STATE CONSUMER DISPUTES REDRESSAL COMMISSION

CHANDIGARH

FIRST APPEAL NO. SC/4/FA/326/2025

(Against the Order dated 5th September 2025 in Complaint No. DC/AB1/44/CC/323/2020 of the District Consumer Disputes Redressal Commission Chandigarh district commission)

THE NEW INDIA ASSURANCE CO. LTD. .....Appellant(s)
PRESENT ADDRESS - CLAIM HUB, 4TH FLOOR, SCO 36-37, SECTOR 17-A, CHANDIGARH-160017.CHANDIGARH,CHANDIGARH.
THE NEW INDIA ASSURANCE CO. LTD.
PRESENT ADDRESS - MICRO OFFICE 350308 DSS 312, 1ST FLOOR, SEC 20 PKLPANCHKULA,HARYANA.

Versus

TEJA SINGH .....Respondent(s)
PRESENT ADDRESS - S/O BANT SINGH, R/O TESHIL BADDI SURAJMAJRA GUJRAN 208 BADDI SOLAN HP 173205 , SOLAN,HIMACHAL PRADESH.

BEFORE:

HON'BLE MR. JUSTICE RAJ SHEKHAR ATTRI , PRESIDENT

HON'BLE MRS. PADMA PANDEY , MEMBER

FOR THE APPELLANT: THE NEW INDIA ASSURANCE CO. LTD.

DATED: 16/11/2026

ORDER

STATE CONSUMER DISPUTES REDRESSAL COMMISSION,

U.T., CHANDIGARH

Appeal No. : 326 of 2025
Date of Institution : 28.11.2025
Date of Decision : 16.11.2026

1. The New India Assurance Company Limited, Claim Hub, 4th Floor, SCO 36-37, Sector 17-A, Chandigarh-160017.

2. The New India Assurance Company Limited, Micro Office (350308), DSS 312, 1st Floor, Sector 20, Panchkula, Haryana-134112.

Appellants now through its Authorized Signatory/POA/GPA Holder Mr.Vishal Malhotra, Ass. Manager, The New India Assurance Company Limited SCO 36-37, Sector 17-A, Chandigarh-.

...Appellants/Opposite Parties

Versus

Teja Singh son of Bant Singh, Resident of Tehsil Baddi, Surajmajra Gujran (208), Baddi-Solan, Himachal Pradesh-173205.

...Respondent/Complainant

BEFORE: JUSTICE RAJ SHEKHAR ATTRI, PRESIDENT
MRS. PADMA PANDEY, MEMBER

Present:- Sh.Arjun Kundra, Advocate, counsel for the appellant.
Sh.Devinder Kumar, Advocate, counsel for the respondent.

JUSTICE RAJ SHEKHAR ATTRI, PRESIDENT

The present appeal has been filed by the appellants/opposite parties against the order dated 05.09.2025 passed by the District Consumer Disputes Redressal Commission-II, U.T. Chandigarh (hereinafter referred to as the "District Commission"), in Consumer Complaint No.323 of 2020, whereby the consumer complaint filed by the respondent/complainant was partly allowed and the appellants were directed to pay the assessed loss of Rs.3,31,898.54/- along with interest, compensation and litigation expenses, in the following terms:

> "*In view of the above discussion, the complainant is entitled to Rs.3,31,898.54/- the amount assessed by the surveyor. The present consumer complaint is accordingly partly allowed and the OPs are directed as under:*
>
> *i) to pay Rs.3,31,898.54/- (i.e. the amount assessed by the Surveyor) to the complainant along with interest @ 6% per annum from the date of repudiation of claim i.e. 06.05.2020 till the date of its actual realization.*
>
> *ii) to pay Rs.20,000/- to the complainant as compensation for the harassment caused as well as litigation expenses.*
>
> *This order be complied with by the OPs within 45 days from the date of receipt of its certified copy.*"

2. The facts, in brief, as culled out from the impugned order, are that the complainant/respondent was the registered owner of JCB Crane/3DX bearing registration No.HP-93A-7474. The said vehicle was insured with the opposite parties/appellants vide insurance policy No.35030831190100001029, valid for the period from 27.06.2019 to 26.06.2020, for an Insured Declared Value (IDV) of Rs.24,41,500/-, against payment of premium of Rs.33,033/-. During the subsistence of the insurance policy, the vehicle met with an accident on 03.10.2019 at about 4:00 PM while it was being driven by Heera Lal. The complainant intimated the opposite parties/appellants about the accident on the same day. The matter was also reported to

the police and the General Daily Details were recorded. The complainant submitted an estimate/quotation amounting to Rs.6,45,691/- from M/s Krishna Automobiles to the opposite parties/appellants. After getting the damaged vehicle repaired, he paid an amount of Rs.4,60,448/- towards the repair charges and submitted the relevant receipts along with the requisite documents to the opposite parties/appellants and their surveyor. However, vide repudiation letter dated 06.05.2020, the opposite parties/appellants repudiated the insurance claim on the grounds that the vehicle was not duly registered on the date of accident and that the driver was not holding a valid and effective driving licence to drive the insured vehicle. Feeling aggrieved, the complainant approached the District Commission by filing the consumer complaint seeking reimbursement of Rs.4,60,448/-, along with interest, compensation and litigation expenses.

3. The opposite parties/appellants, in their written version, admitted the insurance of the vehicle and the occurrence of the reported accident but resisted the complaint on the ground that the vehicle was purchased on 27.06.2019 and was inspected by the Motor Vehicle Inspector on 16.09.2019, when the temporary registration had already expired. It was alleged that the requisite taxes had not been deposited at the time of inspection and that there was a gap of 17 days between the inspection and deposit of the requisite taxes. According to the opposite parties/appellants, the vehicle was permanently registered on 03.10.2019 at 11:57:11 AM, whereas the alleged accident was reported to have taken place at 4:00 PM on the same day. It was further alleged that the complainant had concealed material facts regarding the registration of the vehicle and the actual time of the accident.

4. The opposite parties/appellants also questioned the validity of the driving licence of Heera Lal, the driver of the insured vehicle, on the ground that he was holding a licence authorising him to drive LMV, MCWG and transport vehicles, but the same did not authorize him to drive an LMV Construction Equipment vehicle. It was pleaded that the JCB fell within the definition of a construction equipment vehicle and, therefore, the driver was required to possess a licence of the requisite description. On these grounds, violation of the policy conditions was alleged and the claim was repudiated. The opposite parties/appellants also pleaded that, in any case, the maximum liability could not exceed Rs.3,31,898.54/-, as assessed by the surveyor.

5. Both the parties led their respective evidence by way of affidavits and documents.

6. The District Commission, after considering the pleadings and evidence led by the parties, partly allowed the complaint, holding that the requisite amount towards permanent registration had been deposited before the accident and that the repudiation of the claim was unjustified, particularly when the opposite parties/appellants' own surveyor had assessed the loss at Rs.3,31,898.54/-. Hence this appeal has been filed by the appellant/opposite party.

7. Record of the District Commission was requisitioned from it.

8. We have heard the contesting parties and carefully examined the record, including the impugned order, the evidence considered by the District Commission.

9. The foremost aspect which requires consideration is the report of the surveyor appointed by the appellants themselves. A perusal of the Survey Report dated 25.11.2019 (Annexure R-1/2/I), prepared by Er.Rajesh Wadhawan, Surveyor and Loss Assessor, assumes considerable significance in the present case. The said surveyor, after considering the spot survey report and examining the nature and extent of damage to the insured vehicle, categorically recorded that the accident was possible and that the damages noticed on the vehicle had complete similarity with the nature and cause of the accident as reported. Thus, the occurrence of the accident and the compatibility of the damage with the reported manner of its occurrence stood duly examined by the appellants' own authorised surveyor.

10. It is pertinent to note that the aforesaid surveyor had not merely assessed the damage in isolation. Before preparing the final survey report, he had also gone through the spot survey report. Therefore, the assessment was made after taking into consideration the preliminary inspection as well as the subsequent examination of the vehicle. The surveyor ultimately assessed the loss at Rs.3,31,898.54/-. This assessment was made by a professional appointed by the appellants themselves in the discharge of his statutory responsibilities under the applicable insurance regulations. Significantly, the appellants have not been able to demonstrate any specific defect, inconsistency or infirmity in the aforesaid assessment which could justify discarding the same.

11. Once the appellants' own surveyor, after examining the vehicle and considering the spot survey report, found the accident to be possible and the damages to be in complete conformity with the reported nature and cause of the accident, the appellants cannot be permitted to disregard such a finding merely on the basis of contrary observations or opinions recorded in the subsequent investigation report. The investigator's report, to the extent it expresses an opinion contrary to the actual physical assessment and findings recorded by the surveyor, cannot be accorded precedence over the surveyor's report dated 25.11.2019, particularly when the latter is based upon physical inspection of the damaged vehicle and consideration of the spot survey.

12. An investigator may collect information and verify circumstances surrounding an insurance claim, but his opinion cannot substitute the technical assessment of a duly appointed surveyor, who has personally examined the loss and recorded his findings regarding the nature and extent of damage. In the absence of any cogent material demonstrating that the surveyor's findings were incorrect or that the assessment was arbitrary, the contrary opinion of the investigator cannot, by itself, furnish a valid basis for repudiating an otherwise established claim.

13. The Hon'ble Supreme Court in *Khatema Fibres Ltd. Vs. New India Assurance Company Ltd. & Anr.*, Civil Appeal No.9050 of 2018, decided on 28.09.2021, has emphasised that the surveyor's report deserves due consideration and that the

Consumer Fora cannot undertake an unwarranted forensic examination of the report in the absence of any inadequacy in the quality, nature or manner of performance of the surveyor's duties. The relevant observations reproduced by the District Commission are squarely applicable to the facts of the present case. The appellants have not brought on record any cogent evidence to discredit the findings recorded by their own surveyor.

14. The objection regarding registration of the insured vehicle also does not advance the case of the appellants. The accident took place on 03.10.2019 at about 4:00 PM, whereas the requisite amount towards permanent registration was admittedly deposited by the respondent on the same day at 11:57 AM, after completion of the formalities raised by the Registration Authority. Thus, the process for permanent registration had been completed and the requisite amount had been accepted by the competent authority well before the reported accident. The appellants have not placed any material on record to establish that the respondent had deliberately manipulated the registration particulars or that the accident had occurred at a time different from the one reported by him. Mere suspicion arising from the time gap between the inspection conducted by the Motor Vehicle Inspector and the deposit of taxes cannot, in the absence of supporting evidence, be treated as proof of concealment or deliberate misrepresentation.

15. Even if, for the sake of arguments, it is presumed, though not proved, that the accident had taken place at 02:00 PM on 03.10.2019 instead of 04:00 PM, as reported by the respondent, even then the position remains unchanged, as the requisite tax for permanent registration had admittedly been deposited with the concerned authorities at 11:57:11 AM on 03.10.2019, i.e. before the alleged time of accident. Thus, even on the assumption most favourable to the appellants, the requisite amount had already been received by the competent authority before the occurrence of the accident.

16. Further, merely because the Registration Certificate was issued by the Motor Vehicles Authorities on 04.10.2019, despite having received the requisite tax and completed the necessary formalities on 03.10.2019, cannot be made a ground to penalise the respondent for the subsequent administrative delay on the part of the authorities. Once the requisite amount had been accepted by the competent authority before the accident, the subsequent date of issuance of the Registration Certificate, which was beyond the control of the respondent, cannot be treated as such a fundamental breach as would disentitle him from the insurance claim. The appellants cannot take advantage of a mere procedural delay attributable to the registering authority to defeat an otherwise genuine insurance claim.

17. The view taken by us also finds support from the decision of the Hon'ble National Consumer Disputes Redressal Commission in National Insurance Company Limited v. Ram Prakash Srivastava, Revision Petition No.2932 of 2018, decided on 06.03.2019, wherein the issue relating to non-availability of the Registration Certificate despite payment of the requisite registration fee was considered. The Hon’ble National

Commission took into consideration the insurer's circular dated 20.03.2015, which provided for settlement of the insurance claim on a standard basis where the requisite registration fee had been deposited before the accident, though the registration formalities were still pending. The principle emerging therefrom lends support to the respondent's case, particularly when, in the present matter, the requisite registration tax had admittedly been deposited with the registering authority at 11:57:11 AM on 03.10.2019, much before the accident. Consequently, the subsequent issuance of the Registration Certificate on 04.10.2019 cannot, by itself, be made a ground to repudiate the insurance claim.

18. As regards the objection relating to the driving licence of Heera Lal, it is significant that the appellants have primarily relied upon the classification of the insured vehicle as construction equipment and the description of the vehicle categories appearing on the driving licence. However, the appellants' repudiation cannot be sustained merely by raising a technical objection without establishing, by cogent evidence, the precise nature of the disqualification and its applicability to the vehicle in question. As regards the objection concerning the driving licence of the driver, reliance can also be placed upon the judgment of the Himachal Pradesh High Court in *Jagmohan Singh and another v. Meera Devi and others*, FAO No.344 of 2012, decided on 25.11.2016, wherein the offending vehicle was a JCB having an unladen weight of 7,460 kg. The Hon'ble High Court held that the said vehicle fell within the definition of a Light Motor Vehicle under Section 2(21) of the Motor Vehicles Act, 1988, and that no separate PSV endorsement was required. Further, in *New India Assurance Company Limited v. Smt. Girijavva and another*, MFA No.102474 of 2017 and connected matters, decided on 31.05.2024, the Division Bench of the Karnataka High Court, while considering the question of driving construction equipment vehicles, held that a person authorised to drive an LMV can drive such a vehicle where its unladen weight does not exceed 7,500 kg, relying upon the law laid down by the Hon'ble Supreme Court in *Mukund Dewangan v. Oriental Insurance Company Limited*. In the present case, it is not even the case of the appellants that the unladen weight of the insured JCB exceeded 7,500 kg. No such specific plea has been raised, nor has any evidence been produced by the appellants to establish that the unladen weight of the vehicle was beyond the prescribed limit. Therefore, in the absence of any such plea or evidence, the objection regarding the validity of the driver's licence, merely on the ground that the insured vehicle was a JCB/construction equipment vehicle, cannot be sustained. The District Commission has rightly considered the material available on record and found the repudiation unjustified.

19. Another significant circumstance is that the appellants themselves relied upon the surveyor's assessment of Rs.3,31,898.54/- while contesting the claim of the respondent. In fact, the respondent had claimed Rs.4,60,448/- towards the actual repair expenditure, whereas the District Commission restricted the award to Rs.3,31,898.54/-, being the amount assessed by the appellants' own surveyor. Thus, the District Commission did not mechanically accept the entire amount claimed by the respondent but granted relief strictly in accordance with the assessment made by the

authorised surveyor. The appellants cannot approbate and reprobate by relying upon the surveyor's assessment to limit their liability, while simultaneously seeking to disown the same report when it establishes the genuineness of the accident and the damage sustained by the insured vehicle.

20. The insurance policy was admittedly in force on the date of accident. The vehicle suffered damage during the subsistence of the policy, the respondent promptly intimated the appellants, the spot survey was conducted and the final surveyor assessed the loss after considering the spot survey findings. In these circumstances, the appellants were required to deal with the claim on the basis of the material collected during the assessment process. The repudiation, despite the positive findings of their own surveyor, is not supported by any convincing evidence. The District Commission has, therefore, rightly concluded that the appellants were deficient in rendering services by repudiating the genuine insurance claim.

21. We also find no reason to interfere with the award of interest @ 6% per annum from the date of repudiation, i.e. 06.05.2020, till actual realization. The respondent was deprived of the amount legitimately payable under the insurance policy because of the unjustified repudiation. The compensation of Rs.20,000/- awarded towards harassment and litigation expenses is also reasonable and does not call for any interference.

22. In view of the foregoing discussion, we find no illegality, perversity or infirmity in the impugned order dated 05.09.2025 passed by the District Commission warranting interference by this Commission in exercise of its appellate jurisdiction. The findings recorded by the District Commission are based upon proper appreciation of the material available on record, particularly the Survey Report dated 25.11.2019 (Annexure R-1/2/I) prepared by the appellants' own Surveyor and Loss Assessor. The appellants have failed to make out any ground for setting aside or modifying the impugned order.

23. Consequently, the present appeal, being devoid of any merit, is hereby dismissed with no order as to cost, and the impugned order dated 05.09.2025 passed by the District Consumer Disputes Redressal Commission-II, U.T. Chandigarh, in Consumer Complaint No.323 of 2020 is upheld.

24. Pending application(s), if any, stand disposed of accordingly.

25. Certified copies of this order be sent to the parties, free of charge, forthwith.

26. The concerned file be consigned to Record Room, after completion and the record of the District Commission, be sent back immediately.

Pronounced

16.11.2026

Sd/-

[JUSTICE RAJ SHEKHAR ATTRI]

PRESIDENT

Sd/-

(PADMA PANDEY)

MEMBER

Rg.

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JUSTICE RAJ SHEKHAR ATTRI

PRESIDENT

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PADMA PANDEY

MEMBER