

IN THE HIGH COURT OF ORISSA AT CUTTACK

**W.P.(C) No.35814 of 2020
(Through hybrid mode)**

***The Branch Manager Life
Insurance Corporation Of India,
Cuttack and another***

....

Petitioners

Mr. Prafulla Kumar Rath, Advocate

-versus-

***Permanent Lok Adalat Cantonment
Road, Cuttack and another***

....

Opposite Parties

Mr. S.K.Das, Advocate
For O.P.2

CORAM: JUSTICE ARINDAM SINHA

**ORDER
23.06.2022**

Order No.

- 05.** 1. Mr. Rath learned advocate appears on behalf of petitioners-insurance company, who has petitioned raising challenge to award dated 16th October, 2020 passed by the Permanent Lok Adalat (PLA). He submits, the insured died within two years of taking the life insurance policy. Inquiry was required to be made. The inquiry took some time. The sum assured has been paid to the beneficiary. The dispute was regarding claim of interest made for delayed payment.
2. He submits, without going into whether or not the PLA had the power to direct payment of interest for delayed payment on the contract of life insurance, he has instructions to submit, his client is ready to pay 6 %

simple interest for the period directed in the award.

3. Mr. Das learned advocate appears on behalf of opposite party no.2. He submits, his client has a good claim as the contingency provided for in the policy had happened and the insurance company was liable to pay forthwith. Requisitions made by the insurance company for production of documents were complied with yet payment on the policy was made after long delay. Hence, his client had a legitimate claim with, which she went to the PLA. The PLA duly found in favour of his client. There is no illegality or material illegality in impugned award. There should not be interference.

4. On query from Court regarding offer made by the insurance company to settle at 6 % simple interest for the period, to put an end to and finality of the litigation, Mr. Das submits, for that purpose his client is willing to accept the same.

5. Petitioner will pay interest for the period directed in impugned award at the rate of simple interest of 6 % per annum. The payment is to be made within three weeks of communication.

6. The writ petition is disposed of.

(Arindam Sinha)
Judge