(2017) 01 NCDRC CK 0064

In the National Consumer Disputes Redressal Commission

Case No : 3312 of 2016

AGRICULTURE INSURANCE CO. OF INDIA LTD. APPELLANT

Vs

RAMKESHWAR SINGH & ORS. RESPONDENT

Date of Decision : 19-01-2017

Acts Referred:

Consumer Protection Act, 1986, Section 21(b) - Jurisdiction of the National Commission

Citation : 2017 1 CPR 426

Hon'ble Judges : D.K. Jain, M. Shreesha

Advocate : Badal Dayal

Judgement

1. By these three Revision Petitions, under Section 21(b) of the Consumer Protection Act, 1986, Agriculture Insurance Company of India Limited (for short "the Insurance Company"), previously known as General Insurance Corporation of India, a public sector undertaking, calls in question the correctness and legality of a common order dated 29.08.2016, passed by the Bihar State Consumer Disputes Redressal Commission at Patna (for short "the State Commission") in Appeals No.593 of 2007, 170 of 2008 and 174 of 2008. By the impugned order, while affirming the finding returned by the District Consumer Disputes Redressal Forum at Samastipur, Bihar (for short "the District Forum"), vide orders dated 25.09.2007/13.02.2008 in Complaint Cases No. 152 of 2003, 129 of 2003 and 128/2003, to the effect that there was deficiency in service on the part of the Insurance Company in not honouring the claims, preferred by 369 villagers in Village Sakh Mohan, District Samastipur, Bihar, on account damage to the Kharip crops for the years 1995-96, 1998-99 and 2001-02 due to floods, the State Commission has held that the repudiation of the claim amounts to gross negligence and deficiency in service on the part of the Insurance Company. It has also observed that such attitude is repugnant to the very purpose/object of the National Agricultural Insurance Scheme, which seeks to provide insurance coverage to farmers for the loss suffered by them on account of failure of any notified crop as a result of natural calamities, pests, diseases. Consequently, the

State Commission has dismissed all the Appeals, preferred by the Insurance Company. However, the State Commission has reduced the rate of interest from 16% p.a., as awarded by the District Forum, to 10% p.a., observing thus: "6. It is admitted fact that the seasonal crops of the farmers, in all the above mentioned three appeals, were insured with the appellant Insurance Co. under the comprehensive risk insurance provided under National Agricultural Insurance Scheme of the Government with object to cover yield losses due to non-preventable risks. It is also admitted fact that the insured seasonal crops of the respective farmers of the said village suffered damage due to flood and in this regard different concerned departments and related authorities of the State government sent their investigation reports and also the recommendation for compensation, which is not under challenge. Apart from provision of calculation of indemnity on the basis of Actual Yield per hectare of the insured crop falls short of the specified Threshold Yield in the defined area deemed to have suffered loss, there is a provision of indemnity on individual basis in case of occurrence of Localized risk such as hailstorm, landslide, cyclone and flood, as mentioned in column-13A & 14 of the said scheme i.e. NAIS (National Agricultural Insurance Scheme) in respect of Indemnity In Case Of Localized Risks, for settlement of claims on individual basis between the IA i.e. appellant and the insured. The appellants were supposed to have settled the claim of the affected farmers in light of the aforesaid provisions under the scheme & guidelines of NAIS, towards the damages of the seasonal insured crops, but in spite of having received all the necessary required data/reports, in respect of damage of the insured Kharif crop of the affected farmers sent by the state machinery, the appellant insurance co. did not made any effort in this regard."

2. In short, the grievance of the Insurance Company in all these Revision Petitions is that apart from the fact that there was no direct relationship between the Complainant and the Insurance Company, as the premium for the insurance was being paid through the Cooperative Bank and the Insurance Company was only an implementing agency of the National Agricultural Insurance Scheme, as per the actual yield data received from the Directorate of Statistics and Evaluation, Government of Bihar, the yield within the stipulated cut-off date was found to be higher than the threshold yield and, therefore, the Complainant was not entitled to any relief under the policies for the alleged loss on account of low yield.

3. Having perused the documents on record, we are of the opinion that the afore-noted concurrent finding of fact regarding the loss suffered by the farmers on account of natural calamity is based on cogent material and neither there is scope for interference therewith in exercise of limited Revisional Jurisdiction, vested in this Commission, nor is there specific challenge to the said finding as being perverse. Furthermore, though at the first blush the amount involved appears to be huge (28,85,440/-) but, on deeper scrutiny, we find fact that the said amount is to be paid to as many as 369 villagers/farmers, which works out to a meagre sum of 7,819/- per farmer/complainant. Under the circumstances,

we do not find it to be a fit case for exercise of our limited Revisional Jurisdiction.

4. Consequently, all the Revision Petitions fail and are dismissed in limine.

5. Before parting with the case, we expect and hope that some day the Public Sector Undertakings, taking note of the observations made by the Hon''ble Supreme Court in Gurgaon Gramin Bank v. Khazani and Anr., (2012) 8 SCC 781, would start accepting at least the concurring orders of the Fora below and avoid wastage of public money and judicial time, more so, when the case involves nominal relief as a succour to the poor farmers.

