

AFR

IN THE HIGH COURT OF ORISSA AT CUTTACK

WP(C) No.7294 of 2016

(Through Hybrid mode)

Smt. Santilata Satpathy ***Petitioner***

-versus-

Chairman, Life Insurance Corporation of India, Mumbai and others ***Opposite Parties***

Advocates appeared in this case :

For Petitioner : Mr. S. K. Singh, Advocate
For Opposite Parties: Mr. S. P. Panda, Advocate
Mr. I. Acharya, Advocate

CORAM: JUSTICE ARINDAM SINHA

JUDGMENT
20.10.2022

1. Mr. Singh, learned advocate appears on behalf of petitioner and submits, his client is nominee under one life insurance policy taken by Rajendra Satapathy, since deceased. The policy no.592849041 dated 20th August, 2004, commencing from that date, was taken from opposite party no.1 (LIC of India).

2. On 27th July, 2005, the Deceased Life Assured (DLA) met with motor accident. On 30th July, 2005 the DLA succumbed to the injuries. The insurance company by letter dated 15th February, 2016 repudiated claims under the policy alleging withholding material information regarding previous

policies, at the time of effecting the assurances with them. Mr. Singh submits, the repudiation came long after expiry of three years from commencement of the policies on 14th April, 2004. In the circumstances, the repudiation stood barred by section 45 in Insurance Act, 1938.

3. Mr. Acharya led by Mr. Panda, learned advocates appear on behalf of the insurance company. Mr. Acharya submits, the repudiation was duly made and there should not be interference.

4. Section 45 bars calling into question policy of life insurance on any ground whatsoever after expiry of three years from date of the policy or from date of issuance or date of commencement or date of revival or date of rider to the policy, whichever is later. Sub-section (2) provides for ground of fraud for calling into question a policy of life insurance, within the time provided. In this case the time is to be reckoned from commencement of policies/risk. All three policies commenced from 14th April, 2004. As aforesaid, the DLA died on 30th July, 2005. There was no event of subsequent revival of the policy and none has urged there was rider to it. In the circumstances, the repudiation on 22nd February, 2008 is clearly beyond the time allowed to allege misrepresentation by the DLA.

5. Impugned repudiation is set aside and quashed. Opposite party no.1 will forthwith pay on the policy. In event payment is not made by 15th November, 2022, the aggregate

amount will carry interest at the rate of 5% per annum simple calculated from 26th April, 2016 (date of presentation of the writ petition) till date of payment.

6. The writ petition is disposed of.

(Arindam Sinha)
Judge

Sks

