BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
Dated 27.08.2019
CORAM
THE HONOURABLE MR.JUSTICE K.RAVICHANDRABAABU
AND
THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY
W.A(MD)No.586 of 2019
and
C.M.P(MD)No.4802 of 2019

1.The Life Insurance Corporation of India
rep. by its Zonal Manager,
Southern Zonal Office,
No.102, Anna Salai, Chennai.

2.The Senior Divisional Manager,
Divisional Office (LIC),
Claim Department,
Sellur,
Madurai. .. Appellants/Respondent Nos.1 & 2

Vs.

M.Nagalakshmi .. Respondent/Petitioner

PRAYER: Writ Appeal is filed under Clause 15 of Letters Patent, against the order in W.P(MD)No.11873 of 2018 dated 25.03.2019.

Prayer in WP(MD). 11873/ 2018 :
Writ Petition is filed under Article 226 of the Constitution of India, praying this Court To issue a writ of Certiorarified Mandamus calling for the records pertaining to the impugned order passed by the 2nd respondent dated 06.02.2018 in LIC policy No.748025367 and quash the same and consequently directing the respondents to disburse the full death claim with nominal interest of 12% till the date of payment and disburse within a stipulated time fixed by this Honble Court.

For Appellant : Mr.G.Prabhu Rajadurai
For Respondent : Mr.R.Lakshmanan

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JUDGMENT

(Judgment of the Court was delivered **by K.RAVICHANDRABAABU, J.**)

This writ appeal is directed against the order of the Writ Court made in W.P(MD)No.11873 of 2018, dated 25.03.2019.

2.The appellants are the respondents before the Writ Court. The said writ petition was filed challenging the order of the second respondent dated 06.02.2018, with the consequential direction to the respondents to disburse the full death claim with nominal interest of 12% till the date of payment and disburse within the stipulated time.

3.The Writ Court after hearing both sides, allowed the writ petition and directed the Insurance Company to pay sum assured with interest at 6% per annum from the date of filing claim petition to the petitioner within a period of 45 days from the date of receipt of the said order. It was further ordered therein that if such order is not complied with within the stipulated time granted, the Insurance Company shall pay the sum assured with interest at 9% per annum.

4.Though the present writ appeal is filed challenging the order of the Writ Court by raising very many contentions on merits, when the matter was listed for hearing on 17.07.2019, it was represented by the learned counsel for the appellants as well as the respondent that there is a possibility of settling the dispute by way of negotiation. Accordingly, this Court permitted the parties to negotiate without reference to the pendency of the writ appeal. Accordingly, the matter was adjourned by two weeks.

5.Today, when the matter is taken up for further hearing, the learned counsels appearing on either side submitted that the parties have entered into a compromise and settled the matter. A memo of compromise dated 27.08.2019 signed by both the parties is also filed before this Court, wherein the terms read as follows:-

> “The parties to the above Writ Appeal have compromised the dispute in the following terms:
>
> 1.The Appellant Life Insurance Company of India pays to the Respondent M.Nagalakshmi a sum of Rs.5,00,000/- (Rupees Five Laksh only) vide chq.no.180864 dated 20.08.2019 drawn on South Indian Bank Ltd., Aruppukottai in full and final settlement of the claim arising under the policy number 748025367 in view of the death of her husband Mr.R.Mari.
>
> 2.The Respondent acquits the Appellant corporation from any payment or charges in respect of the death of her husband R.Mari under Policy No.748025367.
>
> 3.Parties to bear their own costs.”

6.Therefore, the learned counsels for the respective parties submitted that the writ appeal may be disposed of in terms of the above memo of compromise. However, the learned counsel for the appellants submitted that general observations made by the Writ Court at paragraph No.12 in respect of non-discloser of previous insurance policy held by the insured and at paragraph 15 regarding non-discloser of life style disease, have to be deleted, since such observations made in general would affect the interest of the insurance company in other cases as well. It is true that the Writ Court has made some observations at paragraphs 12 and 15 in respect of non-discloser of previous policy held by the insured as well as the life style disease. Since the present dispute between the parties has been settled by way of entering into the compromise, we make it clear that the observations made at paragraphs 12 and 15 of the order passed by the Writ Court will be confined to the present writ petition alone, however, leaving the said issue open to be agitated and adjudicated upon in appropriate proceedings in future as and when an occasion so arises.

With the above observations, this writ appeal is disposed accordingly. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar (CS-III)

// True Copy //

Sub Assistant Registrar(CS)

+1CC to Mr.G.Prabhu Rajadurai, Advocate SR.No.84324.

Judgment made in
W.A(MD)No.586 of 2019
27.08.2019

CS(10.09.2019) 3P 2C