

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

Coram: -

- | | |
|-----------------------------------|------------------------|
| 1. Peersada Qousar Hussian | President |
| 2. Ms Nyla Yaseen | Member |

Consumer Complainant No: 33/2025

Tabreis Ahmad Lone S/O Ali Mohammad Lone R/O
Ushkara Baramulla.

.....(Complainant)

Versus

J&K Bank B/U T.P Baramulla Through Its Manager.

.... (opposite parties)

Date of Institution:22-04-2025
Date of Decision: 22-04-2026

Appearing Counsel:-

For the Complainant: - Ld Adv.Sartaj Lone & Associates

For the OP:- Nemo

Judgement

The present complaint has been filed by the complainant alleging deficiency in service and unfair trade practice on the part of the OP, with prayer to grant the following relief: -

1. Direction to the bank to cancel the unauthorized insurance policy issued in the name of the complainant along with interest at the rate of 10%.
2. Direction to pay an amount of Rs. 3,00,000/- (Rupees Three Lakh only) as compensation for causing mental agony, harassment, and inconvenience to the complainant.

Brief Facts

The case of the complainant is that he applied for a Cash Credit loan of Rs. 20 lakh from the OP bank for agricultural purposes, and after completing all the requisite formalities, the amount was sanctioned in his favour in the year 2015-2016. However, he liquidated the said loan amount in the year 2020 and the NOC was issued by the OP bank. The bank deducted an amount of Rs. 2,00,000/- (Rupees Two Lakh only) from his account for MetLife insurance without his knowledge or consent. Complainant's contention is further that he was not aware of the insurance policy. Thereafter, he came to know that the bank had issued a MetLife insurance policy in his name, that too without his knowledge or consent, as he had never applied for such insurance nor had any form been signed by him.

The complainant further alleges that the bank facilitated the MetLife by deducting an amount of Rs. 2,00,000/- (Rupees Two Lakh only) from his bank account without his consent, which is not only unauthorized but also constitutes unfair trade practice. The complainant, after approaching the bank, requested issuance of the debit voucher of the said amount, but he was avoided on one pretext or the other. The complainant subsequently submitted an application to the OP bank requesting therein to provide the details of the deduction from his account without consent or authorization; however, no response was given to the complainant.

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Notice was issued to the OP; however, despite service of notice, the OP failed to appear or to submit any response within the stipulated period of time. As such, the OP was proceeded to ex parte.

Perusal of the records placed on the file reflects that the complainant availed a Cash Credit loan of Rs. 20 lakh from the OP bank in the year 2015-2016. However, the said loan amount of Rs. 20 lakh was liquidated by the complainant in the year 2020.

It is an admitted fact that an amount of **Rs. 2,00,000/- (Rupees Two Lakh only)** was debited from the account of the complainant towards MetLife insurance, but the crucial question for consideration is whether the deduction of the amount and issuance of the insurance policy was with the consent of the complainant.

Since there is no material on record to show that the deduction made by the OP Bank towards the MetLife insurance was made with the due consent of the complainant.

Deduction of a substantial amount from the account of the complainant without explicit consent amounts to clear deficiency in service and unfair trade practice. The plea of the insurance company that the policy has lapsed does not absolve them of liability, particularly when the very inception of the policy in question is under cloud due to lack of consent.

Therefore, I am of the considered opinion that the OP Bank has arbitrarily deducted the amount from the account of the complainant without obtaining the consent which is not justified. Accordingly, the complaint is allowed and disposed of with the following directions: -

1. The OP bank is directed to cancel the unauthorized insurance policy issued in the name of the complainant.
2. The OP bank is further directed to refund the amount of **Rs. 2,00,000/- (Rupees Two Lakh only)** to the complainant along with interest at the rate of 8% from the date of deduction till its realization.
3. The OP bank is further directed to pay an amount of **Rs. 50,000/- (Rupees Fifty Thousand only)** as compensation for causing mental agony, harassment, and inconvenience to the complainant and Rs 10,000 as litigation charges.

The OP shall comply with this order within a period of 30 days from the date of receipt of this order, failing which the entire awarded amount shall carry interest at the rate of 10% per annum till its realization.

Order announced

Date: 22-04-2026

I agree

**Nyla Yaseen
Member**

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**Peerzada Qousar Hussain
President**

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