BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 29.11.2024

CORAM

THE HONOURABLE MR.JUSTICE K.KUMARESH BABU

W.P.(MD)No.5595 of 2017

P.Arunmozhi ...Petitioner

Vs

1.The Insurance Ombudsman,
Office of the Insurance Ombudsman,
(Tamil Nadu and Puducherry),
4th Floor, Fathima Akthar Court,
No.453, Anna Salai,
Tenampet,
Chennai – 600 018.

2.The Life Insurance Corporation of India,
Represented by its Zonal Manager,
Southern Zonal Office,
L.I.C of India,
L.I.C Buildings,
P.B.No.2450,
102, Anna Salai,
Chennai – 600 002.

3.The Life Insurance Corporation of India,
Represented by its Divisional Manager,
'Jeevan Prakash' Bridge Station Road,
Madurai – 625 012. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records of the impugned order passed by the first respondent in Award No.IO/CHN/A/LI/0038/2016-17 dated 31.08.2016 and to quash the same and directing the third respondent to disburse the entire claim amount concerned with Policy No. 746930738 – 746930752 (15 Nos.) to the petitioner together with accrued interest at the rate of 12% per annum from the date of the claim till the date of realization.

For Petitioner : Mr.S.Chandrasekaran

For Respondents : Mr.C.Godwin

O R D E R

Heard Mr.S.Chandrasekaran, learned counsel for the petitioner and Mr.C.Godwin, learned counsel for the respondents.

2. The Writ Petition had been filed challenging the order of the repudiation passed by the respondents.

3. The case of the petitioner is that her husband had taken a life insurance policy with the Department, and after his death, when the petitioner approached the respondents, they repudiated the claim. The petitioner then approached the first respondent, the Ombudsman, who upheld the decision of respondents 2 and 3. Therefore, with no other

efficacious alternate remedy available, the petitioner has approached this Court.

4. At the outset, it is to be noted that the policy is in the nature of a contract between the petitioner's husband and respondents 2 and 3. When the claim was repudiated by the insurer, such repudiation can only be challenged in a civil court, as it involves disputed questions of fact regarding liability and the quantification of the claim. This type of policy has been held to be a contract between the parties, as observed in the judgment in the case of ***General Assurance Society Ltd. v. Chandumull Jain,*** reported in ***AIR 1966 SC 1644***.

5. The Hon'ble Apex Court has held that this Court can entertain a Writ Petition even in contractual matters, provided that the facts are not disputed. In fact, the Hon'ble Apex Court has clarified that when the question of facts is not disputed and the matter is based on the terms of the contract, this Court could entertain a Writ Petition in contractual disputes. However, in the present case, respondents 2 and 3 have seriously disputed both their liability and the quantification of the claim made by the petitioner.

6. In view of the above, I am of the opinion that, based on the facts and circumstances of the case, the Writ Petition under Article 226 of the Constitution cannot be entertained and is liable to be dismissed. However, liberty is granted to the petitioner to pursue the remedy available under the law before the appropriate civil court.

7. It is further directed that, when the petitioner approaches the appropriate civil court, the period of pendency of this Writ Petition shall be excluded while calculating the period of limitation. Additionally, it is made clear that in the facts of the present case, the period of limitation for filing a suit will begin from 31.08.2016, i.e., the date on which the first respondent passed an order upholding the repudiation by the third respondent.

8. With the above observations, the Writ Petition stands dismissed. No costs.

29.11.2024

NCC:yes/no
Index:yes/no
Internet:yes/no
Nsr

To:

1.The Insurance Ombudsman,
Office of the Insurance Ombudsman,
(Tamil Nadu and Puducherry),
4th Floor, Fathima Akthar Court,
No.453, Anna Salai,
Tenampet,
Chennai – 600 018.

2.The Life Insurance Corporation of India,
Represented by its Zonal Manager,
Southern Zonal Office,
L.I.C of India,
L.I.C Buildings,
P.B.No.2450,
102, Anna Salai,
Chennai – 600 002.

3.The Life Insurance Corporation of India,
Represented by its Divisional Manager,
'Jeevan Prakash' Bridge Station Road,
Madurai – 625 012.

K.KUMARESH BABU, J.

Nsr

W.P.(MD)No.5595 of 2017

29.11.2024