

**IN THE DELHI STATE CONSUMER DISPUTES REDRESSAL
COMMISSION**

Date of Institution: 28.05.2025

Date of Hearing: 26.11.2025

Date of Decision: 15.12.2025

FIRST APPEAL NO. 283/2015

IN THE MATTER OF

M/S. BHIWADI POLYMERS LIMITED,
THROUGH ITS DIRECTOR, MR. VIJAY KAKKAR,
HEAD OFFICE: RAMA ROAD,
(NEAR ZAKHIRA CHOWK),
NEW DELHI-110015.
PRESENTLY AT:
101, TRANSPORT CENTRE,
ROHTAK ROAD, PUNJABI BAGH,
NEW DELHI-110035.

**(Through: Mr. Rajesh Banati, Mr. Ashish Sareen, Mr. Adil Asghar, Mr. Aditya
Mishra and Mr. Ankit Banati, Advocates)
...Appellant**

VERSUS

1. THE NEW INDIA ASSURANCE COMPANY LTD.,
(THROUGH ITS CHAIRMAN/MD), REGD.,
HEAD OFFICE: NEW INDIA ASSURANCE,
BUILDING 87, MAHATMA GANDHI ROAD,
FORT, MUMBAI-400001.

2. THE NEW INDIA ASSURANCE COMPANY LTD.,
(THROUGH SENIOR DIVISIONAL MANAGER,
DIVISIONAL OFFICE: 2/2 A, 3RD FLOOR,
LAXMI INSURANCE BUILDING, ASAF ALI ROAD,
NEW DELHI-110002.

3. THE NEW INDIA ASSURANCE COMPANY LTD.,
(THROUGH DIVISIONAL GENERAL MANAGER),
REGIONAL OFFICE-II, CORE-1, 10TH FLOOR,
SCOPE MINOR COMPLEX, LAXMI NAGAR,
DISTRICT CENTRE,
DELHI-110092.

**(Through: Mr. J.P.N. Shahi, Advocate)
...Respondents**

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

Present: Mr. Rajesh Banati, Mr. Ashish Sareen, Mr. Adil Asghar, Mr. Aditya Mishra and Mr. Ankit Banati, Counsel for the Appellant, E-mail: rajeshbanati@yahoo.co.in.
Mr. Divyanshu Kumar, proxy counsel for Mr. J.P.N. Shahi, Counsel for the Respondents, E-mail: divyanshu.kr40@gmail.com.

PER: HON'BLE JUSTICE SANGITA DHINGRA SEHGAL, PRESIDENT**JUDGMENT**

1. The facts of the case as per the District Commission record are as under:

“The complainant has filed the present complaint against O.Ps under section 12 of the Consumer Protection Act, 1986. The facts as alleged in the complaint are that complainant had taken a standard fire and special perils policy bearing No.323200/09/11/00001529 from the OP valid for the period from 15.01.2010 to 14.01.2011 in respect of each and all of the several articles and property which is situated at G-284, Industrial Area, Phase-1, Bhiwadi, Distt. Alwer, Rajasthan against total sum of Rs.1,65,00,000/- (One Crore Sixty Five Lakh Only) and premium for the policy is Rs.34,806/- (Thirty Four Thousand Only). On intervening night of 13-14.10.2010 at about 11:25 PM the employees of the complainant’s notice fire near solvent tanker which was unloaded by them. It is alleged that fire spread quickly in the factory premises. It is also alleged that complainant immediately informed the fire brigade and the Police were who reached the spot to control the fire but the fire could be controlled around 4:00 AM. It is further alleged that due to fire the complainant has suffered heavy damages. It is alleged that on 31.12.2010 the complainant submitted his fire claim form for claim of Rs.1,05,82,697/- in respect of each and all of the several articles and property damaged or destroyed due to fire under fire policy to the O.P along with schedule. It is alleged that surveyor was appointed and assess the loss suffered by complainant falling under policy No.323200/09/11/00001529. It is also alleged that the

surveyor in its report had observed the total value of several articles and property damaged or destroyed due to fire was Rs.67,00,016/- but complainant received a cheque of Rs.59,22,000/- from the O.P as a full and final claim instead of whole of his claim. It is alleged that complainant was shocked to see the amount of cheque as Rs,59,22,000/- as a claim amount as the total loss due to fire is Rs.1,06,00,000/-. It is also alleged that O.P deducted the assessed amount which was assessed by Surveyor Company without giving any appropriate/ proper reason. It is further alleged that complainant send a demand letter dated 25.11.2011 for Rs.7,94,000/- the amount paid short and also send various reminder letter for the same but all in vain. On these facts the complainant prays that O.P be directed to pay wrongfully deducted amount of Rs.7,94,000/- along with interest @18% p.a. and cost and compensation as claimed.

2. O.Ps appeared and filed the written statement. In the written statement it has not been disputed by O.Ps that the policy referred to above has been issued by it in respect of each and all of the several articles and property which is situated at G-284, Industrial Area, Phase-1, Bhiwadi, Distt. Alwer, Rajasthan against total sum of Rs.1,65,00,000/- (One Crore Sixty Five Lakh) and premium for the policy was Rs.34.806/- (Thirty Four Thousand Only). It is alleged that the claim of the complainant has been duly settled as per terms and conditions of the insurance policy No.323200/09/11/00001529 for a sum of Rs.59,22,135/- and the same was released against unconditional discharge voucher dated 21.10.2011. It is also alleged that the claim has been settled as admissible and there is no deficiency of service on the party of the O.P. It is further alleged that the surveyor has assessed the loss for S.67,16,126/- subject to admissibility as per insurance contract. It is alleged that part of the amount was deducted as not payable on account of documents not submitted by the complainant and rest of the claim was settled. Therefore, it is alleged that the claim of the complainant was rightly settled and the complainant is not maintainable. Dismissal of the complaint has been prayed for.

3. Evidence by way of affidavit has been filed on behalf of the complainant by one Shri Vijay Kakkar, Director of Bhiwadi Polymer Ltd., whereas evidence by way of affidavit

on behalf of O.Ps have been filed by one Shri William R. Mayer of O.Ps deposing all the facts as mentioned in the written statement. Written submissions have also been filed by the parties.”

2. The District Commission after taking into consideration the material available on record passed the judgment dated **25.02.2015**, whereby it held as under:

“4. We have carefully gone through the record of the case and have heard the argument of Ld. Counsels for the parties.

5. From the perusal of the record we do not find that there is any dispute that the complainant had taken a policy and the O.P had issued a standard fire and special perils policy bearing No.323200/09/11/00001529 to complainant for the period from 15.01.2010 to 14.01.2011. It is also not disputed that the complainant had filed a claim in respect of the fire which allegedly took place in its premises. There is also no dispute that the O.P had appointed a surveyor who has assess the loss at Rs.67,16,126/-. Even there is no dispute that the complainant had agreed to this amount instead of full amount of its claim. However, the O.P issued a cheque of Rs.59,22,135/- and the complainant appropriated the cheque. Now the dispute is simple. According to the complainant it is entitled to rest of the amount of Rs.7,94,000/-. The dispute between the parties are only three (1) according to the O.P it is a commercial transaction, therefore, the complainant does not qualify to be a consumer (ii) the loss of the complainant has been quantified of Rs.59,22,135/- because it did not furnish evidence regarding the remaining loss in the form of GR, this forum is not vested with the jurisdiction to quantify the loss, and (iii) amount of Rs.59,22,135/- paid to the complainant in full and final settlement of claim which was appropriated by it, therefore, once it accepted the amount it is not entitled for any relief.

6. So far as, the first question in itself complainant has relied upon a authority reported as Harsolia Motors Vs National Insurance Co. Ltd. I (2005) CPJ 27 (NC) and O.P has relied upon authority reported as TRIO Elevators Co. Ltd. Vs Tansing Chauhan III 2013 CPJ 464 NC. However, the complainant has relied upon Harsolia Motors Vs National Insurance Co. Ltd. I (2005) CPJ 27 (NC) which governed the fee character of the insurance contract. In view of the

authority of Hon'ble National Commission in Harsolia Motors Vs National Insurance Co. Ltd. 1 (2005) CPJ 27 (NC) it cannot be said that the complainant is not a consumer.

7. So far as second issue between the parties is concerned, it has two parts: firstly which this forum does not have the power to quantify the dispute, and secondly, amount of Rs.59,22,135/- was paid to the complainant because it failed to produce the GR in respect of goods which was allegedly destroyed in fire.

8. So far as, the case of the complainant is that it had supplied all the relevant documents along with the claim. We have specifically asked counsel of the complainant to point out any documents filed by him that the GR of the goods were supplied to the O.P. There is a letter of O.P exhibit Ex.CW-1/13 in which it has specifically demanded GR or the gate pass to determine as to when the vehicle entered the premises, and the material was lying in the tanker. In response to this letter complainant had written a letter exhibit Ex.CW-1/14 in which it is stated that the company was a small and did not make entry gate pass of any material in the factory. It has been specifically stated that only through invoice and GR of the supplier entry of the material was taken. It does not say that the GR had already been supplied to the O.P. It is, therefore, clear that complainant failed to supply the GR. In the absence of GR the amount of Rs.7,94,000/- has been deducted by the O.P. So far as, jurisdiction of this forum to quantify the loss is concerned. Counsel for the O.P has relied upon an authority reported as Champalal Verma Vs Oriental Insurance Co. Ltd. III (2008) CPJ 93 (NC) in this authority it has been held that the consumer fora cannot go into quantum dispute. In view of this authority, we are of the view that since the complainant has not supplied necessary documents to support his claim, hence the O.P deducted the amount of Rs.7,94,000/-. In the absence of such documents neither it is feasible nor this forum is a competent to go into the expect regarding quantification of the loss suffered by the complainant.

9. The last issue involved is that the O.P had send the cheque of Rs.59,22,135/- which, according to the O.P was accepted by the complainant in full and final settlement of its claim, therefore, the present complaint is not maintainable. In this regard O.P has relied upon the discharge voucher

allegedly signed by the complainant it is exhibit Ex.R-II. It is a payment voucher. Nowhere in this letter has been mentioned that the payment was offered in full and final settlement of his claim of the complainant. When the payment of Rs.59,22,135/- was offered not in full and final settlement claim of the complainant and it was appropriated by the complainant, it cannot be said that the complainant last its right to setup the claim for rest of the amount. Immediately on 14.11.2011 complainant wrote a letter demanding the rest of the amount which is exhibit Ex.CW-1/11. Reminder was sent on 25.11.2011 which is exhibit Ex.CW-1/12A and Ex.CW-1/12B. It is, therefore, clear that firstly the complainant did not accept the amount in full and final settlement of its claim nor the amount was offered by the O.P in full and final settlement of the claim. When the amount was not offered in full and final settlement of the claim nor the same was accepted by the O.P it cannot be said that complainant estopped from claiming rest of the amount. The complainant has relied upon an authority reported as Singureddy Ramana Murthy Vs National Insurance Co. Ltd. & Ors. I (2003) CPJ 37 (NC), United India Insurance Vs Ajmer Singh Cotton & General Mills and Ors. Civil Appeal No.534 of 1994, United India Insurance Co. Ltd. Vs ASA Singh Cotton Factory & Ors. Civil Appeals No.535 of 1994 decided by Hon'ble Supreme Court on August 12, 1999 and Upendra Kumar Vs New India Assurance Co. Ltd. & Anr. I(2013) CPJ 595 (NC). However, these authorities are not applicable to the facts of the present case because the amount was not offered by the O.P in full and final settlement of claim of the complainant.

10. In this case complainant had taken policy for the period from 15.01.2010 to 14.01.2011 The alleged fire took place in the premises of the complainant on intervening night of 13-14.10.2010. The present complaint has been filed on 23.05.2013 that beyond two years from the date the cause of action had first arisen.

11. Question arises as to what amounts to cause of action which give rise to an occasion to file a complaint? In this regard, Hon'ble National Commission in Surya Estate V. Venkateshwara Sarma III (2013) CPJ 170 (NC) has held that the limitation for the purpose of Section 24A of the Consumer Protection Act has to be counted two years from the date of

'cause of action has arisen'. Therefore, once the cause of action has arisen limitation will have to be counted from that date irrespective of the facts as to what transpired between the parties subsequently.

12. In State Bank of India Vs. B.S. Agricultural Industries II (2009) CPJ 29 (SC) the Hon'ble Supreme Court in para 13 has observed that in the context of insurance against fire it means when the fire took place. It has also been held that Section 24A is pre-emptory in which case a duty on the District Consumer Forum is cast upon to see that it shall not admit a complaint if the same was barred by period of limitation and that it is a command of law. In Kandimalla Raghavaiah & others V. National Insurance Co. Ltd. III(2009)CPJ 75 (SC) Hon'ble Supreme Court has observed as follows:

“By no stretch of imagination, it can be said that Insurance Company's reply dated 21st March, 1996 to the legal notice dated 4th January, 1996, declining to issue the forms for preferring a claim after a lapse of more than four years of the date of fire, resulted in extending the period of limitation for the purpose of Section 24A of the Act. We have no hesitation in holding that the complaint filed on 24th October, 1997 and that too without an application for condonation of delay was manifestly barred by limitation and the Commission was justified in dismissing it on that short ground.”

13. In view of the authorities referred to above, we are of the view that as per law laid down by Hon'ble Supreme Court it is the first cause of action which is important for computing period of limitation under Section 24A of the Consumer Protection Act. Secondly, in case of insurance like fire the cause of action arises on the date when the fire took place. Same is true in respect of other kinds of insurances.

14. In Punjab Urban Planning and Development Authority Vs. Krishan Pal Chander I (2010) CPJ 99 (NC) relying upon laid down by the Apex Court, it has been held that plea of limitation even if not raised and suit as ex facie barred by limitation, court has no choice but to dismiss the same. The complaint found barred by time and was dismissed.

15. In view of the above, we come to the conclusion that the complaint is time barred. The same is, therefore, dismissed being barred by period of limitation.”

3. Aggrieved by the aforesaid order of the District Commission, the Appellant has preferred the present Appeal, submitting that the District Commission failed to consider that the Complaint was barred by limitation. Appellant Pressing the aforesaid submissions and contentions, the Appellant has prayed for setting aside the impugned order passed by the District Commission.
4. The Respondent, on the other hand, has filed its Reply to Appeal, denying all the submissions and contentions of the Appellant, and submitted that there is no error on the part of the District Commission in the impugned order as the entire material available on record was properly scrutinised before passing the said order. Pressing the aforesaid contentions and submissions, the Respondent has prayed for setting aside the present Appeal.
5. Written Arguments on behalf of the Appellant are on record, wherein, the contents of the Appeal have been reiterated, and the same have been considered. The counsel for the Appellant has relied on the following judgments in support of his case:
 - a) *United India Assurance vs. Ajmer Singh Cotton & General Mills and Others* as reported in (1999) 6 SCC 400
 - b) *Singureddy Ramana Murthy vs. National Insurance Company Limited and Ors.* as reported in I (2003) CPJ 37 (NC)
6. Written Arguments on behalf of the Respondents are on record, wherein, the contents of the Reply to Appeal have been reiterated, and the same have been considered.
7. We have perused the material available on record and heard the counsel appearing on behalf of the parties.
8. The ***first question*** for consideration before us is ***whether the Complaint filed by the Appellant before the District Commission is barred by limitation.***

9. To deal with this issue, we deem it necessary to refer to Section 24A of the Consumer Protection Act, 1986, which provides as under:

“24A. Limitation period.— (1) The District Forum, the State Commission or the National Commission shall not admit a complaint unless it is filed within two years from the date on which the cause of action has arisen.

(2) Notwithstanding anything contained in sub-section (1), a complaint may be entertained after the period specified in sub-section (1), if the complainant satisfies the District Forum, the State Commission or the National Commission, as the case may be, that he had sufficient cause for not filing the complaint within such period:

Provided that no such complaint shall be entertained unless the National Commission, the State Commission or the District Forum, as the case may be, records its reasons for condoning such delay.”

10. From the analysis of Section 24A of the Consumer Protection Act, 1986, it is clear that the Complaint shall be filed by the Complainant in a District Commission within 2 years from the date on which the cause of action has arisen.

11. At this juncture, we deem it necessary to refer to the judgment of the Hon'ble Supreme Court in ***Kandimalla Raghavaiah & Others vs. National Insurance Co. Ltd.*** as reported in ***III (2009) CPJ 75 (SC)***, wherein it was held as under:

“By no stretch of imagination, it can be said that Insurance Company's reply dated 21st March, 1996 to the legal notice dated 4th January, 1996, declining to issue the forms for preferring a claim after a lapse of more than four years of the date of fire, resulting in extending the period of limitation for the purpose of Section 24A of the Act. We have no hesitation in holding that the complaint filed on 24th October, 1997 and that too without an application for condonation of delay was manifestly barred by limitation and the Commission was justified in dismissing it on that short ground.”

12. Upon analysis of the aforesaid judgment, it is clear that the date of fire is the date on which the cause of action arises. Therefore, the date of cause of action is 14.10.2010, i.e. the date of the fire at the premises of the factory of the Appellant.
13. Henceforth, the period of limitation for filing the said Complaint before the District Commission expired on 14.10.2012, whereas, the Complaint was filed by the Appellant on 23.05.2013, which is clearly beyond the period of limitation for filing such Complaint. Therefore, the submission of the Appellant that the Complaint was filed within the period of limitation under the Consumer Protection Act, 1986, is answered in the negative.
14. In view of the foregoing, we are in agreement with the reasons given by the District Commission and fail to find any cause or reason to reverse the findings of the District Commission. Consequently, we **uphold** the order dated 25.02.2015 passed by the ***District Consumer Disputes Redressal Commission (North), Room No. 2; Old Civil Supply Building; Tis Hazari; New Delhi.***
15. Consequently, the present Appeal stands **dismissed** with no order as to costs.
16. Application(s) pending, if any, stand disposed of in terms of the aforesaid judgment.
17. The judgment be uploaded forthwith on the website of the commission for the perusal of the parties.
18. File be consigned to record room along with a copy of this Judgment.

**(JUSTICE SANGITA DHINGRA SEHGAL)
PRESIDENT**

**(BIMLA KUMARI)
MEMBER (FEMALE)**

Pronounced On: **15.12.2025**

LR-DK