DECCAN EDUCATION SOCIETY'S

SHRI. NAVALMAL FIRODIA LAW COLLEGE, PUNE

CONSUMER CLUB
PRESENTS

NEWS LETTER
ON
CONSUMER LAW
3RD EDITION

This Edition Covers

- **Recent Developments in Consumer Law**
- **Recent Judgements**

Under the Guidance of

Dr. Sunita Adhav
Principal

Adv. Ashok Palande
Vice Chairman, GB and Council, DES
Chairman,CDC, DES SNFLC

NEWS LETTER

ON

CONSUMER LAW

(3rd EDITION)

UNDER THE GUIDENCE OF

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UNION IS STRENGTH

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About the College:

Deccan Education Society has been instrumental in imparting quality education and ensuring high academic standards since 1885. It is blessed with its illustrious founders; Lokmanya Bal Gangadhar Tilak, Gopal Ganesh Agarkar, Vishnu Shastri Chiplunkar, Principal Vaman Shivram Apte and Mahadeo Ballal Namjoshi. The successive generations through its life members strive hard to tread on the path laid down by these revolutionaries.

D.E.S's Shri Navalmal Firodia Law College, Pune was established in the year 2004, under the illustrious banner of Deccan Education Society. Right from the inception, our college has been encouraging co-curricular activities like moot courts, debates, essay competitions and other activities that enhance legal knowledge and professionalism. We have continued with the tradition of imparting quality education and stand in the list of reputed law colleges all over India.

About the Consumer Club:

The Consumer Club of Deccan Education Society's Shri Navalmal Firodia Law College, Pune is a student-centric academic and extension initiative established with the objective of promoting consumer awareness, legal literacy and responsible consumer behaviour among students and the wider community. The Club functions as an active platform to disseminate knowledge about consumer rights, duties, and redressal mechanisms under the Consumer Protection Act and allied laws.

The Consumer Club seeks to bridge the gap between theoretical understanding of consumer law and its practical application by engaging students in awareness programmes, workshops, seminars and outreach activities. It encourages law students to develop a critical understanding of contemporary consumer issues including unfair trade practices, digital commerce challenges, misleading advertisements, and access to consumer justice.

From the Editor's Desk…

The Consumer Club of DES Shri Navalmal Firodia Law College, Pune is pleased to present the Third Edition of its Consumer Law Newsletter, an academic initiative aimed at strengthening awareness, analysis and understanding of contemporary developments in consumer jurisprudence. This edition seeks to offer readers a structured and analytical overview of recent legal advancements in the field of consumer protection.

This edition primarily focuses on recent amendments and developments in consumer law, reflecting the evolving legislative framework and its response to emerging market realities. The newsletter also features concise and systematic summaries of landmark and recent decisions delivered by the Hon'ble Supreme Court of India, various High Courts, the National Consumer Disputes Redressal Commission, and various State Consumer Commissions. These judicial pronouncements highlight interpretative trends, reinforce consumer rights, and clarify procedural as well as substantive aspects of consumer law.

Through this newsletter, the Consumer Club continues its mission of fostering legal literacy, critical thinking, and social responsibility among students. We hope this edition serves as a useful academic resource and inspires readers to remain informed, vigilant, and empowered as consumers.

Regards

Asst. Prof. Prithviraj Chavan

Editor & Faculty Coordinator Consumer Club

Appreciation Note:

Myself Shrikant Joshi on behalf of Akhil Bharatiya Grahak Panchayat, sincerely place on record our sincere appreciation for the visionary leadership and committed efforts of Adv. Shri Ashok Palande Vice Chairman GB and the Hon'ble Principal Dr. Sunita Adhav Madam and also her dedicated staff in fostering a strong culture of consumer awareness and legal literacy within the Deccan Education Society's Shri Navalmal Firodita Law College, Pune.

Under their able guidance, the College has consistently undertaken meaningful initiatives to sensitize students and the community about Consumer Rights and responsibilities.

The establishment and active functioning of the Consumer Club has provided an excellent and effective platform for students to share knowledge, engage in informed discussions, and translate theoretical learning into practical awareness through various academic and outreach activities. The organisation of workshops, seminars, awareness programmes, and publication initiatives has significantly contributed to enhancing students' understanding of contemporary consumer issues and redressal mechanisms.

These sustained efforts not only strengthen academic excellence but also uphold the social responsibility of legal education by empowering consumers and nurturing socially conscious legal professionals. The Principal's dedication and encouragement have played a pivotal role in making consumer awareness a vibrant and integral part of the institution's academic environment. Last but not the least the College also deserves special appreciation for its gracious hospitality and thoughtful gestures extended to guest lecturers and resource persons. After every seminar, workshop, or academic programme, the provision of meals reflects not only warmth and courtsey but also deep respect for the time, effort and knowledge shared by the invited experts. Every guest lecturer is felicitated with the complimentary gift of various books written by famous authors.

We commend these initiatives and extend our heartfelt appreciation for her continued support and inspiring leadership.

Regards
Adv. Shrikant Joshi,
Akhil Bharatiya Grahak Panchayat,
Vidhi Ayam Pramukh Madhya Maharashtra Prant.

Developments in Consumer Law in the year 2025

- **Launching of e-Jagriti Platform:**

On January 1, 2025, Department of Consumer Affairs (DCA), under the Ministry of Consumer Affairs, Food & Public Distribution to provide a simple, fast, and cost-effective solution for consumer disputes across all commissions launched portal of e-Jagriti. The e-Jagriti portal is India's unified, paperless digital platform for consumer grievance redressal, launched by the Department of Consumer Affairs to integrate all consumer commissions (District, State, National) for faster, more accessible justice. It allows citizens to file complaints, pay fees, track cases, attend virtual hearings, and receive real-time updates, aiming to reduce paperwork, travel, and case pendency using modern tech like AI for efficient resolution.

- **The Consumer Protection (Amendment) Bill, 2025:**

The Consumer Protection (Amendment) Bill, 2025 was introduced in Parliament on 5 December 2025 to amend the Consumer Protection Act, 2019, particularly to modernise and strengthen consumer rights in light of digital market challenges. It is under deliberation in Parliament and has not yet become law.

Key highlights of the Consumer Protection (Amendment) Bill, 2025:

1. Expansion of the Definition of Unfair Trade Practices:

The Bill seeks to update and broaden the definition to explicitly include modern digital marketplace practices that may unfairly influence consumer choice or restrict options such as dark patterns, forced subscriptions, or algorithmic manipulation reflecting changes in e-commerce and online marketplaces.

2. Strengthen Consumer Protection in the Digital Economy:

It aims to protect consumers from unreasonable barriers related to digital subscriptions, cancellations, returns, and opt-outs, which have become common in online services and platforms.

3. Address Emerging Technology-Driven Risks:

With artificial intelligence, machine learning, and automated marketing increasingly used in consumer transactions, the Amendment intends to guard consumers against exploitative practices enabled by such technologies.

4. Improvement of the Legal Framework for Fair Competition:

By updating statutory definitions and protections, the Bill aims to create a more equitable legal environment that better balances business innovation with consumer rights in a fast-changing marketplace.

The 2025 Amendment Bill is designed to modernise the Consumer Protection Act by addressing the realities of digital commerce and technology-driven consumer risks, ensuring clearer definitions of unfair practices, and enhancing safeguards against unfair or manipulative market conduct.

Supreme Court Judgements/Orders

i. Consumer can approach consumer forum even if agreement provides for arbitration: Supreme Court.

M/s Citicorp Finance (india) Limited v. Snehasis Nanda

(Civil Appeal No.14157/2024, Order dated March 20, 2025)

The Supreme Court of India clarified a crucial aspect of consumer law, an arbitration clause in an agreement does not bar a consumer from approaching a consumer forum for dispute resolution. The case arose from a dispute involving the sale of a flat financed partly through Citicorp Finance. The complainant, Snehasis Nanda, alleged that Citicorp Finance failed to pay him the balance sale consideration of ₹13,20,000 despite a purported tripartite agreement involving the buyer, the seller (Nanda), and Citicorp Finance. The National Consumer Disputes Redressal Commission (NCDRC) ruled in Nanda's favour, directing Citicorp Finance to refund the amount with interest and pay litigation costs.

Citicorp Finance challenged this order in the Supreme Court, arguing that an arbitration clause in the agreement required disputes to be referred to arbitration. The Supreme Court, however, reaffirmed that a consumer cannot be compelled to arbitrate simply because an arbitration clause exists. The Court held that consumer disputes under the Consumer Protection Act are non-arbitrable unless the consumer voluntarily opts for arbitration and that the choice of forum consumer forum or arbitration lies exclusively with the consumer. Therefore, the mere presence of an arbitration provision does not oust the jurisdiction of a consumer forum when the consumer chooses statutory redress.

ii. Homebuyers cannot be forced to accept possession of a property after long delay, entitled to a refund: SC

The Chief Officer, Nagpur Housing and Area Development Board (A MHADA Unit) and others v. Manohar Burde

(Civil Appeal No.3802/2025, Order dated March 26, 2025)

The bench comprising Justices JK Maheshwari and Aravind Kumar heard the case which revolves around a homebuyer's right to refund when a developer fails to deliver possession of a flat within a reasonable time. Monohar Burde, a homebuyer booked a 3BHK flat in 2009 in a project by the Nagpur

Housing and Area Development Board MHADA Unit), paying the full amount (Rs 4 lakhs) by 2013, but possession was delayed. The State Commission (SCDRC) initially ordered delivery of possession; but after the matter was remanded to it in appeal, the SCDRC, in 2019, directed the Board to complete the construction of the allotted flat along with a direction to pay interest @ 15% p.a. to the complainant for the delayed period w.e.f. 01.07.2013 till delivery of the possession of flat on the amount paid by the complainant. It was further ordered that, in the event construction is not completed, the amount paid by the complainant should be refunded along with interest @ 15% p.a. from the date of respective payments till realization along with compensation of Rs. 10,00,000/- towards loss suffered by him. In appeal by the Board, the NCDRC (2022) directed the refund of the amount with reduced interest to 9% on the refund, but the Bombay High Court (2024) restored SCDRC's 15% interest on the refund, citing excessive delay by the Appellants.

Challenging the High Court's decision, the builder-appellant appealed to the Supreme Court. Upholding the decision to refund the deposit amount, the judgment authored by Justice Aravind Kumar noted that forcing possession after much delay would be unfair because the homebuyers cannot be compelled to accept possession after unreasonable delays.

iii. The Supreme Court has recently referred to a larger bench the question of whether the families of vehicle owners who die in self-accidents can be allowed compensation under the "no-fault liability" provision (Section 163A) of the Motor Vehicles Act, 1988 ("MVA"), or whether such claims are limited solely to third-party liability.

Wakia Afrin (minor) v. M/S National Insurance Co. Ltd.

(Special Leave Petition (Civil) No.15447-/2024, Order dated August 1, 2025)

The bench comprising Justices Sudhanshu Dhulia and K. Vinod Chandran was hearing the Appeal filed by a minor daughter whose parents died in a road accident due to a tyre burst. The vehicle, owned and driven by her father, crashed into a roadside building, resulting in the death of four occupants including both parents. The minor daughter, through her aunt sought compensation under Section 163A of MVA before the Motor Accident Claim Tribunal ("MACT"), which awarded compensation worth ₹4,08,000/- for her mother's death and ₹4,53,339/- for her father's death. However, the Orissa High Court set aside the MACT's decision, stating that the claim petition under Section 163A was not maintainable as the Appellant being daughter of the deceased, will inherit their estate and therefore cannot claim compensation from it. Aggrieved by this decision, the minor daughter approached the Supreme Court.

Extending the same line of thought regarding the maintainability of the legal heirs claim under Section 163A of MVA, the Court noticed conflicting opinion rendered by the co-ordinate benches, where decisions rendered in cases of *Dhanraj v. New India Assurance (2004)*, *Ningamma v. United India Insurance (2009)* and *Ramkhiladi v. United India Insurance (2020)* held that the claims under Section 163A MVA would be limited to third party risks. The Court expressed doubt over these rulings, emphasizing the non-obstante clause in Section 163A, which states that the provision applies notwithstanding anything inconsistent elsewhere in the Act or any other law, suggesting a broader application beyond third-party claims. Accordingly, doubting the correctness of the decisions mentioned above, the Court directed the Registry to place the matter before the Hon'ble the Chief Justice of India for appropriate orders regarding the constitution of a larger bench to decide the issue.

High Court Judgement/orders

i. Mandatory service charges added to bills by restaurants are an unfair trade practice under the Consumer Protection Act, 2019: Delhi High Court

National Restaurant Association v. Union Of India & Anr

(W.P.(C) 10683/2022 & W.P.(C) 10867/2022, Order dated March 28, 2025)

In a landmark consumer-rights ruling, the Delhi High Court upheld the Central Consumer Protection Authority (CCPA) guidelines issued on 4 July 2022 that prohibit hotels and restaurants from automatically or compulsorily adding service charges to customer bills. The writ petitions were filed by the National Restaurant Association of India (NRAI) and the Federation of Hotel and Restaurant Associations of India (FHRAI), challenging the guidelines as arbitrary and beyond the authority of the CCPA.

Justice Prathiba M. Singh, in her judgment, emphasized that a service charge or 'tip' is a voluntary payment by the customer, and cannot be made mandatory, compulsory or coerced by the establishment. The court held that the automatic inclusion of service charges without real choice misleads consumers about the true price of food and services, and therefore constitutes an unfair trade practice under the Consumer Protection Act, 2019. The bench observed that by advertising one price and then unilaterally adding a 5–20 % service charge, restaurants materially mislead customers and deprive them of transparent pricing, a core element of consumer rights. Such a compulsory charge undermines the discretionary nature of tips or gratuities, which by definition should be left to the customer's choice.

The High Court further recognised the CCPA's statutory authority under the Consumer Protection Act, 2019 to issue guidelines to curb unfair practices and protect consumer interests. It rejected the argument that the guidelines were mere advisories, affirming that they are directions with legal force. Accordingly, the Court dismissed the petitions, upheld the CCPA guidelines as valid and enforceable, and imposed costs of ₹1 lakh on each petitioner. It directed that restaurants must inform customers that any service charge is voluntary, and violations may invite consumer-law action.

ii. Consumer forums not legally authorised to issue arrest warrants: Calcutta High Court

Abdul Manim Mollah v. The State of West Bengal & Anr.

(C.R.R. 1499 of 2024, Order dated April 2, 2025)

In this landmark judgement the Calcutta High Court clarified the limits of enforcement powers available to consumer forums. The petitioner challenged the issue of an arrest warrant by the District Consumer Disputes Redressal Forum in execution proceedings arising from a consumer dispute about the sale of a tractor. The Forum had directed execution of its order and issued a warrant of arrest against the petitioner for non-compliance.

Justice Suvra Ghosh held that, consumer forums are not legally authorised to issue arrest warrants under the Criminal Procedure Code (CrPC) for enforcement of their orders. The High Court explained that enforcement under the Consumer Protection Act must proceed "as if" the order were a civil decree, bringing into play Order XXI of the Code of Civil Procedure, which allows only civil detention or attachment, not criminal arrest. The court quashed the arrest warrant and related orders as being beyond the statutory authority of the consumer forum.

iii. Banks cannot refuse to open accounts solely due to the lack of an Aadhaar card: Bombay High Court

Microfibers Pvt. Ltd. v. Yes Bank Ltd.

(Writ Petition No. 1706 of 2018, Order dated June 26, 2025)

The petitioner had premises in Bombay and wanted to rent them out and was facing difficulties due to the lack of a bank account in its name. It approached the Yes Bank in January 2018. The bank insisted on the production of Aadhaar despite the petitioner offering other valid KYC documents. Even after the Supreme Court's judgment in *K.S. Puttaswamy (Aadhaar)* (2018), which held that Aadhaar is not mandatory for bank accounts, Yes Bank delayed opening the account until January 2019.

The High Court held that the bank's continued insistence on Aadhaar was unjustified, arbitrary, and contrary to settled law. The delay adversely affected the petitioner's business activities and caused financial hardship. While rejecting the exaggerated claim for higher damages, the Court directed Yes Bank to pay ₹50,000 as compensation, emphasising that banks must follow constitutional and statutory mandates and cannot impose Aadhaar as a compulsory requirement where the law does not mandate it.

National Consumer Disputes Redressal Commission (NCDRC) Judgements/Orders

i. Members can file consumer complaint against their Cooperative Housing Society.

Anil Khemchand Advani and Anr. v. Sunmist Cooperative Housing Society Ltd.

(Order dated, March 11,2025)

The National Consumer Disputes Redressal Commission (NCDRC), New Delhi Bench comprising Mr. Binoy Kumar (Presiding Member) and Justice Saroj Yadav (Member), held that members of a cooperative housing society can file a consumer complaint against their own society for deficiency in service and unfair trade practices. The complainants, who were members of Sunmist Cooperative Housing Society Ltd., filed a complaint alleging lapses in services provided by the society. The District Consumer Commission admitted the complaint but the Karnataka State Consumer Disputes Redressal Commission dismissed the first appeal solely on the ground that the members did not qualify as "consumers" vis-à-vis the society. It held that no consumer ervice provider relationship existed merely by virtue of membership.

On revision, the NCDRC disagreed, observing that the State Commission erred by dismissing the appeal on maintainability alone without considering the merits or legal position. The Commission relied on the landmark judgement in the case of Smt. Kalawati & Ors. v. United Vaish Co-operative Thrift and Credit Society Ltd which recognized that a member is distinct from the society and can be treated as a consumer where services are rendered in exchange for consideration. Accordingly, the NCDRC set aside the State Commission's order and remanded the matter for fresh adjudication on merits, reaffirming that members can file consumer complaints against their cooperative housing society under the Consumer Protection Act, 2019.

ii. Insurance claim can be lawfully denied if the driver of the insured vehicle did not possess a valid driving license at the time of the accident.

Van Mandaladhikari v. National Insurance Company Limited and Anr.

(Order dated, March 24,2025)

The Complainant insured his vehicle with National Insurance Company Limited ("Insurance Company"). During the subsistence of the policy, the vehicle met an accident due to a collision caused by the reckless driving of a truck. The vehicle overturned and was completely damaged. The driver, a government-trained driver since 1995, died in the accident. An FIR was registered, and the Insurance Company was informed. The damaged vehicle was inspected, and a claim was filed by the Complainant. However, the Insurance Company repudiated the claim and stated that the driver's license had expired at the time of the accident. The Complainant argued that the driver was duly licensed and trained, and the claim was wrongfully denied. Feeling aggrieved, the Complainant filed a consumer complaint before the District Consumer Disputes Redressal Commission, Guna, Madhya Pradesh ("District Commission") against the Insurance Company.

The District Commission allowed the complaint and directed the Insurance Company to pay 75% of the damage amount to the Complainant. Dissatisfied with the order of the District Commission, the Insurance Company filed an appeal before the State Consumer Disputes Redressal Commission, Madhya Pradesh ("State Commission"). The State Commission allowed the appeal by dismissing the complaint and setting aside the order of the State Commission. Thereafter, the Complainant filed a revision petition before the National Consumer Disputes Redressal Commission ("NCDRC"), New Delhi. The Complainant contended that the driver had a valid driving license for many years, which had expired only two months before the accident. It argued that the driver intended to renew it but met with the accident before doing so. The NCDRC held that the absence of a valid driving license amounts to a violation of the essential terms and conditions of the insurance policy. Therefore, it held that the rejection of the claim by the insurance company does not amount to a deficiency in service. Consequently, the NCDRC upheld the decision of the State Commission and dismissed the revision petition filed by the Complainant.

iii. Royal Enfield and its dealer held liable to pay compensation for deficiency in service.

Mr.Ravindra Annappa Bindre v. M/s. Royal Enfield A Unit of Eicher Motors Ltd.

(Order dated, June 25,2025)

The National Consumer Disputes Redressal Commission (NCDRC), presided over by Air Vice-Marshal J. Rajendra, AVSM and Justice Anoop Kumar Mendiratta, held both Royal Enfield and its authorised dealer liable for deficiency in service in connection with the sale of a motorcycle that suffered persistent engine oil leakage. The complainant purchased a Royal Enfield Thunderbird 350cc motorcycle on 19 October 2015 and immediately noticed issues including oil leakage despite assurances and repeated repair attempts. The motorcycle continued to malfunction, leading Bindre to file a consumer complaint alleging a manufacturing defect and gross deficiency in service. The District

Forum initially directed a replacement or refund; on appeal the State Commission modified the relief. The NCDRC, while observing the absence of an expert report to conclusively establish defect, held that the persistent problems and failure to provide satisfactory service justified liability and directed the replacement of the engine and awarded ₹50,000 compensation with ₹25,000 costs. The Commission also provided procedures for expert opinion if further defect issues persisted.

iv. Share trading and portfolio services are not consumer services.

Tajinder Kumar Taneja v. M/S Unique Investments

(Order dated, June 9,2025)

The National Consumer Disputes Redressal Commission (NCDRC) reaffirmed that share trading and portfolio services are commercial in nature and not consumer services, and therefore disputes arising out of them are not maintainable before consumer courts. The complainant alleged that the respondents, a share broking and investment firm, induced him to invest substantial sums on promises of portfolio management services and assured returns but failed to open his Demat account and honour financial obligations. He filed consumer complaints alleging deficiency in service and sought refund and compensation. Both the State Commission, Punjab and the NCDRC held that the relationship between a share investor and a stock broker engaging in trading activities is inherently commercial, being undertaken for profit, and does not fall within the definition of "consumer" under Section 2(d) of the Consumer Protection Act. Consequently, the complaints were dismissed as not maintainable before consumer fora. However, the NCDRC granted the complainant liberty to pursue appropriate civil remedies.

State Consumer Dispute Redressal Commission (NCDRC) Judgements/Orders

i. Consumer Courts Can Entertain Complaints against WhatsApp: UP State Consumer Commission

Amitabh Thakur v. WhatsApp LLC & Others

(Order dated, April 16,2025)

In this case the Uttar Pradesh State Consumer Disputes Redressal Commission delivered a significant ruling on whether consumer courts in India can entertain complaints against WhatsApp, even though it is a foreign-based platform and its services are offered without direct payment. The complaint was filed by Amitabh Thakur, a former IPS officer, after WhatsApp's services were reportedly disrupted for about six hours, which he alleged adversely impacted his work. The Lucknow District Consumer Forum had initially dismissed the complaint, holding that WhatsApp was an international entity and that Thakur was not a "consumer" because he had not paid money for the service.

On appeal, the State Consumer Commission overruled that decision. The Commission held that WhatsApp provides "services" to its users in India, and such users fall within the definition of "consumer" under the Consumer Protection Act, 2019. It emphasized that the provision of digital messaging services irrespective of direct monetary payment constitutes a service, and the fact that the platform is foreign-based does not place it outside the jurisdiction of Indian consumer courts. The Commission also clarified that "consideration" need not be limited to money alone when users derive benefit from and rely on the service.

As a result, the State Commission set aside the district forum's order, directed WhatsApp to be treated as a service provider, and instructed the district forum to register and decide Thakur's complaint for compensation within 90 days under the Consumer Protection Act.

WhatsApp has challenged this order before the Allahabad High Court, which has granted interim relief and issued notice in the matter. Now this matter is pending before UP High Court.

ii.Dr. Lal Path Labs held liable to pay compensation for erroneous test report.

Dr. Lal Path Labs v. Mr. Inder Prakash Wadhwa

(Order dated, May 26,2025)

Delhi State Consumer Disputes Redressal Commission held liable to Dr. Lal Pathlabs for issuing wrong and defective medical test reports that falsely indicated life-threatening conditions, leading to emergency hospitalisation and distress for the complainant. The pathology report showed the complainant's urea and creatinine levels to be alarmingly high, prompting immediate hospital treatment. Subsequent tests conducted at three reputable laboratories ie Max Healthcare, Dr. Dang's Lab and Super Religare Laboratories Ltd revealed normal parameters, directly contradicting the initial report. The lab's appeal against an earlier District Forum order was dismissed. The State Commission observed that inaccurate laboratory reports play a crucial role in clinical decision-making, as doctors rely on such results to diagnose and prescribe treatment, and errors can lead to improper treatment and serious consequences. Given the mental agony, physical suffering, unnecessary medical costs, and trauma caused by the erroneous results, the Commission held that there was a deficiency in service and awarded the complainant ₹3,50,000 in compensation.

iii. Wrongful rejection of an insurance claim by an insurer constitutes a "deficiency of service" : Uttarakhand State Commission

New India Assurance Company Limited v. Sh. Rajender Singh
(Order dated, May 26,2025)

The complainant took a loan from a bank to build a house. The house was insured with New India Assurance/insurer for ₹50,000 under a fire and special perils policy. Heavy rainfall caused a landslide that completely destroyed the house. He informed the local authorities and the bank, who then notified the insurer. The insurer neither paid the amount nor arranged a site survey. Later, the insurer rejected the claim. This caused mental and financial stress to the complainant. The complainant filed a complaint before the District Commission for deficiency in service. The District Commission allowed the complaint and directed the insurer to pay ₹50,000 as the insured amount, ₹2,000 for mental and financial loss, and ₹1,000 as litigation costs. Aggrieved, the insurer filed an appeal before the State Commission of Uttarakhand.
Upon examining the facts, the Commission found that the complainant's house was completely destroyed due to a landslide caused by continuous heavy rainfall, and this was a classic case of subsidence/landslide, directly covered under the main policy. Since the incident fell within the scope of insured perils, the insurer's repudiation of the claim amounted to wrongful denial. As a result, the appeal was dismissed, and the District Commission's order directing payment of ₹50,000 (insured sum), ₹2,000 for mental and financial loss, ₹1,000 litigation costs was upheld.


PECUNIARY JURISDICTION
UNDER CONSUMER PROTECTION ACT, 2019
SUPREME COURT / HIGH COURT
Appeals & Writs
NATIONAL COMMISSION
ABOVE ₹10 CRORE
STATE COMMISSION
ABOVE ₹1 CRORE
UP TO ₹10 CRORE
DISTRICT COMMISSION
UP TO ₹1 CRORE

"Caveat Emptor"

(Let the buyer beware)

Asst. Prof. Prithviraj Chavan

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Consumer Club, DES SNFLC