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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% *Date of Decision: 22nd, August, 2025*+ CM(M) 1569/2025, CM APPL. 51589/2025, CM APPL. 51590/2025
& CM APPL. 51591/2025

UNITED INDIA INSURANCE CO. LTD.Petitioner

Through: Mr. Ashish Dholakia, Sr. Advocate
with Mr. Amit Kumar Singh, Ms. K
Enatoli Sema, Ms. Chubalemla
Chang, Mr. Prang Newmai,
Advocates.

versus

STERLITE POWER TRANSMISSION LTD.Respondent

Through: Mr. Karun Mehta with Ms. Pratiksha
Mishra, Mr. Yugam Taneja,
Advocates.**CORAM:****HON'BLE MR. JUSTICE MANOJ JAIN****J U D G M E N T** (oral)

1. Petitioner-Company has challenged order dated 26.05.2025, whereby their appeal has been disposed of merely on a technical issue as delay in lodging the appeal, which was stated to be of 22 days, has not been condoned.
2. Facts lying in a very narrow compass.
3. A policy for “*Storage Cum Erection Insurance*” was issued by petitioner herein to the respondent.
4. It was valid for the period between 16.07.2016 to 15.05.2017.
5. During the abovesaid period, a fire broke out at the storage site of the respondent.
6. A surveyor was appointed and, eventually, a claim of Rs. 4,47,58,757/- was raised by respondent.



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7. However, such claim was repudiated by the Insurance Company, which compelled the respondent to file a *Consumer Complaint* before the learned District Consumer Disputes Redressal Forum, Udyog Sadan, New Delhi.

8. The complaint was, ultimately, allowed by the learned District Commission *vide* judgment dated 03.01.2025, holding Insurance Company guilty of deficiency in service and directing them to pay amount as assessed by the original assessor i.e. Rs. 4,47,58,757/- along with interest @ 7% per annum from the date of rejection, till payment. Learned District Commission, also awarded compensation of Rs. 50,000/- and a sum of Rs. Rs. 10,000/- towards litigation expenses.

9. Said order was taken in appeal but fact remains that there was delay in lodging the appeal.

10. It was lodged through online mode on 29.03.2025 and through physical mode on 21.04.2025.

11. Learned State Commission, noticing that delay is of 40 days has refused to condone the delay while, inter alia, relying on *Basawaraj & Anr vs Special. Land Acquisition Officer: (2013)14 SCC 81*. It came to the conclusion that the *sufficient cause* could not be construed for the benefit of a party who had acted in negligent manner and on whose part, there was lack of *bonafide*, and taking note of reasons assigned in the application moved by the Insurance Company which merely was suggestive of procedural aspects and not indicating any sufficient cause, the delay has been refused to be condoned, which has led to the filing of the present petition.

12. This Court has gone through the reasons assigned in the application seeking condonation of delay in filing the first appeal.



13. The impugned judgment is dated 03.01.2025 and the certified copy thereof was received on 21.01.2025. Naturally, the intervening period is also required to be excluded.

14. It, however, seems that, thereafter, on account of some inter-branch correspondences, and the fact that certain documents according to Insurance Company were spread over multiple offices of theirs, situated in Chennai, Delhi and Mumbai and despite making best efforts to retrieve such documents, they could not submit the appeal within the prescribed period.

15. According to them, genuine efforts were being made by them and the delay, apparently, was neither wilful nor deliberate and since the delay was not a substantial one either, learned State Commission should have condoned the same, even if, it was on some conditions.

16. Learned counsel for respondent/complainant submits that though the impugned order does not contain any illegality of perversity, he would have no objection if delay is condoned, subject to imposition of heavy cost.

17. This Court is mindful of the fact that right of first appeal, which flows from statute, is a vital one and if petitioner is declined such opportunity, it may cause serious prejudice to them. Undoubtedly, the Insurance Company, a *Public Sector Undertaking* should have acted with complete alacrity and swiftness and cannot always be permitted to take plea that certain procedural hiccups and retrieval of some documents took them unusually long. Their appeal emanates from the impugned order and the entire material was, manifestly, available to them, already.

18. Its thus high time that they pull up their socks and take such high-stake matters, somewhat, seriously.

19. Be that as it may, fact remains that, as far as possible, the delay if not



very long should be condoned as the general endeavour of every Court is to decide the *lis* on merits, instead of on technicalities. Reference be made to *Inder Singh v. State of Madhya Pradesh: 2025 SCC OnLine SC 600* wherein Hon'ble Supreme Court, while upholding the order of Hon'ble High Court of Madhya Pradesh condoning the delay in filing Second Appeal, observed that *though delay cannot be condoned without sufficient cause, if in a particular case, the merits have to be examined, the appeal should not be scuttled merely on the point of limitation.*

20. Reference be also made to order dated 17.05.2022 passed by Hon'ble Supreme Court in SLP(C) No.6489/2022 titled as *Manager, IndusInd Bank Ltd. & Anr. vs. Sanjay Ghosh* wherein the Hon'ble Supreme Court, while condoning the delay of 67 days in filing the revision petition before the learned NCDRC, observed that *the delay was not huge and question of limitation was not to be examined with a view to decline the condonation, but to do substantial justice.*

21. Keeping in mind the overall facts of the case, the substantial amount involved in the matter, the fact that the delay is of mere 22 days and also appreciating the gracious concession given by learned counsel for respondent, while allowing the present petition, this Court condones the delay in lodging the appeal subject to cost of Rs. 50,000/- to be paid to the complainant (respondent before learned State Commission).

22. With the consent of both the sides, it is directed that they both shall appear before the learned State Commission on 10.09.2025 and learned State Commission is requested to take up the abovesaid appeal and to make best endeavor to dispose it of as expeditiously as possible. Needless to say, both the sides shall render complete assistance to the learned State Commission in



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this regard.

23. The cost be cleared on 10.09.2025 before the learned State Commission and in case, the cost is cleared through *online mode* to the account of the complainant, proof thereof be furnished before the learned State Commission on said date.

24. Petition stands disposed of in aforesaid terms.

25. Pending applications also stand disposed of in aforesaid terms.

(MANOJ JAIN)
JUDGE

AUGUST 22, 2025/sw/JS