GOVERNMENT OF JAMMU & KASHMIR
DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION
BARAMULLA/BANDIPORA

District Consumer Disputes Redressal Commission President

Coram: -

1. **Peerzada Qousar Hussian .... President**
2. **Ms Nyla Yaseen ...... Member**

Consumer Complainant No: 62/2024

1. **Fayaz Ahmad Mir S/o Late Ali Mohammad Mir R/o Sheipora, Delina, Baramulla.**

.....(Complainant)

Versus

1. **Manager, Director, TATA-AIG General Insurance Company Ltd., A-501 building No.4, IT Infinity Park, Dindoshi, Malad (E) Mumbai-400097.**
2. **Branch Manager, Unit No.49/50, 2nd Floor, Lake City Plaza, Karan Nagar, Srinagar.**

......(opposite parties)

Date of Institution: 31-12-2024
Date of Decision: 19-03-2025

Appearing Counsel:
Adv. Muzammil Hamid for the complainant.
Nemo for the O.P

ORDER

The instant complaint has been filed by the complainant on 04-09-2024, alleging therein deficiency in service and unfair trade practice on the part of O.Ps with prayer to grant the following relief:-

1. Insurance claim of Rs.31,20,000/-.
2. Loss of time, Rs.3,00,000/-.
3. Mental agony, Rs.5,00,000/-.
4. Litigation charges, Rs.50,000/-.
   Therefore, a total of Rs.39,70,000/-.

Brief facts of the case:-

The complainant is the domicile of J&K and a resident of Sheipora, Delina, Baramulla. He purchased an insurance policy from the O.Ps for his residential house for the sum insured of Rs.31,20,000/- under policy No. 7700027902 which was effective from 03-04-2022 to 02-04-2024. The contention of the complainant is that during the subsistence of the insurance policy the said double-story residential house was gutted in fire incident which suddenly occurred on 05-01-2024. The cow shed was also damaged due to fire incident, however, the Fire and Emergency personnel arrived along with the Deputy SP & SHO Baramulla and the fire was controlled with the help of some locals, but all the belongings of the residential house and the cow shed were dashed into ashes. Besides, one Fire and Emergency personnel got burn injuries. Complainant's contention is further that he informed the insurance company at the appropriate time and registered his claim, besides, submitted the requisite documents.

Consequent upon which, the O.P.s addressed a letter to the complainant vide dated 24-06-2024, stating therein that the complainant's daughter has taken a self-help loan for running a boutique in one room of the first floor of the building, where from the fire originated and the said unit is also insured with another company. Besides, one room of the building was rented out to the social welfare Dept. for running an Anganwadi centre, which is breach of contract. The complainant's contention is further that the said letter was far from the truth and was only to repudiate the claim of the complainant. He submitted all the requisite documents to the O.Ps along with the Fire and Emergency Certificate and approached the O.Ps numberless times, but no heed was paid to his requests to settle the claim, due to which he became homeless without any shelter and non-settlement of his claim constrained him to approach the Consumer Commission Baramulla for redressal of his grievances.

Notices were issued, however, despite service, the O.Ps did not cause their appearance to contest the case, resultantly, they were set to Ex-Parte.

The complainant led to evidence and adduced three witnesses by way of evidence affidavits, namely Iqbal Hussain Bhat S/o Ghulam Mohammad Bhat R/o Delina, Baramulla, Ashiq Hussain Khan S/o Jummah Khan R/o Delina, Baramulla and Fayaz Ahmad Mir S/o Late Ali Mohammad Mir R/o Sheipora, Delina, Baramulla, the complainant as witness in his own case.

The witnesses on affidavit stated that they know the complainant. He had insured his two storied residential house with the O.P. The said insured house of the complainant gutted in fire along with a cow shed on 05-01-2024 due to which he suffered huge loss. Thereafter, the complainant accordingly registered his claim with the O.Ps but he was made to move from pillar to post rather than settlement of his claim. The witnesses further stated that the complainant is a poor man who was having the only shelter but after the fire incident he has become homeless and the insurance company has left him under the mercy of God.

Fayaz Ahmad Mir S/o Late Ali Mohammad Mir R/o Sheipora Delina, Baramulla, the complainant as witness in his own case on affidavit stated that he had insured his two storied residential house with the respondent, under policy No.770027902 which was effective from 03-04-2022 to 02-04-2024. However, during the period of insurance, the said residential house gutted in fire which caused him huge loss. The witness further stated that he immediately approached the insurance company for settlement of the insurance claim but the O.Ps avoided him on one pretext or the other despite submission of the requisite documents . The witness further stated that he is a poor man, he has no shelter and due to the fire incident he has become homeless as the insurance company has left him in a high and dry situation.

Heard the complainant's counsel, perused the records available on file along with the written arguments advanced by the counsel, which reflects that the complainant insured his two storied residential house with the insurer (hereinafter referred to as O.P.No.1) in the complaint under the policy No.770027902 and the effective date of the said insurance policy was from 03-04-2022 to 02-04-2024. However, during the subsistence of the insurance policy, the said insured building gutted in a fire incident which suddenly occurred on 05-01-2024 at around 05 to 06 PM. The fire was so extensive that it engulfed the whole rooms as well as the separate cow shed which caused complete damage to the insured premises along with the cow shed and other household goods. Although the concerned police along with the Fire and Emergency Command, Sopore tried to control the fire but could not save the insured premises. Consequently, the complainant approached the insurance company and registered his claim but the claim was not settled despite providing all the requisite documents, contrary to which, a communication was addressed to the insured on 24-06-2024, where under it was stated that the insured building of the complainant was inspected by M/S Andrabi Surveyor and Loss Assessor who observed that the daughter of the complainant, Miss Yasmeena Fayaz had taken a self-help loan for running a boutique in one room of the building, where from the fire originated and the said unit is also insured with another insurer. Additionally, one room of the building was rented out to the social

Welfare Dept. for running an Anganwadi centre, as such the insured building is not used solely for residential purposes, which is breach of the policy conditions.

Since, the Anganwadi centre was undisputedly run by the complainant's daughter, but the said centre was established in a separate shed adjacent to the residential building meant for the purpose. It would be appropriate to discuss that the Anganwadi centre is not a commercial institution, as the same is a Govt. supported facility under ICDS without profit motives and the primary function of the Anganwadi centres is social welfare. Therefore, establishment of Anganwadi centre if otherwise was established in the insured building of the complainant, cannot change the residential nature of the insured building of the complainant in question. The O.P's contention is arbitrary and seems to be merely an attempt to repudiate the claim of the complainant. The insurer is duty bound to comply with the provisions of the Consumer Protection Act,2019 and ensure fair and transparent claim settlement practices. Non-settlement of the claim of the complainant within timeframe is unfair trade practice on the part of the O.Ps.

In view of the aforesaid facts and circumstances of the case, we are of the considered opinion that the complainant is entitled to be compensated for the damages caused to his insured residential house, as such the complaint of the complainant is allowed and disposed-off with the following directions:-

1. The O.Ps are directed to pay the insured amount of Rs.31,20,000/-(Thirty One Lacs Twenty Thousand Rupees) to the complainant within a period of four weeks.
2. The O.Ps are further directed to pay an amount of Rs.5 Lacs (Five Lac Rupees) to the complainant as compensation for putting him into mental agony within a period of four weeks, failing which the awarded amount shall carry an interest @10% from the date of order till its realization.
3. The O.Ps are further directed to pay an amount of Rs.30,000/-(Thirty Thousand Rupees) to the complainant as litigation charges and Rs.20,000/-(Twenty Thousand Rupees) towards the Consumer Welfare Fund Baramulla/Bandipora.

Order announced
Date: 19-03-2025

19/03/25
Member
District Consumer Disputes
Redressal Commission
Nyla Yaseen
Member

19/03/25
President
District Consumer Disputes
Redressal Commission
Baramulla
Peerzada Qousar Hussain
President

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