State's agreement with the Insurance Company. The agreement dated 13.09.2018 continued the Scheme for the insurance period from 14.09.2018 to 13.09.2019. The group personal accident policy filed by the Company covers that period. The accident on 18.05.2019 occurred during its currency. The State undertook payment of the premium, and the Company undertook assessment and payment of claims according to the agreement, the incorporated Scheme and its amendments.

11. The Scheme makes a distinction between personal accident insurance and post-accident medical benefits. Under the first part, the head or breadwinner is insured against accidental death or disability. Under the second part, medical treatment and artificial limb benefits are extended to the head or breadwinner and covered family members. The provision headed “परिवार आच्छादन” states that the head or breadwinner is covered for personal accident insurance up to Rs.5,00,000/-, while the head or breadwinner and family members are covered for the stated post-accident medical benefits. The policy schedule preserves the same distinction.

12. The provision concerning family composition reads:

*“परिवार निर्धारण – परिवार के अन्तर्गत परिवार का मुखिया/रोटी अर्जक
(पुरुष/स्त्री) उसकी पत्नी/पति, अविवाहित पुत्री, आश्रित पुत्र, मुखिया*

पति एवं अविवाहित पुरुष के आश्रित माता-पिता बीमा का लाभ प्राप्त करने हेतु आवृत्त होंगे।”

Translated into English, it provides that the head or breadwinner, male or female, the spouse, an unmarried daughter, a dependent son and dependent parents of an unmarried male or of a husband who is the head of the family are covered for insurance benefits. The policy likewise lists those categories and states that the wife's parents are not covered. A sister is not separately included in that list.

13. The provision governing payment upon death appears under Part I, personal accident insurance, and reads:

“दुर्घटना में मृत्यु – यदि दुर्घटना के कारण परिवार के मुखिया/रोटी अर्जक की मृत्यु बीमा अवधि के दौरान हो जाती है तो बीमा कम्पनी सम्पूर्ण बीमित राशि ₹ 5.00 लाख का भुगतान नामिनी/कानूनी वारिस को करेगी।”

The English translation reads:

“Death in an accident—If the head of the family or breadwinner dies as a result of an accident during the insurance period, the Insurance Company shall pay the entire insured amount of Rs.5.00 lakh to the nominee or legal heir.”

14. The agreement repeats this recipient category in the personal accident claim procedure. Clause (a) provides:

“In case of accidental death or physical disability (as the case may be), Head of the Family/ Bread Earner/

nominee/ legal heir (as applicable) shall submit claim documents through Common Service Centers/ outlets to Insurance Company.”

The procedure further requires a legal heir certificate only in controversial cases and provides for payment to the head or breadwinner, nominee or legal heir, as applicable. Thus, the person whose accident is insured and the person who receives payment after that person's death are separately identified by the contract.

15. The family-composition provision identifies persons covered for the benefits available under the Scheme. The death-payment provision identifies the recipient when the insured head or breadwinner dies. A person claiming that her own accident is covered as a family member must satisfy the applicable coverage provision. A person seeking payment after the death of the insured head or breadwinner must establish her entitlement as nominee or legal heir. The latter provision does not restrict a legal heir to the relationships listed in the family-composition clause.

16. The Company's interpretation would add such a restriction to the words “nominee/legal heir”. It would require those words to be read as “nominee/legal heir who is also a covered family member”, although the agreement contains no such qualification. The repeated use of the recipient category in the claim and payment provisions must be given effect. The petitioner does not seek a benefit for an accident suffered by her as an insured sister. She seeks the amount payable upon the accidental death of her brother, who was found by the Committee to be the head of the family. Her claim must be examined in that capacity.

17. The law governing this insurance arrangement was considered by a Division Bench of this Court in *Oriental Insurance Company Ltd. v. Smt. Uma Devi and others*, Writ-C No. 21066 of 2020, decided on 25.01.2021, reported in (2021) 1 ILR (All) 314. In paragraph 29, the Court explained that insurance liability is governed by the contract, whose words must be given effect without addition or substitution and whose provisions must be read together. In paragraphs 12 and 15, it also recognised the contractual effect of a decision of the District Review Committee. These principles require consideration of the death-payment clause together with the coverage clause. The beneficial object supports that reading, but the entitlement follows from the contractual text itself.

18. The Committee's authority is expressly provided in clause (m) of the personal accident claim procedure. Its material part reads:

“The Committee shall take decision on all the discrepant/ Controversial claims. The Insurance Company shall be bound to adhere to the decision taken by the Committee and make the payment within one month.”

The clause then provides for delivery of the cheque to the concerned head or breadwinner, nominee or legal heir, as applicable. The Committee's decision must be consistent with the Scheme and supported by reasons; its contractual authority does not permit enlargement of the insured risk.

19. The decision in *The Oriental Insurance Company Limited and others v. State of U.P. and others* (supra) concerned claims rejected in District Shamli and coercive recovery directions issued against the insurer. The Division Bench held that both the Company and the Committee must act

within the Scheme, and that the Committee must give reasons for altering a rejection. That principle applies to the present claim. It does not, however, decide that a sister is incapable of receiving a death benefit as legal heir. The Committee here considered the objection concerning her relationship, referred to the Sub-Divisional Magistrate's inquiry and recorded that the deceased was the head of the family. The present decision further examines the specific payment provision on which the petitioner's entitlement rests.

20. In *Smt. Rajwati Devi v. State of U.P. and others (supra)*, the Division Bench declined to enforce a direction for payment where death by murder was held not to be covered by the Scheme considered there. The case establishes that an unlawful award cannot be enforced merely because it was made by the District Magistrate. The present case concerns a road accident during the insurance period. The Company's objection is to the recipient's relationship, rather than to an excluded cause of death. The petitioner seeks payment under the provision for a nominee or legal heir. Applying that provision enforces the agreed liability and does not create insurance cover for an excluded event.

21. The order dated 09.12.2021 filed by the Company in connection with Writ-C No. 28577 of 2021 calls for instructions concerning the procedure followed for resolution of disputed claims. It contains no stay of the payment directions and no determination of the petitioner's entitlement. The Company's reference to those proceedings does not answer the interpretation of the contract which arises in this Writ Petition. The petitioner's claim has been examined here on its own facts and under the provisions governing receipt of the death benefit.

22. The petitioner's case, is that both parents had died, that she and her brother formed the surviving household and that he was its only breadwinner. She states that she is now its only surviving member. The Company's affidavit does not put forward any competing claimant or any different basis of succession. Its case is that a sister, by reason of that relationship alone, is outside the Scheme. The Committee's decision identifies Abhay Charan as the deceased, Vidyawati as the claimant and 18.05.2019 as the date of death, and records the finding concerning the deceased's position as head of the family. The insurer has maintained the same categorical objection after that inquiry.

23. The petitioner's entitlement can therefore be determined as legal heir without treating the pleaded description of her as nominee as proof of a separate nomination. The Company's objection does not disclose a dispute between rival heirs, and the Scheme requires a succession certificate from the competent Court only where succession is disputed. The omission of a sister from the list of covered family members cannot itself create such a dispute or defeat the express provision for payment to a legal heir.

24. The deceased's status as head of the family was examined by the revenue authority and accepted by the Committee. His death in a road accident during the policy period and the claim for the prescribed death benefit are before the Court. The rejection is maintained solely because the claimant is his sister. The Company has thereby applied the family-composition provision to a question governed by the death-payment provision and has failed to give effect to the contract as a whole. That error vitiates the rejection.

25. We accordingly hold that an unmarried sister is not disqualified from receiving the personal accident death benefit merely because she is not separately listed as a covered family member. Where the deceased was an insured head or breadwinner and the claimant is entitled as nominee or legal heir, payment is governed by the provision expressly applicable to that recipient. On the facts of this case, the petitioner is entitled to receive the prescribed amount as the legal heir of the deceased. This finding concerns receipt of the death benefit and does not enlarge the categories of persons whose own accidental injury or medical treatment is insured under the Scheme.

26. Accordingly, the Writ Petition is allowed. The rejection communicated by the Oriental Insurance Company Limited on 16.04.2021 is quashed. The Company is directed to pay Rs.5,00,000/- to the petitioner under the Mukhyamantri Kisan Evam Sarvahit Bima Yojana within four weeks from the date of production of a certified copy of this judgment. The District Magistrate, Basti, shall facilitate payment in accordance with the claim-payment procedure. No order as to costs.

(Garima Prashad,J.) (Prakash Padia,J.)

October 26, 2026

Sachin Mishra