

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
CIVIL APPEAL NOS.4559-4560 OF 2009
(Arising out of S.L.P. (C) Nos.24942-24943 of 2008)

M/s. Sigma Diagnostics Ltd. ...Appellant(s)

Versus

United India Insurance Co. Ltd. & Anr. ...Respondent(s)

O R D E R

Leave granted.

Heard learned counsel for the parties.

The Punjab State Consumer Disputes Redressal Commission [for short, “the State Commission”] partly allowed the complaint of the appellant and directed the respondents to pay compensation to the extent of 50% of the price of the equipment, namely, Megalix Cat X-ray Tube along with customs duty of the newly purchased equipment plus other amounts admissible under the policy, if any. The State Commission also awarded 9% interest on the amount of compensation for the period commencing 16.8.2005 till the date of payment and costs of Rs.5,000/-. Against the order of the State Commission, both the parties preferred appeals. By the impugned order, the National Consumer Disputes Redressal Commission [for short “the National Commission”] dismissed the appeals by observing that it should not entertain the first appeals relating to quantum

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of dispute any more and the complainant should be given liberty to approach the civil court for enhancement of compensation in case parties fail to take steps for arbitration within six weeks.

In our opinion, the view taken by the National Commission on the maintainability of the appeals preferred by the parties against the order of the State Commission is clearly erroneous. When the complaint was disposed of on merits, the National Commission was duty bound to decide the appeals on merits. Its failure to do so has resulted in manifest injustice.

Accordingly, the appeals are allowed, impugned order passed by the National commission is set aside and the matter is remanded to it to decide the appeals on merits in accordance with law.

New Delhi,
July 20, 2009.

[B.N. AGRAWAL]

.....J.

[G.S. SINGHVI]

.....J.

JUDGMENT