IN THE DELHI STATE CONSUMER DISPUTES REDRESSAL COMMISSION

Date of Institution: 28.07.2021

Date of Hearing: 18.11.2025

Date of Decision: 07.09.2026

COMPLAINT CASE NO. 133/2021

IN THE MATTER OF

M/S. TEESTA VALLEY POWER TRANSMISSION LTD.,
HAVING EARLIER ITS OFFICE: AT 17,
BARAKHAMBA ROAD, 2ND FLOOR,
VIJAYA BUILDING, NEW DELHI–110001.
PRESENTLY AT:
OFF: 604, 6TH FLOOR, BHIKAJI CAMA BHAWAN,
BHIKAJI CAMA PLACE, NEW DELHI-110066,
THROUGH ITS AUTHORISED PERSON
MR. ABHISHEK VATS.

(Through: Mr. Mohit Batra and Mr. Saket Gakhar, Advocates)

…Complainant

VERSUS

M/S. NATIONAL INSURANCE CO. LTD.,
REGD OFF: 3, MIDDLETON STREET,
KOLKATA, WEST BENGAL-700071.

(Through: Mr. Prateek Mishra, Advocate)

…Opposite Party

CORAM:
HON'BLE JUSTICE SANGITA DHINGRA SEHGAL (PRESIDENT)
HON'BLE MS. BIMLA KUMARI, MEMBER (FEMALE)

Present: Ms. Medhavi Gogia, proxy counsel for Mr. Mohit Batra, Counsel for the Complainant.
None for the Opposite Party.

PER: HON'BLE JUSTICE SANGITA DHINGRA SEHGAL, PRESIDENT

JUDGMENT

1. The present Complaint has been filed by the Complainant under Section 35 of the Consumer Protection Act, 2019, wherein the Complainant has prayed for recovery of insurance claim and has prayed for the following reliefs:

   i) Direct the respondent/ opposite party, to pay Rs.54,40,813/- alongwith interest @ 24% p.a. from the date of claim till its realization.

   ii) Direct the opposite party to pay a sum ofRs. 7,00,000/- on account of losses, mental pain, torture and agony suffered by the complainant due to deficiency in services and also financial losses alongwith interest @ 24% p.a. till its actual realization.

   iii) Pass an order directing the opposite party to pay a sum of Rs. 30,000/- on account of cost of litigation including professional fee and miscellaneous expenses etc.

   iv) Any other order/s which this Hon'ble Forum deem fit and proper, be also passed in favour of the complainant and against the opposite party.

2. Brief facts necessary for the adjudication of the present Complaint are that the Complainant is a Joint Venture Company formed for setting up power transmission lines of 400 KV D/c covering a total distance of 215 kms. The said project was insured under All Risk Insurance Policy bearing no. 351200/44/14/5500000015 issued by the Opposite Party on 31.03.2016 for a sum insured of Rs.5,80,00,00,000/- (Rupees Five Hundred and Eighty Crore Only) and a payment of Rs. 1,31,77,918/- (Rupees One Crore Thirty-One Lakh

Seventy-Seven Thousand Nine-Hundred and Eighteen Only) towards the premium. It is submitted that a theft had taken place on 25.03.2017 and the incident was reported to the Police, and an FIR bearing no. 23/17 dated 30.03.2017 was registered. The Opposite Party was also informed of the loss on 01.04.2017, for a claim amount of Rs. 54,40,813/- (Rupees Fifty-Four Lakh Forty-Thousand Eight-Hundred and Thirteen Only) and a claim bearing no. 351200/44/17/55900000002 was issued to the Complainant by the Opposite Party. It is the case of the Complainant that the Opposite Party repeatedly delayed the settlement of the claim, and vide letter dated 05.10.2020, the Opposite Party repudiated the claim of the Complainant on unreasonable and unjustified grounds. Aggrieved by the aforesaid, the Complainant has approached this Commission.

3. The Opposite Party has filed its Written Statement, denying all the contentions and allegations of the Complainant, submitting that the Complainant is not a "consumer" within the meaning of the Consumer Protection Act, 2019, as the Complainant is a public sector undertaking with public money. It is also submitted that this Commission does not have the territorial jurisdiction to adjudicate the present Complaint. Further, it is submitted that there has been no deficiency in service on the part of the Opposite Party, as the Complainant violated the terms and conditions of the policy in question by not intimating the Opposite Party of the loss by theft immediately after the theft. There was a gap of 5 days in informing of the loss in stretch “A” and a gap of 6 days in informing of the loss in stretch “B” to the police, whereas, there was a gap of 7 days in informing of the loss in stretch “A” and a gap of 25 days in stretch “B” to the Opposite Party, which amounts to wilful negligence and delay in timely intimation of the loss. Pressing the aforesaid contention and submissions, the Opposite Party has prayed for setting aside the present Complaint.
4. The Complainant has filed his Rejoinder rebutting the Written Statement filed by the Opposite Party. Thereafter, both parties filed their Evidence by way of

Affidavit to prove their averments on record.

5. Written Arguments on behalf of the Complainant are on record, wherein, the Complainant has reiterated the contents of the Complaint, and the same have been considered. The counsel for the Complainant has relied on the following judgments in support of his case:

   (i) ***Harsolia Motors vs. National Insurance Co. Ltd.*** as reported in ***I (2205) CPJ 27 (NC)***

   (ii) ***Punj Lloyd vs. Corporate Risks India Pvt. Ltd*** as reported in ***I (2009) CPJ 10 SC***

6. Written Arguments on behalf of the Opposite Party are on record, wherein, the Opposite Party has reiterated the contents of the Written Statement, and the same have been considered. The counsel for the Opposite Party has relied on the following judgments in support of his case:

   (i) ***General Assurance Society Ltd. vs. Chandumull Jain.*** as reported in ***AIR 1966 SC 1644***

   (ii) ***Suraj Mal Ram Niwas Oil Mills Pvt. Ltd. vs. United India Insurance Co. Ltd.*** as reported in ***2010 (10) SCC 567***

   (iii) ***Branch Manager, Bajaj Allianz Insurance Company Ltd. & Others. vs. Dalbir Kour.*** as reported in ***(2020) 8 SCC 401***

   (iv) ***Civil Appeal No. 5887 of 2021*** titled ***United India Insurance Co. Ltd. vs. Shushil Kumar Godara*** as decided on ***30.09.2021***

   (v) ***Lilavati Kirtilal Mehta Medical Trust vs. Ms. Unique Shanti Developers & Ors.*** as reported in **2020 (2) SCC 265**

7. We have perused the material available on record.

8. The ***first question*** for consideration before us is ***whether the territorial jurisdiction to adjudicate the present Complaint rests with this Commission.***

9. To deal with this question, we deem it necessary to refer to Section 47(4) of the Consumer Protection Act, 2019, which provides as under:

> *"(4) A complaint shall be instituted in a State Commission within the limits of whose jurisdiction,—*
> *(a) the opposite party or each of the opposite parties, where there are more than one, at the time of the institution of the complaint, ordinarily resides or carries on business or has a branch office or personally works for gain; or*
> *(b) any of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides, or carries on business or has a branch office or personally works for gain, provided in such case, the permission of the State Commission is given; or*
> *(c) the cause of action, wholly or in part, arises; or*
> *(d) the complainant resides or personally works for gain."*

10. On perusal of the aforesaid statutory position, it is clear that a Complaint may be filed where the Complainant resides or personally works for gain, therefore this Commission has the territorial jurisdiction to adjudicate the present Complaint, as the registered office of the Complainant is presently at 604, 6th Floor, Bhikaji Cama Bhawan, Bhikaji Cama Place, New Delhi-110066. Hence, the submission of the Opposite Party that this Commission does not have the territorial jurisdiction is answered in the negative.

11. The ***second question*** for consideration before us is ***whether the Complainant falls under the definition of "consumer" under the Consumer Protection Act, 2019.***

12. To deal with this issue, we deem it necessary to refer to Section 2(7)(ii) of the Consumer Protection Act, 2019, which provides as under:

> *"(7) "consumer" means any person who,—*
> *(ii) hires or avails of any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who hires or avails of the services for consideration*

> *paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person but does not include a person who avails of such services for any commercial purpose;"*

13. On perusal of the aforesaid statutory position, it is clear that any person who hires or avails of any services for a consideration which has been paid or promised or partly paid and partly promised is a consumer under the Consumer Protection Act, 2019, provided that such services are not availed for any commercial purpose.

14. Further, on perusal of record, we find that the Opposite Party has merely submitted that the Complainant is not a "consumer" under the Consumer Protection Act, 2019 for the adjudication of the present Complaint, and that the Opposite Party has failed to explain or adduce evidence towards the Complainant having taken the policy in question for a commercial purpose. Additionally, the Complainant being a public sector undertaking does not make the purpose of availing the policy to be a means of profit, therefore, the submission of the Opposite Party that the Complainant is not a consumer is a bald averment.

15. The ***last question*** for consideration before us is ***whether the Opposite Party is deficient in providing its services to the Complainant.***

16. To deal with this issue, we deem it necessary to refer to Section 2(11) of the Consumer Protection Act, 2019, which provides as under:

> *(11) "deficiency" means any fault, imperfection, shortcoming or inadequacy in the quality, nature and manner of performance which is required to be maintained by or under any law for the time being in force or has been undertaken to be performed by a person in pursuance of a contract or otherwise in relation to any service and includes-*
> *(i) any contract of negligence or omission or commission by such person which causes loss or injury to the consumer; and*
> *(ii) deliberate withholding of relevant information by such person to the consumer;"*

17. The definition of "deficiency" under Section 2(11) of the Consumer Protection Act, 2019 referred to above clarifies that any dereliction with respect to any fault, imperfection, shortcoming or inadequacy in performance required by law in pursuance of a contract of service on the part of the service provider amounts to deficiency in service.

18. To further deal with this question, we deem it necessary to refer to Clause 5 of the policy dated 31.03.2016 in question, which provides as under:

> *"5. In the event of any occurrence, which might give rise to a claim under this Policy, the Insured shall –*
>
> *a) immediately notify the Company by telephone or telegram as well as in writing giving an indication as to the nature and extent of loss or damage.*
> *b) take all steps within his power to minimize the extent of the loss or damage*
> *c) preserve the parts affected and make them available for inspection by a representative of the company or surveyor deputed by the Company.*
> *d) furnish all such information and documentary evidence as the company may require.*
> *e) inform the police authorities in case of loss or damage due to theft or burglary.*
>
> *The Company shall not in any case be liable for loss, damage or liability of which no notice has been received by the company within 14 days of its detection.*
>
> *Upon notification being given to the Company under this condition, the Insured may carry out the repair or replacement of any minor damage not exceeding Rs. 7,500/-. In all other cases a representative of the company shall have the opportunity of inspecting the loss or damage before any repairs or alterations are affected. If a representative of the company does not carry out the inspection within a period of time which could be considered as adequate under the circumstances the Insured is entitled to proceed with the repairs or replacement."*

19. On the bare perusal of the aforesaid Clause in the policy, it is clear that timely intimation is required for the processing of any claim, and that the Insurer shall have no liability if no notice has been received by the Insurer Company within 14 days of the detection of the loss.

20. It is a matter of record that the stretch "B" of the loss incurred by the Complainant was intimated to the Opposite Party on 19.04.2017, after a delay of 25 days from the date of detection of the alleged loss of approximately Rs. 42,00,000/- (Rupees Forty-Two Lakh Only), therefore the same is in clear violation of Clause 5 of the policy in question. However, the alleged loss in stretch "A" of approximately Rs.38,00,000/- (Rupees Thirty-Eight Lakh Only) was intimated by the Complainant to the Opposite Party within the period of 14 days as per the aforesaid clause.

21. Moreover, we find that a mere delay of 5 days in intimation is not a sufficient cause for repudiation of the claim of the Complainant. The theft took place at two stretches, and accounting for mobile components such as conductor wire and space dumper also takes time, computing the total loss suffered by the Complainant could delay the intimation along with the estimated cost of material stolen from the stretches in the entire area of 215 kms of the project in question. Therefore, repudiation of the claim of the Complainant on the ground of a violation of policy terms and conditions in the form of delay in intimation is a bald averment and amounts to unfair trade practice and deficiency in service on the part of the Opposite Party.

22. Keeping in view the facts of the present case and the extensive law as discussed above, we direct the Opposite Party to refund the policy cover as per the Survey Report dated 09.10.2018 of the Surveyor, namely Mr. Chandra Chura Mani Upadhyay to the Complainant i.e., ***Rs.25,61,229/-*** (Rupees Twenty-Five Lakh

Sixty-One Thousand Two-Hundred and Twenty-Nine Only) along with simple interest as per the following arrangement:

A. An interest **@ 6% p.a.** calculated from the date of the theft i.e. **25.03.2017** till **07.09.2026** (being the date of the present judgment);

B. The rate of interest payable as per the aforesaid clause **(A)** is subject to the condition that the Opposite Party pays the entire amount on or before **07.11.2026**;

C. Being guided by the principles as discussed above, in case the Opposite Party fails to pay the decretal amount as per the aforesaid clause **(A)** on or before **07.11.2026**, the entire amount is to be refunded along with an interest **@ 9% p.a.** calculated from the date of theft till the actual realization of the amount.

23. In addition to the aforesaid and taking into consideration the facts of the present case, the Opposite Party is directed to pay a sum of:

A. ***Rs. 1,00,000/-*** (Rupees One Lakh Only) as cost for mental agony and harassment to the Complainant;

B. The litigation cost to the extent of ***Rs. 50,000/-*** (Rupees Fifty Thousand Only).

24. Application(s) pending, if any, stands disposed of in terms of the aforesaid judgment.

25. A copy of this judgment be provided to all the parties free of cost as mandated by the Consumer Protection Act, 2019. The judgment be uploaded forthwith on https://e-jagriti.gov.in for perusal of the parties. A copy of this judgment be also sent to the concerned District Commission.

26.File be consigned to record room along with a copy of this judgment.

(JUSTICE SANGITA DHINGRA SEHGAL)
PRESIDENT

(BIMLA KUMARI)
MEMBER (FEMALE)

Pronounced On: 07.09.2026

LR-DK