*** IN THE HIGH COURT OF DELHI AT NEW DELHI**

% **Judgment reserved on: 10.04.2026**
Judgment pronounced on: 29.04.2026

\+ O.M.P. (COMM) 410/2023

CORPORATE SERVICE PLAN INDIA PRIVATE LIMITED .....Petitioner

Through: Mr. Rakesh Khanna, Mr. Rohan Khanna and Mr. Arvind Singh Yadav, Advocates.

versus

SONY INDIA PRIVATE LIMITED .....Respondent

Through: Mr. Rajat Joneja, Ms. Himanshi Madan and Mr. Anmol Kumar, Advocates.

CORAM:
HON'BLE MR. JUSTICE AVNEESH JHINGAN

J U D G M E N T

1. The present petition is filed under Section 34 of the Arbitration and Conciliation Act, 1996 (for short 'the Act') impugning the award dated 17.06.2023 (hereinafter 'award') passed by the arbitral tribunal (for brevity 'tribunal').

2. The brief facts are that the petitioner company incorporated under the Companies Act, 1956 is engaged in the business of customer care management services, international warranty services and business outsourcing services in India. The respondent company is engaged in the business of distributing and marketing of mobile

phones, laptops and other electronic goods under the brand name 'Sony'.

2.1 On 24.06.2013 the parties to the *lis* entered into an Accidental Cover Agreement (for short 'agreement') whereby the petitioner was to provide Accidental Damage Cover (for brevity 'ADC') for laptops sold by the respondent. By an addendum dated 08.07.2013 the hundred percent attachments of the laptops and the other items mentioned therein were brought within the ambit of the cover. On 12.09.2013 a supplementary agreement was signed to include mobile phones marketed by the respondent under the ADC programme. As per the procedure prescribed under the agreement the respondent had to provide the details of laptops and mobile phones to be covered by ADC and pay the premium within stipulated time.

2.2 There were differences between the parties for enhancement of the premium amount and for change in terms and conditions of ADC. The petitioner on 13.06.2014 issued a notice terminating the agreement with immediate effect. Pursuant to the notice, the respondent issued customer communications that the ADC programme shall cease to have effect from 01.07.2014. The respondent insisted that the petitioner should honour the agreement for laptops and mobiles sold till 30.06.2014. There was dispute between the parties and the agreement provided for dispute resolution through arbitration. Respondent invoked arbitration. The tribunal framed the following issues:

"1. Whether the Respondent is under a contractual

obligation to honour the Accidental Damage Cover for sales conducted by the Claimant up to 30.06.2014?

2. Whether the termination of Accidental Cover Agreement by the Respondent is unilateral and in breach of the said Agreement?

3. Whether the Respondent has acted in complete violation of the terms and conditions of the Accidental Cover Agreement?

4. Whether the Claimant is entitled to an award against the Respondent for payment of interest @12% per annum on the claimed amount?

5. Whether the Respondent is entitled to an award against the Claimant for its Counter Claim of Rs.16,10,36,634/- alongwith interest @18% per annum pendent lite and thereafter till the date of payment?

6. Cost of the Arbitral Proceedings."

2.3 The tribunal after considering the facts and evidence adduced concluded that the respondent failed to comply with the terms and conditions of the agreement of furnishing particulars of the products sold each month and making timely payment of premiums. The termination of the agreement with effect from 13.06.2014, was held to be illegal and the agreement was held to be subsisting till 30.06.2014. The proceedings qua the counter-claim made by the petitioner were terminated for failure of the petitioner to share the fee payable with respect to the counter-claim. Considering the volume of documents produced, the tribunal appointed an expert to verify the claims with reference to the documents and to determine the transactions. The tribunal held that the petitioner is liable to provide ADC for laptops sold till 30.06.2014. The expert made observations against certain

claims and these claims were not considered. The respondent was awarded a sum of Rs.2,16,06,407/- for laptops covered under ADC against a claim of Rs.4,69,07,500/-. The mobile phones for which data and payment were received prior to 30.06.2014, were held to be covered under ADC but the tribunal found it difficult to quantify the phones sold during April 2014 to June 2014 for which the premium was paid in July 2014. The amount assessed by the expert was reduced by fifty percent and the respondent was awarded a sum of Rs.9,75,54,755/-. The respondent was held entitled to a total of Rs.12,41,20,902/- along with simple interest at the rate of eight percent per annum with effect from 01.07.2014 i.e., the date after the contract came to an end till payment is made. Hence, the present petition.

3. Learned counsel for the petitioner contends that there are contradictory findings in the award. The tribunal recorded that the respondent defaulted in complying with the terms and conditions of the agreement yet proceeded to award the claim made for ADC. The submission is that the tribunal erred in ignoring the fact that the quantification of the claim was not done by the expert. Further that neither the claims were proved before the expert nor evidence was adduced before the tribunal to support the claims. Contention is that the tribunal erred in relying on the expert report objected to by the respondent. The grievance is that the tribunal went beyond the terms of the agreement rendering the award patently illegal. The termination of the agreement is defended being in accordance with the terms of the

agreement.

3.1 Reliance is placed upon the decisions of the Supreme Court in the case of ***State of Rajasthan and Anr. v. Ferro Concrete Construction Private Limited*** (2009) 12 SCC 1; ***Associate Builders v. Delhi Development Authority*** (2015) 3 SCC 49; ***Ssangyong Engineering and Construction Company Limited Vs National Highways Authority of India (NHAI)*** (2019) 15 SCC 131; ***PSA Sical Terminals Private Limited v. Board of Trustees V.O. Chidambranar Port Trust Tuitcorin and Ors.*** 2021 SCC Online SC 508*;* ***Delhi Airport Metro Express Private Limited Vs Delhi Metro Rail Corporation Limited*** (2022) 1 SCC 131; ***Indian Oil Corporation Ltd. v. Shrec Ganesh Petroleum Rajgurunagar*** (2022) 4 SCC 463 *and* ***Union of India v. Bharat Enterprise*** 2023 SCC Online SC 369 to buttress the argument that an arbitral tribunal derives its authority from the contract and the award that ignores, re-writes or goes beyond the contract or is based on no evidence is patently illegal and is liable to be set aside under Section 34 of the Act.

4. *Per contra*, the tribunal considered the material evidence and allowed the claims by relying upon the expert evidence. The submission is that the petitioner had not objected to the expert report. It is vehemently argued that annexure C-16 was the tabulated chart of the claims and annexure C-17 comprised of the supporting documents. Considering the volume of the documents, the tribunal rightly appointed an expert to examine annexure C-16 and C-17. Reliance is on the decision of the Supreme Court in ***UHL Power Company Ltd. v.***

State of Himachal Pradesh (2022) 4 SCC 116 to fortify the contention that it is within the domain of the arbitral tribunal to assess the veracity of the expert report and no interference is warranted under Section 34 of the Act for a possible alternative view. The contention is that the termination of the agreement was not in consonance with the terms of the agreement and was rightly held to be illegal. The decision of this Court in ***Angel Broking Pvt. Ltd. v. Urmil Modi*** 2022 DHC 1730 is relied upon to argue that there cannot be re-appreciation of the factual finding under Section 34 of the Act.

4.1 Lastly, it is argued that the scope of interference under Section 34 of the Act is limited and no interference is to be made if the conclusion arrived at is a plausible one.

5. Heard learned counsel for the parties at length and perused the relevant record with their able assistance.

6. Before proceeding further, it would be apposite to quote the relevant clauses of the agreement:

> "2. **<u>THE DUTIES OF SONY</u>**
>
> c) Sony shall pay WSP, the accidental cost cover undertaken with WSP on monthly basis along with details of laptop as one time charges against the consolidated invoice issued by WSP. Only those laptops will be covered, whose payment and details have been received by WSP. The details of the laptops sold with the accidental cover policy shall be shared on fortnightly basis by Sony with the WSP. However, WSP has agreed for the grace period of 15 days to be provided to Sony for the above said purpose."

"4. **PAYMENT TERMS**

Sony to pay WSP @ Rs.449 plus service tax per Laptop towards the premium amount for the Accidental Damage Protection Cover.

In the event of any variation in the price during the currency of this agreement, both the parties shall mutually agree for such revisions."

"6. **TERMS AND RENEWAL/TERMINATION**

This Agreement will commence on July 17th 2013 and shall remain valid thru July 16th 2014 (Both days inclusive).

Both the parties shall have the right to terminate this agreement without cause by service a prior notice of 3 month's notice in writing to each other.

Both the parties shall have the right to terminate this agreement immediately without serving any notice period to each other in the event the breaching party is failed to remedy the breach of the agreement in 15 (Fifteen days). The said 15 (Fifteen days) shall be calculated from the date of the issuance of the notice issued by the other party to the breaching party for the remedial action."

"14. **DISPUTE RESOLUTION**

Any controversy or claim arising out of or relating to this agreement, or the breach of any of the foregoing shall be settled by arbitration in accordance with the rules of Indian Arbitration & Conciliation Act, 1996. The arbitration tribunal shall, consist of three (3) arbitrators, one each appointed by the Parties and the third appointed by the two already appointed arbitrators. The place of arbitration, the same shall be in New Delhi The award of the arbitrators shall be final and binding."

"**Annexure – "A"**

1. **Accidental Cover Administration**

a) The accidental cover policy shall concurrently run with

the standard manufacturer's warranty of 1 year, which Sony provides to its customers.

2. **Accidental Coverage**

This cover provides complete protection to the product including any kind of accidental damages (e.g. accidental/ liquid spillage/ broken / dropages, short circuits due to electricity, etc are covered for the purpose of damages) but will exclude battery, charger/ adaptor and/or the accessories.

Reimbursements will be subject to only repair or replacement of components covered under this program and carried out at a Sony authorized service/ repair centres for labour & parts.

3. **Accidental Damage**

Sudden and unforeseen accidental damage (i.e. in consequence of being dropped or run over by a vehicle, water logged, liquid spill or similar incidences) to the Laptop during the period of risk.

In the event of total loss to the equipment, duly stamped and signed declaration duly approved by Sony's engineer to be submitted alongwith new replacement Invoice and photograph of the damaged product, original invoice.

This Accidental cover policy does not/shall not cover the cases of losses which is/shall be occasioned to the product because of Acts of God. Acts of God means and include- fire, flood, earthquake, storm, hurricane or other natural disaster. Further this Accidental cover policy does not/shall not over the cases of theft and/or burglary.

Replacement will be subject to only when the cost of repair is beyond economical value and will be determined by Sony engineer.

In the event of repairs of accidental damage, documents required: Duly stamped and signed repair bill along with original invoice

Note:

In case of Total Loss, reimbursements against such losses will be made to Sony as per the following deduction schedule:

- Up to 3 months : NIL
- 3 to 6 months : 10%
- 6 to 12 months : 15%

4. **Accidental Cover fee collection**

Sony forwards WSP Identification numbers of Laptops to be covered on monthly basis for registration under the program.

The coverage shall commence from the date of sale of laptop to the customer.

Only those laptops will get coverage whose payment and details have been received by WSP. The details of the laptops sold with the accidental cover policy shall be shared on fortnightly basis by Sony with the WSP. However, WSP has agreed for the grace period of 15 days to be provided to Sony for the above said purpose.

5. **Accidental Cover repair reimbursements**

The claims are reimbursed to SONY for the above plans on a monthly basis.

Claims submitted under the accidental cover programme administered by WSP will be reimbursed subject to-receipt of complete claim documentation duly signed and stamped by repairer and will include

a. Parts replaced at EDP(end dealer price) rates

For the purposes of this Agreement, EDP shall mean and include the Authorized Service Centre ("ASC") Buying price -inclusive of VAT/CST) + ASC Margin @15%.

b. Labour as per the Sony's Flat Rate Manual @750 + Service Tax”

7. It would be relevant to note that the petitioner is referred to as WSP in the agreement. Clause 2(c) of the agreement provides that only those laptops would be covered under ADC for which the details and payments have been received by the petitioner. The respondent had to share the details of the laptops sold on fortnightly basis however, a grace period of fifteen days was provided for doing the needful. Under clause 4 a sum of Rs.449/- plus service tax for each laptop was to be paid as premium for ADC. In case of variation in price during the currency of the agreement the revision of the premium would be made by mutual agreement between the parties. Clause 6 deals with renewal and termination of the agreement. The agreement commenced on 17.07.2013 and was valid till 16.07.2014. The parties could terminate the agreement by giving three months notice in writing. In case of a breach of the agreement, on failure of breaching party to ratify the breach within fifteen days the agreement could be terminated without serving any further notice. The period of fifteen days was to be calculated from the date of issuance of notice to the breaching party. Clause 14 provides for dispute resolution through arbitration.

8. The clauses of Annexure ‘A’ (for short ‘annexure’) stipulate that the ADC shall run concurrent with the warranty of the manufacturer. The ADC provided protection against accidental damages illustrated as accidental/liquid spillage/broken/droppages and short circuit due to electricity but excluded battery, charger/adaptor and/or the accessories. The amount for repairs or replacements carried

out at the authorized service centres of the respondent is to be reimbursed. Accidental damage is defined as sudden and unforeseen accidental damage. In case of total loss the procedure is prescribed in clause 3 of the annexure. Under clause 4 the respondent on a monthly basis had to provide identification numbers of the laptops to be covered under ADC but the coverage was to commence from the date of sale of the laptop to the customer. It is stipulated that ADC shall cover only the laptops for which the payment and details were received by the petitioner on fortnightly basis with a grace period of fifteen days. The petitioner had the right to carry out an audit of the claims to ascertain correct compliance of the self-authorization requirement.

9. The tribunal noted the procedure to be followed for availing ADC. The respondent had to pay the premium amount to the petitioner for each item to be covered under ADC. The information was to be given to the petitioner on a monthly basis with regard to the sales of item covered under the scheme and detailing of the particulars sufficient to identify the items to be covered. The ADC was for one year in the case of laptops and six months for mobile phones. On repair of the damaged products the invoice of expenses incurred was to be forwarded to the petitioner within a specified period. For coverage under the scheme two conditions were: (i) payment of premium and (ii) furnishing of details for identification of the item covered. In case of violation of any of these conditions the item was not to be covered under ADC.

10. The tribunal took into account that the respondent failed in providing identification details and making payment of the premium within stipulated time thereby breaching the terms and conditions of the agreement. The petitioner from the date of the agreement continuously requested the respondent to comply with the terms and conditions. The respondent virtually admitted non-compliance of the mandatory requirements of the agreement. This finding is not under challenge and has attained finality. The stand of the respondent that the petitioner waived compliance of the conditions was rejected for failure to produce the amended conditions or an agreement altering the terms and conditions. There was no evidence to substantiate that the petitioner even intended to alter the terms and conditions of receiving identification details of products and payment of premium within the stipulated time. It would be relevant to quote following paragraph from the award:

> "74. It, therefore, follows that the Claimant was a defaulter in the matter of compliance of the terms and conditions of the contract to make payment of premium on a monthly basis and furnish particulars to the Respondent of its products sold each month which were covered under the scheme. It cannot be said that the insistence on payment of the premium in advance and furnishing of particulars on a monthly basis were not of any significance, because the Claimant cannot insist that the obligations undertaken by the Respondent should be carried out by it even before the premium in respect of the product was deposited with the Respondent. The transaction was similar, though not identical, with an insurance policy where on payment of premium the risk is covered, and compensation shall be paid only if there is

no default in the matter of payment of premium. In the instant case the obligation to compensate undertaken by the Respondent arose only when the terms and conditions of the claim were complied with by the Claimant, which included payment of premium in advance."

11. Before proceeding further it would be fruitful to reproduce the relevant portion of the order of the tribunal dated 18.08.2016 appointing the expert and detailing the terms of reference:

> "The following terms of reference are also finalized:
>
> 1. Annexure C/16 contains the tabulation of claims of the Claimant and Annexure C/17 are the documents supporting the said claims. These documents have to be examined and verified according to the claims. It has to be further examined by the expert whether Annexure C/17 is in accordance with Annexure C/16. (Claimant)
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> 2. Clause 2 specifically required that the repair or replacement of components be carried out at a Sony authorized service/repair centre. Therefore, the expert may peruse Annexure C/17 to verify if the repair jobs/replacements were carried out at the authorized service centre of the Claimant. (Claimant)
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> 3. The expert may also verify whether or not the details given in Annexure C/16 like ASC name, ASC code, Job number, Purchase date, Model code, part details etc. relate to the invoices/service job sheets filed as Annexure C/17. (Claimant)
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> 4. Whether or not Annexure C/17 contains document duly stamped and signed by the repairer and falls within the ambit of Clause 5 of Annexure A to the Agreement which inter-alia sets out the part cost and labour cost. (Claimant)
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> 5. Ascertain the date of purchase of the product (period of coverage starts from purchase date i.e. 1year in case of VIAO laptop and 6 months in case of XPERIA mobile handset) and further to ascertain when and how the date

of purchase was communicated to CSP for registration of the product under the coverage; ascertain and segregate all claims filed beyond the coverage period. (Respondent)

6. The serial number/model/ IMEI identification details of the product against which accidental claim has been made by SONY; the date on which the said identification details were sent by SONY to CSP for registration of the product. Whether identification details are reflected on the product in the picture of the product. Segregate the claims of products which cannot be identified from their serial number/model/IMEI numbers. (Respondent)

7. Ascertain the date of payment of ADP price by SONY for registration of the product under the accidental coverage as a part of Annexure C-16 and C-17. (Respondent)"

12. The tribunal considering that there were over thirty-five thousand transactions to be examined entrusted the task to the expert to consider the claims in terms of the reference. The report filed by the expert was objected to by the respondent and not by the petitioner. The tribunal bifurcated the report in two parts. Firstly the transactions against which there were observations made by the expert and secondly those where no comment was recorded. The tribunal recorded a factual finding that apart from the report of expert the respondent had led no evidence to prove the case and if the report of the expert to which the respondent objected is discarded there is no evidence on record. The tribunal accepted the expert report without specifically deciding the objections, especially keeping in view the fact that there were allegations of bias, the expert having gone beyond the terms of reference and influence of the petitioner on the expert. In spite of this, the tribunal proceeded to award claims under some of the

heads, accepting the expert report subject to the observations made in the award. The acceptance of the expert report without dealing with all the objections and in the absence of evidence to substantiate the claim renders the award unsustainable.

13. The tribunal while dealing with the issue of the claim to be awarded factored that the respondent failed to timely share the details of the products sold and to pay the premium. The payments for January 2014 and February 2014 were made in April 2014 instead of being made on a monthly basis and the identification details of the mobile phones sold in February 2014 were given to the petitioner on 05.05.2014. The data of the laptops for the month of March 2014 was sent on 06.05.2014. The identification details of the mobile phones sold in the month of March 2014 was forwarded but the premium was not paid. In view of ongoing negotiations between the parties for enhancement of the premium both the parties were held to be at fault for delay in payment of premium. Further the parties mutually agreed that the premium would be retrospectively enhanced to Rs.504/- per laptop including service tax. The tribunal noted that the petitioner accepted payment on 30.05.2014 at the enhanced rate. It was held that the delay in payments with regard to laptops occurred due to negotiations. The petitioner was held to be bound by the understanding dated 30.05.2014 wherein it was agreed that the premium qua laptops would be Rs.504/- per laptop w.e.f. 01.03.2014 and that the principal agreement and first addendum in a varied form shall continue.

14. So far as the mobile phones are concerned the IMEI numbers were to be supplied at the end of the month after the sale of the mobile phones. Inspite of the fact that there was no issue of premium amount for mobiles the tribunal proceeded beyond the terms of the agreement to grant a thirty-day grace period to the respondent to provide data and to pay the premium. The tribunal erred in holding that the mobile phones would be covered under ADC for which the payments and details were received prior to termination of the agreement i.e., 30.06.2014. This tantamounts to rewriting the terms agreed between the parties and the tribunal going beyond the terms of the agreement vitiates the award of patent illegality.

15. The Supreme Court in ***Ssangyong Engineering*** (supra) held that the arbitrator cannot travel beyond the terms agreed between the parties or can rewrite the clauses of the contract. The relevant paragraph of the judgment is reproduced below:

> "40. The change made in Section 28(3) by the Amendment Act really follows what is stated in paras 42.3 to 45 in Associate Builders [Associate Builders v. DDA, (2015) 3 SCC 49 : (2015) 2 SCC (Civ) 204] , namely, that the construction of the terms of a contract is primarily for an arbitrator to decide, unless the arbitrator construes the contract in a manner that no fair-minded or reasonable person would; in short, that the arbitrator's view is not even a possible view to take. Also, <u>if the arbitrator wanders outside the contract and deals with matters not allotted to him, he commits an error of jurisdiction. This ground of challenge will now fall within the new ground added under Section 34(2-A)</u>."
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> (emphasis supplied)

16. The undisputed fact is that the quantification of the claim was not done by the expert. The contract was to indemnify the damages accidentally caused to each of laptop or mobile and it was not a case of a lump sum claim. The tribunal instead of determining the number of mobile phones sold in April, May and June 2014 that were not covered under ADC proceeded to deduct fifty percent of the amount assessed by the expert. The basis for such deduction is not recorded. It would be apposite to note that difficulty in calculation cannot be equated with impossibility and hence the reason recorded for resorting to guesswork is not in accordance with law.

17. The award of tribunal is contradictory having held that there was breach of terms and conditions by the respondent yet the laptops and mobile phones were held to be covered under ADC.

18. Looking from another angle, clause 2(c) of the agreement provides that payment of the premium on a monthly basis along with details of the laptops is to be shared on a fortnightly basis with a grace period of fifteen days. Only those laptops were covered for which payments and details were received by the petitioner. It cannot be lost sight of that the parties may have been negotiating for revision of premium for laptops but the obligation to provide identification details was not in issue and the details were not provided in time. This requirement continued to operate as a condition for coverage under ADC. It was not the case of respondent that the details furnished to the petitioner during the period were not accepted. The relevant portion of clause 2(c) is quoted below:

> "2. c) … Only those laptops will be covered, whose payment and details have been received by WSP. The details of the laptops sold with the accidental cover policy shall be shared on fortnightly basis by Sony with the WSP ..."

19. The termination of the agreement was held to be illegal for non-compliance with clause 6 of the agreement. Three months notice was required for termination of the agreement and in case of breach of the contract the agreement could be terminated after fifteen days of the failure of the breaching party to take remedial measures. The notice served by the petitioner was for terminating the agreement with immediate effect but no notice was served upon the respondent to ratify the breaches of the terms and conditions. Considering that the respondent was agreeable to termination of the agreement with effect from 30.06.2014 the agreement was held to subsist till 30.06.2014.

20. The issue of the contract being in force and an item being covered under ADC are two different aspects. In spite of the termination of the agreement having been held to be illegal, the agreement subsisting between the parties till 30.06.2014 *ipso facto* shall not cover all the laptops and mobile phones sold by the respondent. The awarding of the ADC claim by the tribunal despite holding that the respondent had admitted non-adherence to the mandatory twin conditions for ADC renders clause 2(c) of the agreement otiose. In other words until the twin conditions are satisfied that is timely payment of premium and furnishing of details, the item shall not be covered. The subsistence of the agreement does not

dispense with compliance of these conditions.

21. Section 31(3) of the Act mandates a reasoned award. The tribunal after holding that there was breach of terms and conditions has not recorded the basis for quantifying the amount claimed. The award is in violation of Section 31(3) of the Act.

22. The experts in the cross-examination [questions 7 and 15] stated that the quantification of the claim was neither done nor proved and it was not ascertained that the damage was accidental. The deposition of the experts coupled with the unchallenged finding recorded by the tribunal that apart from the expert report no evidence was adduced by the respondent is fatal to the award.

23. The tabulated claims were supported by the sale invoice, repair bill and the declaration for damage. The onus was on the respondent to prove that the repairs were consequent to the accidental damage. It would be pertinent to note that filing of invoices for repair in itself is not a proof to support the claim and even as per the terms of the agreement the petitioner could audit the claims. The decision relied upon by the learned counsel for the petitioner in ***Ferro Concrete Construction Private Limited*** (supra) lends support to the contention of the learned counsel for the petitioner. The relevant paragraph of the judgment is reproduced below:

> "55.While the quantum of evidence required to accept a claim may be a matter within the exclusive jurisdiction of the arbitrator to decide, <u>if there was no evidence at all and if the arbitrator makes an award of the amount claimed in the claim statement, merely on the basis of the claim</u>

> statement without anything more, it has to be held that the award on that account would be invalid. Suffice it to say that the entire award under this head is wholly illegal and beyond the jurisdiction of the arbitrator, and wholly unsustainable."
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> (emphasis supplied)

24. From the perusal of the record it is evident that neither the sale invoice nor the repair bill indicates the cause of damage. The accidental information form attached has a column for providing full description of the accident. It is revealed during hearing that in some of the accidental damage information forms the accidental damage is not evident. In one of the accident forms in the convenience compilation filed during the hearing the cause of accident is mentioned as 'noticed this gap while opening up the screen top, the gap widened further on attempting to close it'. In another form it is recorded as 'crash by mobile through a person'. The damage to the laptop or the mobile phones being accidental in nature remains unsubstantiated for failure of the respondent to adduce evidence.

25. The customer had the benefit of ADC and warranty but for making a claim under ADC the respondent had to prove that the repair undertaken was covered under ADC and not under the regular warranty. The respondent failed to discharge the onus of proving accidental damage to laptops and mobile phones and this aspect was also not within the scope of reference to the expert. The tribunal erred in allowing the claim in the absence of evidence.

26. For reasons mentioned above the award suffers from patent

illegality and perversity. The petition is allowed. The award is set aside.

AVNEESH JHINGAN, J

APRIL 29, 2026
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Reportable:- **Yes**