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Second Appeal Nos. 282/2015 & 566/2016

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON: 19.11.2025

DELIVERED ON: 21.01.2026

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THE HON'BLE MR. JUSTICE P. DHANABAL

Second Appeal Nos. 282 of 2015 & 566 of 2016

M/s. B.M.Associates,
Rep. by its Proprietor,
Mr.K. Srinivasan,
Office at No. 4/7, 3rd Cross Street,
R.A. Puram, Chennai – 600 028.

..Appellant in
both
appeals

Vs.

M/s. Naveen Alarm Systems India Pvt. Ltd.,
Rep. by its Managing Director,
P. Anandaraj,
Having business address at
No.1/10, Gopalakrishna Street,
T. Nagar, Chennai – 600 017.

..Respondent in
both appeals

Prayer in Second Appeal No. 282 of 2015: Second Appeal filed under Section 100 of Civil Procedure Code, 1908 to set aside the judgment and decree dated 11.10.2014 in A.S. No. 37 of 2014 passed by the XV Additional Judge, City Civil Court, Chennai confirming the judgment and decree dated 20.04.2012 in O.S. No. 1023 of 2011 passed by XVI Assistant Judge, City Civil Court, Chennai.



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Prayer in Second Appeal No. 566 of 2016: Second Appeal filed under

Section 100 of Civil Procedure Code, 1908 to set aside the judgment and decree dated 11.10.2014 in A.S. No. 430 of 2012 passed by the XV Additional Judge, City Civil Court, Chennai reversing the judgment and decree dated 20.04.2012 in O.S. No. 1023 of 2011 passed by XVI Assistant Judge, City Civil Court, Chennai.

For Appellant in both
Appeals :: Mr.C. Umashankar

For Respondent in both
Appeals :: Mr. H.Rajasekar

COMMON JUDGMENT

The above second appeals have been preferred as against the common judgment and decree dated 11.10.2014 passed in A.S. Nos. 430 of 2012 and 37 of 2014 by the learned XV Additional Judge, City Civil Court, Chennai. To start with, the appellant in the above second appeals, as plaintiff, had filed a suit in O.S. No.1023 of 2011 on the file of learned XVI Assistant Judge, City Civil Court, Chennai, as against the respondent/defendant claiming compensation for the damages caused to the suit property and towards the loss suffered by the appellant under three parts, namely, a sum of Rs.93,533/- under Part-A; Rs. 2,84,210/- under Part-B and Rs.2,16,000/- under Part-C, totalling to a sum of Rs.7,00,000/- and by judgment dated 20.04.2012, the Trial Court allowed the suit in part by



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directing the respondent/defendant to pay compensation of Rs.93,533/- to the appellant/plaintiff as claimed under Part-A and disallowed the claims made under Part-B and Part-C. Aggrieved by the said judgment and decree of the Trial Court, the appellant/plaintiff preferred A.S. No. 37 of 2014 before the learned XV Additional Judge, City Civil Court, Chennai, as regards the disallowed claims while the respondent/defendant filed A.S. No. 430 of 2012 challenging the payment of compensation ordered by the Trial Court. By a common judgment dated 11.10.2014, the Lower Appellate Court, while dismissing the appeal filed by the appellant/plaintiff, allowed the appeal filed by the respondent/defendant thereby dismissed the suit filed by the appellant/plaintiff. Hence, the above second appeals, at the instance of the appellant/plaintiff.

2. For the sake of convenience and brevity, the parties will be hereinafter referred as plaintiff and defendant.

3. The case of the plaintiff before the Trial Court was that the plaintiff company is involved in ceramic business and the proprietor of the plaintiff company is one of the Directors of the said company, who runs various other companies as well. In one of the properties owned by the plaintiff company, i.e, a five-storeyed building, where shops were run in the ground floor, arrangements were made for providing furnished rooms for stay of their guest customers and company executives in the remaining



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floors. In order to ensure their safety and to protect the valuable lives and property of the inmates of the building, the plaintiff proposed to fix fire safety equipments. The defendant approached the plaintiff to instal fire alarm equipments with warranty and assured good service. The plaintiff placed the order for installing the fire alarm system in the said building and accordingly, the defendant completed the task. The warranty was for a period of 12 months from 30.01.2010. However, the further case of the plaintiff is that, after purchase of the fire alarm system from the defendant, it was found to be not up to the standard and the installed unit was not working properly, i.e, the said equipment, without any cause or fire, raised alarm during midnight, creating a panic inside the building and causing disturbance to the neighbours. The raising of such false alarms took place every now and then and the same was informed to the defendant, who sent their technicians to attend to the problem.

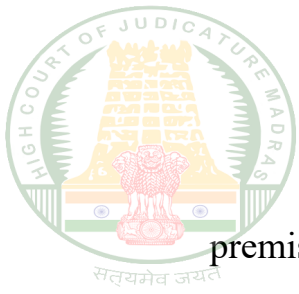
3.1. While so, on 23.11.2010, at about 2.30a.m., a fire broke out in the third floor of the said building. Unfortunately, the fire alarm was not working and hooters in the fire alarm located in various locations were also not working. Almost the entire floor was destroyed and the plaintiff sustained loss totally to the tune of Rs. 6 lakhs. The fire accident was informed to the defendant and the plaintiff also sent an e-mail to the defendant on 24.11.2010. But, there was no reply from the defendant. Again,



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on 26.11.2010, the plaintiff sent the same e-mail, which was acknowledged by the defendant. On 27.11.2010, the defendant sent a reply with false averments that since the plaintiff and the defendant decided to switch off the alarm, the technicians of the defendant had switched off the alarm. However, according to the plaintiff, this was never informed to the plaintiff and only due to the acts of the defendant's servants, the fire alarm system did not function properly on the date of the accident resulting in the plaintiff sustaining severe loss besides mental agony. Therefore, the plaintiff filed the suit claiming a sum of Rs.93,533/- spent towards installation of Fire Alarm Unit; a sum of Rs.2,84,210/- towards value of damaged goods due to fire; a sum of Rs.2,16,000/- towards revenue loss as the rooms were kept vacant for a period of 30 days subsequent to the fire accident and a sum of Rs. 1,00,000/- towards mental agony. In all, a sum of Rs.7,00,000/- was claimed as compensation.

4. The case of the defendant before the Trial Court was that admittedly, the Fire Alarm Equipments were supplied by the defendant to the plaintiff. At the same time, it is not the duty of the defendant to carry out repairs in the goods supplied by them. Along with the goods supplied, the defendant had issued a warranty card requiring certain details to be filled up by the plaintiff, which was not done. The defendant would further state that their role ends with the supply of equipments and it is the owner of the



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premises, who instals the equipments after networking with cables. The

defendant is in no way concerned with the cabling, networking of systems

and working of the equipments supplied. They can guarantee only about the

equipments supplied by them and not as regards the working of the system.

The defendant supplied 30 numbers of addressable intelligent photo thermal

detectors, 30 numbers of addressable intelligent relay modules and one

number of analog single loop panel. The addressable intelligent photo

thermal detector is the equipment placed in the ceilings of the rooms in

building. All the equipments in the rooms and corridors in each floor were

connected to a analog single loop panel which was placed at the security

entrance of the building. Apart from external hooters, a centralised alarm

was also placed in the analog panel which would raise an alarm in the event

of a fire accident. Likewise, addressable manual call point was installed in

each floor, which consists of glass and in the event of a fire accident, the

glass panel has to be manually broken, which will automatically close the

circuit and activate the alarm systems.

4.1. The analog panel records each and every event of fire

and fault in the fire alarm systems with time and date. In the event of fire

mishap, from the records retrieved from the panel, it can be verified from

where the fire started and how it spread. According to the defendant, the

plaintiff's employees were taught about the functioning of the equipment



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and how to handle the same. After the supply of equipments, every now and then, the defendant received calls from the plaintiff that the alarm rang without fire accident. Though it was not incumbent on the defendant to oblige to the plaintiff's call, unless the equipments supplied by them were found to be faulty, still, the defendant sent their mechanic to attend to the same. According to the defendant, on most of the occasions, the ringing of fire alarm was likely due to the fact that the photo thermal detector would have detected more than the permissible limit of smoke in the mansion room caused by smoking of cigarettes by more number of inmates in a single room. The photo thermal detector was programmed in such a way that if the smoke produced went above a certain level, the alarm system would get activated and the external hooter would ring. In fact, according to the defendant, such a level of setting was provided at the insistence of the plaintiff. Therefore, the defendant would state that the censor installed by them was in perfect working condition.

4.2. On some occasions, the defendant's men, who went to attend to the repairs in the plaintiff's building found that the manual call point glass was broken, which also could have been the reason for the alarm being raised without any fire. The defendant categorically informed the plaintiff that it is not their duty to maintain or handle such situations and if there is any fault in the equipments supplied, then they are prepared to

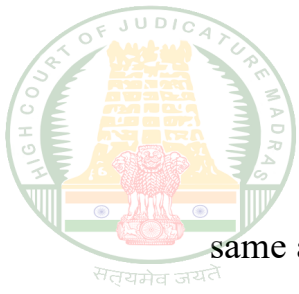


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rectify the same. According to the defendant, the plaintiff was not prepared

to request or inform their customers, who stayed in the mansion, to avoid cigarettes, rather, the plaintiff suggested that if the alarm bell/external hooter in each floor is deactivated, the problem could be solved as the frequent ringing of alarm, without any rhyme or reason, was a source of annoyance for the guests, who were staying in the premises. Therefore, based on the above suggestion of the plaintiff, the defendant disconnected the external hooter in each floor. However, the alarm in the main analog panel was left untouched so that in the event of fire, the alarm in the main panel would get activated. When the defendant came to know about the fire accident and wanted to inspect the main analog panel, the plaintiff did not allow the defendant to do so. Thereafter, the defendant came to know that the plaintiff had disconnected the entire fire alarm network.

4.3. The defendant would state that the equipments supplied by them were the best in the industry and there was no fault in any of the equipments supplied by them. The defendant never admitted to the plaintiff that they had supplied sub-standard equipments. It was only at the request of the plaintiff that the external hooter in each floor was disconnected to prevent the ringing of alarm in each floor leaving the alarm at the security entrance intact. If the plaintiff or any of their men meddled with the system and switched off the alarm, the defendant cannot be held responsible for the



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same and therefore, the defendant is in no way liable to pay compensation to the plaintiff. Hence, the defendant prayed that the suit may be dismissed.

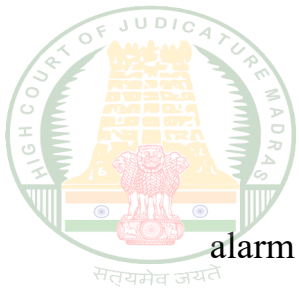
5. Based on the averments in the plaint and written statement and on hearing both sides and perusing the documents produced, the Trial Court framed the following issues for trial:

- (i) Whether the plaintiff is entitled to get compensation as prayed for in the plaint?
- (ii) To what other reliefs, the parties are entitled to?

6. On the side of the plaintiff, the proprietor of the plaintiff company was examined as P.W.1 and Exs.A1 to A8 were marked. On the side of the defendant, the Managing Director of the company was examined as D.W.1 and no documents were marked.

7. The Trial Court, after considering the evidence adduced on both sides, decreed the suit partly and directed the defendant to pay a sum of Rs.93, 533/- for the loss suffered by the plaintiff and dismissed the suit in respect of other claims.

8. Aggrieved by the said judgment and decree, the plaintiff preferred A.S. No. 37 of 2014 challenging the dismissal of the claims made by the plaintiff towards value of the goods damaged and mental agony. Similarly, the defendant preferred A.S. No. 430 of 2012 questioning the judgment and decree passed against him directing him to pay compensation for the loss suffered by the plaintiff on account of the installation of the fire



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alarm system.

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9. Both the appeals were heard by the First Appellate Court and the First Appellate Court, after hearing both sides, framed the following points for determination in A.S. No. 430 of 2012:

- (i) Whether the appellant/defendant is liable to pay compensation to the respondent/plaintiff?
- (ii) Whether the appellant/defendant is entitled to set aside the decree and judgment of the Trial Court regarding decreed partly?
- (iii) To what relief, the appellant is entitled?

10. In A.S. No. 37 of 20214, the Appellate court framed the following points for determination:

- (i) Whether the appellant/plaintiff is entitled to get a decree regarding the claim under Part B and Part C in the plaint?
- (ii) Whether the appellant/plaintiff is entitled to set aside the decree and judgment of the Trial Court regarding the dismissal of the suit partly?
- (iii) To what reliefs, the appellant is entitled?

11. The First Appellate Court, after hearing both sides and on perusing the records, reversed the judgment of the Trial Court and dismissed by the appeal filed by the plaintiff in A.S. No. 37 of 2014 and



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allowed the appeal filed by the defendant in A.S. No. 430 of 2012 thereby dismissing the suit in O.S. No. 1023 of 2011. As already stated, aggrieved by the said judgment and decree, the plaintiff is before this Court in these second appeals.

12. When the second appeals came up for admission, the following substantial questions of law were framed for consideration:

- (i) Whether the Appellate Court is right in ignoring the admission of D.W.1 which is vital for deciding the matter in issue as prescribed under Section 58 of Indian Evidence Act?
- (ii) Whether the Courts below is right in applying the principle laid down in the provisions of Indian Contract Act that too with regard to principles governing the law of guarantee?

13. The learned counsel for the plaintiff/appellant in both the appeals submitted that the plaintiff company, which is dealing in ceramic business runs a guest house/mansion in one of the buildings owned by them. In order to ensure the safety of their guest customers and workers, who were living in that mansion, the plaintiff company decided to instal fire alarm equipments and it was done through the defendant/respondent. However, the fire alarm equipments supplied by the defendant were not upto the mark and malfunctioned by raising alarms even in the absence of fire thereby creating



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panic inside the building as well as causing disturbance to the neighbours.

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Therefore, the plaintiff approached the defendant seeking redressal and the defendant sent their staff to resolve the issue, who switched off the alarm without any intimation to the plaintiff. Learned counsel further submitted that on account of the fire alarm being switched off, without any intimation to the plaintiff, the entire third floor of the building got damaged in the fire accident that took place on 23.11.2010, at about 2.30a.m. Therefore, the defendant is liable to compensate the plaintiff towards the heavy loss incurred by the plaintiff due to the negligence on the part of the defendant. According to the learned counsel, the plaintiff never requested the defendant to disconnect the fire alarm as the very purpose of installing the fire alarm, which was to ensure the safety of the inmates of the building, would get defeated. Even if the defendant chose to switch off the alarm, the same should have been informed to the plaintiff and an alternative arrangement should have been put in place. Moreover, the contention of the defendant that the external hooters were disconnected at the request of the plaintiff has not been substantiated by placing evidence in regard thereto. When the case of the plaintiff has been proved through oral and documentary evidence, according to the learned counsel, the First Appellate Court, without appreciating the evidence on record in a proper perspective, erroneously, set



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aside the judgment and decree of the Trial Court and thereby dismissed the suit warranting interference at the hands of this Court.

14. Per contra, learned counsel for the defendant/respondent would submit that the defendant is dealing in supply of fire alarm equipments and they are the leading manufacturers of fire alarm systems in India. According to the learned counsel, it was only at the request of the plaintiff, the goods were supplied. Thereafter, due to frequent calls made by the plaintiff regarding ringing of fire alarm even without fire, the defendant sent their servants to inspect the equipments. At that time, they came to know that due to increase in the permissible limit of smoke in the mansion caused by more number of inmates smoking cigarettes at a time, the system was activated resulting in the ringing of external hooters and the main alarm in the panel. In fact, according to the defendant, such a level of setting was provided at the insistence of the plaintiff. It is contended on behalf of the defendant that on the request made by the plaintiff, in order to satisfy their guests in the mansion, who were annoyed due to frequent ringing of fire alarms, the external hooters in each floor were disconnected leaving the alarm in the main analog panel untouched so that in case of fire, the said alarm would go off. Therefore, the defendant cannot be held responsible and even after the fire accident, when the defendant tried to inspect the main analog panel, the plaintiff did not agree for the same, thereby, the defendant was unable to



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find out the reason behind the fire that broke out in the plaintiff's property.

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When the plaintiff has not proved that due to defects in the equipments supplied by the defendant, the fire alarm was not working on the date of the accident, the defendant cannot be mulcted with any liability. Though the plaintiff sought compensation under various heads, no sufficient evidence was adduced by the plaintiff in support of the claims made and the Trial Court erred in decreeing the suit in part. However, the First Appellate Court rightly set aside the judgment and decree passed by the Trial Court and allowed the appeal filed by the defendant. Therefore, there are no merits in the present second appeals and they are liable to be dismissed.

15. This Court heard the submissions made by both sides and perused the records.

16. There is no dispute as regards the supply and installation of fire alarm equipments in the plaintiff's building by the defendant. According to the plaintiff, the defendant had disconnected the external hooters and thereby switched off the fire alarm without the knowledge of the plaintiff. Therefore, on the date of the fire accident, the alarm was not working, resulting in the plaintiff sustaining heavy loss, for which the defendant is responsible. The defendant has also admitted the supply of the goods to the plaintiff; the installation of the equipments and the repairs undertaken through their servants. According to the defendant, it was on the request made by the



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plaintiff that the external hooters in each floor had been disconnected and only the fire alarm in the main analog panel was left intact.

18. Both the plaintiff and the defendant have deposed about their respective cases and the main point to be decided in this case whether the disconnection of the hooters had been made at the instance of the plaintiff or not. In this context, the Trial Court relied upon the evidence adduced, in particular, Ex.A6 dated 26.11.2010, the reply notice sent by the defendant wherein it is stated that only after consultation with the plaintiff, the external hooters were disconnected and the fire alarm was switched off. However, neither documentary nor oral evidence was produced to substantiate the same on the side of the defendant. The fact remains that it is the defendant, who had disconnected the external hooters. Further, the defendant has admitted the supply and installation of fire alarm equipments in the plaintiff's building. Though the defendant has stated that their role ends with the supply of equipments and it is the owner of the premises, who has to take care of the installation, it is seen from the materials on record that the installation was done by the defendant and further repairs were also undertaken on the request made by the plaintiff. Therefore, as rightly observed by the Trial Court, the plaintiff is entitled to cost of equipments and installation charges. The First Appellate Court erred in dismissing the suit by allowing the appeal filed by the defendant. As far as the other reliefs



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are concerned, there is no sufficient evidence produced by the plaintiff and hence, both the Courts below had rightly chosen to deny the same.

19. As far as the 1st substantial question of law i.e, '*whether the Appellate Court was right in ignoring the admission of D.W.1 which is vital for deciding the matter in issue as prescribed under Section 58 of Indian Evidence Act?*' is concerned, it is pertinent to note that in paragraph No.12 of the written statement, the defendant has stated that they never admitted to the plaintiff that they have switched off the fire alarm system since they were not able to rectify and only at the request of the plaintiff, the external hooter was terminated to prevent ringing of alarm in the individual floors, allowing the alarm only at the security entrance. While so, it is the duty of the defendant to prove that at the request of the plaintiff, the hooters were terminated. Further, it was admitted in the evidence of D.W.1. that in the month of January, 2010, goods were supplied to the plaintiff and an engineer was engaged by the defendant to verify whether the equipments were installed properly. Since the plaintiff was known to the defendant, the defendant had sent their engineer along with the equipments. Besides, it is also admitted by both parties that there were frequent ringing of alarms in the absence of fire and the defendant sent their servants to attend to the same. However, there is no evidence that only on the request made by the plaintiff, the hooters were terminated. Admission is the best piece of



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evidence and as per Section 58 of Indian Evidence Act, admitted facts need not be proved. However, the First Appellate Court failed to consider the admission made by the defendant and thereby the judgment of the First Appellate Court in setting aside the judgment and decree of the Trial Court is unsustainable and the same is liable to be set aside. Therefore, the First Appellate Court is not right in ignoring the admission of D.W.1 which is vital for deciding the matter in issue as prescribed under Section 58 of Indian Evidence Act and the first substantial question of law is answered accordingly.

20. As far as the second substantial question of law ,i.e., '*whether the courts below is right in applying the principle laid down in the provisions of Indian Contract Act that too with regard to principles governing the law of guarantee?*' is concerned, in the case on hand, it is an admitted fact that the goods were supplied by the defendant to the plaintiff and the defendant issued a guarantee certificate dated 30.10.2010 valid for a period of 12 months, which was marked as Ex.A2. The plaintiff has also not denied the issuance of the same. According to the defendant, the guarantee certificate contains a printed form to be filled in by the plaintiff. But, the same was not filled up properly by the plaintiff and there is no contract between the plaintiff and the defendant to rectify the defects, if any, in the equipments supplied by the defendant. The plaintiff ought to have informed the



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defendant about the defects so that the defendant could replace the equipments. However, in this case, there is no question of any defect in the equipments supplied.

21. In the judgment of the First Appellate Court, while referring to Ex.A2, it is stated that a duty is cast upon the buyer to return the card o the manufacturer within 10 days from the day of installation to register for guarantee and the card should be filled in and signed by the user. Further, as per the terms of contract, the defendant has to supply goods to the plaintiff and after installation of the system within 10 days, the plaintiff has to send the card, duly filled and signed to the defendant to register for guarantee. The agreement of guarantee will be complete when the card reaches the hands of the defendant only. Here in the case on hand, the card to register for guarantee is still available in Ex.A2. It is further stated that the defendant is responsible to rectify the defect in the system if the card attached in Ex.A2 is duly filled and signed by the plaintiff and returned to the defendant within 10 days from the date of installation. The plaintiff has to discharge their part of the contract by sending the card attached in Ex.A2 for guarantee registration. When the plaintiff completes their part of the contract, then only they can claim the defendant to comply with the terms of the guarantee. However, in the case on hand, the plaintiff did not comply with their part of the contract and failed to send the card attached to Ex.A2 to register for



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guarantee. Therefore, the defendant is not liable as per Ex.A2.

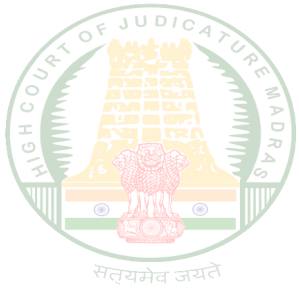
WEB COPY 22. Be that as it may, though it is true that plaintiff failed to send the duly filled in and signed card to the defendant, in this case, there is no proof that the equipments were sub-standard. The failure on the part of the plaintiff to send the guarantee card to the defendant will not, in any way, affect the case of the plaintiff in claiming damages in respect of the goods supplied by the defendant. Therefore, the Courts below were right in applying the principle laid down in the provisions of Indian Contract Act, that too, with regard to principles governing the law of guarantee. Thus, the second substantial question of law is answered accordingly.

23. In view of the foregoing discussion and the answers to the substantial questions of law, this Court is of the opinion that Second Appeal No. 282 of 2015 arising out of A.S. No. 37 of 2014 is dismissed and Second Appeal NO. 566 of 2016 arising out of A.S. No. 430 of 2012 is allowed and the judgment and decree of the First Appellate Court is hereby set aside. The judgment and decree in O.S. No. 1023 of 2011 stands restored. No costs.

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Speaking Order/Non-Speaking Order
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P. DHANABAL,J.

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Pre-Delivery Judgment in
Second Appeal Nos. 282 of 2015 and
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