J&K STATE CONSUMER DISPUTES REDRESSAL COMMISSION, SRINAGAR

C.C.: 21 OF 2016
DT OF INSTITUTION: 21/03/2016
DATE OF DISPOSAL: 29/07/2026
Case Title:

SYED AHSAN-UL-HAQ ANDRABI & SYED SABEENA NOOR R/O ZANKOTE, SRINAGAR

--- COMPLAINANT

Versus

ORIENTAL INSURANCE CO. LTD., THROUGH DIVISIONAL MANAGER, DIVISIONAL OFFICE, REGAL CHOWK, SRINADAR.

--- OPPOSITE PARTY

Coram:
Smt. Nighat Sultana, President (O)
Sh. Maheep Gupta, Member

PARTIES REPRESENTED BY:
Adv. SAJOOD AMIN, Ld. Counsel for the complainant.
Adv. N.A. DENDROO, Ld. Counsel for O.P.

29/07/2026 PER: MR. MAHEEP GUPTA, MEMBER.

1. Being aggrieved of non-registration of his insurance claim, the Complainant had approached this Commission with a simple prayer to direct the Insurance Co. to register his claim and settle the same as per the policy terms & conditions.
2. Accordingly, the O.P. Insurance Company was immediately directed on 22/03/2016 to depute a surveyor and settle the claim as per the policy terms & conditions.
3. Feeling aggrieved of the aforesaid order/directions of this Commission, O.P. Insurance Company went in for an appeal before the Hon'ble High Court of

Jammu & Kashmir And Ladakh which was eventually dismissed on 09/08/2016. [CIMA no. 1/2016].

4. Despite of the clear directions of this Commission which were later also upheld by the Hon’ble High Court, the O.P. Insurance Company followed by multiple directions, the O.P. Insurance Company, for the reasons best known to it chose to sit over the matter and did not comply with the directions.
5. This Commission was wound up in the month of October 2019 and consequent to revival proceedings were resumed and the parties were served afresh.
6. Counsel for the parties caused presence before this Commission on 01/06/2023 and the counsel for O.P. was again asked to place on records the compliance report.
7. Eventually on 06/06/2024, the O.P. Insurance filed a compliance report stating that they have deputed a surveyor to assess the loss.

   Sadly enough, the Insurance Company after filing the said compliance report again slept over the matter for over two years and filed the assessment report on records on 20/07/2026.
8. **From the perusal of the assessment report (dt. 19/05/2026), we find that the Surveyor visited the spot on 30/08/2024 but it took him around seventeen long months to finalize his report.**
9. From the assessment report we find that the Surveyor has assessed the net liability of the Insurance Co. at Rs.3,92,959/- but has left the admission open for the Insurance Company on the ground that whilst the insurance policy is in the joint names of the siblings namely Syed Ahsan-ul-Haq and Syed Sabeena Noor, but Sh. Syed Ahsan-Ul-Haq had already sold his share of property to her sister Syed Sabeena Noor through the medium of an affidavit executed in 2011 and as per the mutation records, the property is now in the sole name of Syed Sabeena Noor.

   It will not be out of context to mention that the Surveyor in his concluding paragraph has inter-alia observed that ***“It is pertinent to mention here that half portion of land and building was sold to the 2nd owner (sister) as per affidavit and there is <u>no land mutation in the revenue records.</u>”***

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However, there appears to be a typographical mistake in the concluding paragraph of the Survey report, as at page number 3 & 4, para with the of the survey report under the heading "Insurable Interest" the surveyor has observed that the transfer in the revenue records has been affected and the revenue records also suggest the same.

10. Ld. Counsel for the Insurance Company filed an application for scrutinizing of affidavit & mutation No. 4330 with respect to Khasra No. 1122/941 of Moura Zinakote, Srinagar in covering the insured property.

    The application filed by the Ld. Counsel for O.P. was turned down as we are of the considered opinion that the ownership of property in the name of one insured vis a vis the existence of insurance policy in the joint names per se is not going to make any material difference to the liability of the policy on the following legal grounds and principles:

    - **Insurable Interest:** The sibling who now holds the sole title still retains a valid, legal, and financial stake in protecting the property from loss.
    - **Continuation of Risk:** The transfer of ownership among family members does not fundamentally alter the physical risk or hazard insured by the company.
    - **Absence of Fraud:** Minor paperwork discrepancies or failure to immediately update names on a policy do not automatically make the insurance contract void unless there is some element of deliberate fraud.

11. **Upon turning down of the application, Ld. Counsel for the O.P. Insurance Company argument that even in this scenario the Company is liable at the most for 50% of the liability only.**

    This argument was also turned down on the following grounds:

    - The fact of the matter is that the property was earlier in the joint names of the insureds.
    - One of the Insured relinquished his right in the insured property and transferred his share to the other insured.
    - The sale transaction was in between the named insureds.

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- It's not the case that the property was sold to some third party who is stranger to the contract of Insurance.
- The Insurance Company shall be legally bound to indemnify the owners of the property/ named insureds in the policy to the extent of their share in the property as were existing immediately before the loss.
- In the instant case the brother has 0% share and the sister has 100% share and both are named insureds under the policy, the O.P. Insurance Company is liable to indemnify 100% of loss suffered.
- It is further argued by the Ld. Counsel for the O.P. Insurance Company that the Commission remained closed/non-functional for almost four years and the delay cannot be attributed solely to the Insurance Company.

This argument was also turned down on the ground that it is way back in the on 09.08.2016 that the Hon'ble High Court upheld the directions passed by this Commission to depute a surveyor and assess the loss. A period of more than three years and two months was available to the compliance of the directions before the Commission was winded up in the month of October 2019 which was wasted by the Company without any plausible reasons.

Not only this the Insurance Company again took a period of more than three years after the revival of the Commission/ resumption of the proceedings to comply with the directions.

Under these circumstances, we are simply amazed at the audacity of the Insurance Company/Ld. Counsel to even raise this argument and find the same as utterly ridiculous.

The argument raised by the Insurance Company is turned down.

12. Having held the Insurance Company liable to pay the loss, we are now left with the determination of the quantum of compensation to be paid by the Insurance Company to the Complainants.
13. A copy of the assessment report was provided to the Ld. Counsel for the Complainant who had his reservations on the amount as assessed by the

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Surveyor but after detailed deliberations, he was persuaded to accept the assessment.

Although the Ld. Counsel for Complainant agreed to accept the assessed amount but he earnestly requested for passing necessary directions to suitably compensate the complainants for the delay in settlement, mental agony and the litigation expenses.

We find the request of the Ld. Counsel for complainants to be quite reasonable and accordingly the objections raised by the Ld. Counsel for O.P. were turned down.

14. O.P. Insurance Company is directed to pay Rs.6,87,196/- to the complainant calculated as under:

Particulars	**Amount**
Amount as assessed by the Surveyor	3,92,959/-
Compensation for delay calculated @ 6% p.a. calculated from 22/03/2016 (dt. of filing the complaint) to the date of instant order, i.e., 29/07/2026 – total 3781 days	2,44,237/-
Compensation for mental agony & litigation expenses	50,000/-
Total	**6,87,196/-**

15. Before parting away, we would like to state every fact that is required for adjudication of the case was crystal clear and all the objections/arguments raised by the O.P. Insurance Company/Complainant were duly considered and weighed and there was no justification in delaying the adjudication of the case by putting it to the customary procedural rigors of examination/ cross-examination of the witnesses and as such the strict customary procedural adherence was deemed to be futile and was dispensed with.

16. **Last but not the least we are also of the concerned opinion that the O.P. Insurance Company also deserves to be penalized for its scant regard to comply with the directions of this Commission/ Hon'ble High Court, its indifferent & laid-back attitude and delaying tactics.**

We, therefore, direct the O.P. Insurance Company to deposit Rs.50,000/- in the Consumer Welfare fund by way of a Demand Draft payable in the name of "President, State Consumer Disputes Redressal Commission, J&K" within in thirty days of this order.

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O.P. Insurance Company is at liberty to identify the officials responsible for this whole mess and recover the penalty from them.

Judgment:

1. **Complaint is allowed and O.P. Insurance Company is directed to pay an amount of Rs.6,87,196/- to the complainant within 30 days of this order failing which not only the company will be liable to pay an additional interest @6% p.a. on the entire amount of Rs.6,87,196/- to be calculated from 30/07/2026 till the final deposition of the award.**
2. **O.P. Insurance Company is also directed to deposit Rs.50,000/- in the Consumer Welfare fund by way of a Demand Draft payable in the name of "President, State Consumer Disputes Redressal Commission, J&K" within in thirty days of this order.**

   O.P. Insurance Company is at liberty to identify the officials responsible for this whole mess and recover the penalty from them.

   Office is directed to keep a track and inform the bench in case of non-compliance within the stipulated time.
3. **Office is also directed to provide a certified copy of this order to all the stakeholders & consign the file to records after due compilation.**

Announced: 29/07/2026

(Maheep Gupta)
Member, JKSCDRC

(Nighat Sultana)
President (O), JKSCDRC

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