GOVERNMENT OF JAMMU & KASHMIR
DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION
KUPWARA

Coram: -

1. Peerzada Qousar Hussain .... **President**

2.Ms Nyla Yaseen ...... **Member**

Consumer Complainant No: 08/2017

Madina Electricals C/o Mohd Shafi Malik S/o Mohd Subhan Malik R/O Malik Mohalla Kupwara, Tehsil and District Kupwara.

.....(Complainant)

Versus

Bajaj Allianz General Insurance Company Ltd. 3rd floor, Lake City Plaza, Karan Nagar, Srinagar.

...... (opposite party)

Date of Institution: 05-09-2017
Date of Decision: 09-10-2025

Appearing Counsel
Adv. Shabir Ahmad Bhat for the Complainant.
Adv. Zubair Ahmad Wani for OP.

District Consumer Disputes Redressal

Judgement

The complaint in hand has been filed by the complainant before the erstwhile Consumer Forum Kupwara on **05-09-2017** alleging therein deficiency in service and unfair trade practice on the part of the OP with prayer to grant the following relief: -

1. Direction to the OP to pay an amount of **Rs.10,00,000/- (Ten Lakh)** for damages.

2.Direction to the OP to pay an amount of **Rs.5,00,000/- (Five Lakh)** for causing mental agony and harassment along with the interest **@18%** from the date of occurrence of the incident till its realization.

Brief Facts: -

The complainant insured his shop situated at Bye Pass Road Kupwara under policy No **OG-15-1205-4092-00008043** dated **11-06-2014** and paid premium of **Rs.4,961/-**.

Contention of the complainant is that the said insured shop gutted in a devastating fire incident which occurred on **20-06-2014** during the night hours and all the goods gutted and nothing could be saved. The concerned police on information visited the spot along with Fire and Emergency department and a certificate to this effect was issued by the Fire and Emergency department Kupwara.

The complainant accordingly intimated the insurer(OP) consequently a surveyor was deputed who conducted survey. Upon which the complainant provided all the requisite documents including the bills in original to the surveyor. Contention of the complainant is further that the surveyor assessed loss of **Rs.4,00,000/-** however the maximum bills were in the shop which gutted in fire and the loss of the complainant was higher than the assessed.

The complainant approached the OP to settle the claim but despite assurances no heed was given to redress his grievances on one pretext or the other which put the complainant into mental agony and wasted his two years' time to settle the claim which constrained him to approach the erstwhile District Consumer Disputes Redressal Commission Kupwara for redressal of his grievances.

Upon notice the OP submitted the written statement contending therein that the complaint filed by the complainant is gross abuse of the process of law and is absolutely frivolous and false. The complainant has suppressed the material facts and is liable to be dismissed. As the claim of the complainant has been assessed and the assessed amount has been paid to the complainant.

The complaint has been filed after thought with the sole view to pressurize the OP. The complaint is very complex in nature which involves intricate questions of fact and law and requires voluminous documentary evidence for determination of dispute.

The OP is further contended that the complainant obtained a fire insurance policy of his shop of electronic goods bearing policy No **OG-15-1205-4092-00008043** to secure the stocks. Thereafter the complainant intimated and approached the OP to register his claim for compensation caused to the stocks of the insured shop due to fire. The claim of the complainant was processed and a registered surveyor was appointed to assess the loss. The surveyor assessed the loss as **Rs.4,50,000/-** and on the basis of the surveyor report the amount of **Rs.4,48,000/-** was paid to the complainant after making the compulsory deductions applicable in accordance with policy terms and conditions.

The complainant lead to the evidence and submitted the evidence affidavit of 4 witnesses namely Fayaz Ahmad Peer S/o Abdul Rashid Peer R/o Drugmulla, Kupwara, Aashiq Hussain Peer S/o Mohammad Sadiq Peer R/o Hiri Kupwara, Irshad Ahmad Payar S/o Ali Mohammad Payar R/o Salkot Kupwara and Mohd Shafi Malik S/o Mohd Subhan Malik R/o Malik Mohalla Kupwara as witness in his own case.

The witness Fayaz Ahmad Peer S/o Abdul Rashid Peer R/o Drugmulla Kupwara on cross-examination stated that the fire incident took place on **20-06-2014** during night hours. The complainant's shop was of electronic items worth to **10-12 lakhs** which gutted into fire. The bills of the items also got damaged in the fire incident. Fire services along with the police visited the spot. The insurance officials also visited the spot but did not record any statement.

Another witness namely Aashiq Hussain Peer S/o Mohammad Sadiq Peer R/o Hiri Kupwara on cross-examination stated that he is a shopkeeper. The complainant was running a shop at Bye Pass under the name and style of Green Chinar, he telephonically came to know about the fire incident of the shop. The witness further stated that the shop which gutted in fire incident was having stock of **Rs.10-12 lakhs** approximately.

Another witness of the complainant namely Irshad Ahmad Payar S/O Ali Mohammad Payar R/o Salkot Kupwara on cross-examination stated that he is working online with mobile recharge. He was working at hotel at the time of incident. He heard about the incident and rushed to the spot and there were about 15 persons. Fire and Emergency service personal visited there who were on job. He doesn't know about the insurance of the shop, the complainant shop was full of stock however he doesn't know whether insurance company paid any amount to the complainant or not.

The complainant namely Mohd Shafi Malik S/o Mohd Subhan Malik R/o Malik Mohalla Kupwara as witness in his own case on cross-examination stated that he is the owner of the shop not a tenant, fire incident took place at 8 p.m. he was at his shop at the time of incident he didn't call anyone about the incident. Fire and Emergency services personal visited on the spot after one and a half hour, who controlled the fire. The shop was in the one-storey building, thereafter police came on the spot. The complainant as witness further stated that he was purchasing the stocks from Srinagar shop and was within the municipality limits and registered with the Traders Federation. The surveyor visited the spot after 3 days who asked for bills. The complainant provided some bills to the surveyor as some of the bills gutted in the fire incident however he doesn't know about the amount of **Rs.4,50,000/-** deposited in his account and if the same amount has been deposited in his C.C account No **709** he shall be himself responsible for the same amount. The complainant as witness further stated that he completed the formalities and submitted the bills to the surveyor.

The OP adduced 2 witness in defence namely Jahangir Hussain and Syed Nazir Ahmad Indrabi S/o Syed Siraj ud din R/o Ratnipora, Pulwama.

The witness Jahangir Hussain on cross-examination stated that he is working as Law Officer. Upon receiving the intimation on **21-06-2014** from the complainant about the incident surveyor was deputed on the site who reported that the complainant has caused loss of **Rs.4,50,000/-** which was deposited in the account of the complainant. The witness further stated that at the time of depositing the amount of **Rs.4,50,000/-** in the account of the complainant consent was not obtained from the complainant which is the job of the surveyor. He cannot say about the total loss. The witness further stated that he doesn't know that the complainant has withdrawn the amount of **Rs.4,50,000/-** from his account or not and no information was given to the complainant after depositing the said amount in his account which is the job of the claim team.

Another witness of the OP namely Syed Nazir Ahmad Indrabi S/o Syed Siraj ud din R/o Ratnipora Pulwama on cross-examination stated that he is working as surveyor. The complainants shop situated at Main Chowk Kupwara gutted in fire on **20-06-2024** at evening time. The shop was insured with Bajaj Allianz General Insurance Company. The complainant intimated on **21-06-2014** who was provided the documents by the complainant. The witness further stated that after perusal of the documents he prepared the report but didn't obtain the signature of the complainant. He assessed the loss of the complainant's shop as **Rs.4,50,000/-** and the document does not bear the seal and signature. The surveyor as witness further stated that the shop of the complainant was totally damaged. The complainant submitted estimate of **Rs.16,50,000/-** along with bills amounting to **Rs.21,50,000/-** which were of last 9 months and 15 days. The report which was shown to the witness could not be identified by him as the same does not have signatures.

Heard the counsel for the parties perused the records and have meticulously considered the submissions of the Ld counsels, including the evidence and the written arguments submitted by the parties.

The complainants shop was insured with the OP under insurance policy No OG-15-1205-4092-00008043 and the premium for the said insurance

policy was Rs.4,961/- which was valid from 11-06-2014 to 11-06-2015 however during the subsistence of the insurance policy the shop of the complainant gutted in fire incident on 20-06-2014 and caused extensive damages.

The Fire and Emergency certificate issued by the concerned department reveals that the shopping line of the complainant's shop was involved in fire and the stocks as electronic goods, shelves and wooden counter was partly damaged. Additionally, the surveyor has admitted in the survey report the authentication of the bills submitted by the complainant at the time of survey. The surveyor's report further depicts that the claim of the complainant was processed which was pending in the office of the insurer however in the meanwhile, Kashmir valley experienced one of the worst ever flood resulting in the massive damage of the properties in the shape of buildings, office etc. besides the office of the Insurer at Lal Mandi, Srinagar got submerged which caused damage to the entire records and the insured file also got damaged and nothing could be retrieved. The survey report further reveals that the complainant was asked to provide the photocopies of the documents so as to enable the insurer to process the claim.

Since the insurer was duty bound to assess the loss of the complainant's shop in accordance with the submitted bills and details of the stock. Furthermore, the closing balance as per the report of the surveyor shows the closing stock as Rs.6,47,713/- however the same was restricted to only Rs.4,50,000/- after deductions. The surveyor on the other hand has admitted that the complainant had made the purchases during the period from 02-09-2013 to 20-06-2014 as Rs.21,51,689/- which clearly indicates that the insured shop of the complainant had the stocks of amounting to Rs.21,51,689/- as on the occurrence of the fire incident viz 20-06-2014.

The surveyor despite accepting the stock position of the complainant's shop assessed the loss as Rs.4,50,000/- which seems not to be tenable. The insurer ought to have assessed the loss of the damaged shop of the complainant in accordance with the bills submitted at the time of survey. The loss assessed by the surveyor is deemed to be undervalued and undoubtedly the under assessment, as the sum assured is 10 lakhs.

Under payment and under assessment admittedly amounts to unfair trade practice as well as deficiency in service on the part of the OP. As such the complainant is entitled to be compensated for the loss caused to his insured shop due to fire incident. Therefore, we hold the Bajaj

Allianz General Insurance Company herein after referred to as OP liable for compensation and pass the following directions.

1.The OP is directed to pay an amount of Rs.4,76,190/- worked out as per the average clause along with the interest @6% from the date of claim till the date of realization.

2.The OP is further directed to pay an amount of Rs.50,000/- as compensation for putting the complainant into mental agony.

Complaint is disposed off and the OP shall comply with the order within a period of 4 weeks from the date copy of the order is served upon the OP.

Order announced
Date: 09-10-2025

09/10/25

Nyla Yaseen
Member
Member
District Consumer Disputes
Redressal Commission
Kupwara

Peerzada Qousar Hussain
President
PRESIDENT
District Consumer Disputes
Redressal Commission Kupwara

Copy of this Order be provided to the parties for compliance and file be consigned to records after due completion.