

INSURANCE INSIGHT

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beyond territorial limits through legal gymnastics.

Ownership and Commercial use related disputes in Vehicle Insurance Claims

Accident occurring outside the property specifically defined in the policy



Territorial jurisdiction under the Consumer protection Act cannot be stretched beyond territorial limits through legal gymnastics.

The Hon'ble National Consumer Disputes Redressal Commission in the case of M/s Jiwan Spinners Pvt Ltd v. United India Insurance Co. Ltd, FA no. 469 of 2009 held that there is only one exception to section 17(2)(b) of the Consumer Protection Act, 1986 and that is the power of NCDRC to transfer a case under section 22(B) from one state commission to another.

In this case, the loss event took place in the territorial jurisdiction of SCDRC, Haryana however the Appellants approached the SCDRC, Chandigarh as the Regional office, Chandigarh had dispatched telephonic instructions for appointing the surveyor therefore stating that the cause of action arose in Chandigarh. This contention of the Appellant was rejected by the NCDRC stating that a communication regarding appointment of surveyor is not a part of decision making or assessment of loss process by the said Regional Office in Chandigarh therefore the jurisdiction of Chandigarh State Commission is not attracted.

Ownership and Commercial use related disputes in Vehicle Insurance Claims.

The Hon'ble National Consumer Disputes Redressal Commission in the case of Ram Singh v. Oriental Insurance Company Limited, Revision Petition no. 3481 of 2017 reiterated the principles laid in the case of Naveen Kumar v. Vijay Kumar & Others to hold that the registered

owner of a vehicle is also the legal owner of the same unless a transfer is officially recorded.

The Hon'ble NCDRC further held that merely driving a vehicle extensively does not categorize it as a commercial vehicle.

Accident occurring outside the property specifically defined in the policy.

The Hon'ble National Consumer Disputes Redressal Commission in the case of Balamurugan Automobiles v. United India Insurance Co. Ltd. & Anr., CC no. 881 of 2015, held that insurance terms must be interpreted based on the specific language of the policy and and further held that even a layman cannot plead ignorance of fact stated or recorded voluntarily by himself.

The Hon'ble NCDRC further held that the specific description of the property given in the proposal form has been filled up by the complainant himself voluntarily and therefore the plea that he is a layman, and was unable to understand the consequences of the description in the policy, is not accepted.



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