IN THE HIGH COURT OF JUDICATURE AT PATNA

Civil Writ Jurisdiction Case No.8296 of 2017

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1. Reliance General Insurance Company Limited, through the Area Manager, Government of Business Group/ Authorized Signatory, 202, 2nd Floor, Grand Yunus Corporate, S.P. Verma Road, Patna-1

.... Petitioner/s

Versus

1. The State of Bihar through the Chief Secretary, Government of Bihar,Patna.
2. The Development Commissioner, Govt. of Bihar, Patna.
3. The Principal Secretary, Department of Cooperative Govt. of Bihar, Patna.
4. Deputy Secretary, Department of Cooperative , Govt. of Bihar,Patna.
5. The Registrar, Cooperative Societies, Department of Cooperative, Govt. of Bihar, Patna
6. The Assistant Registrar, Cooperative Societies, Department of Cooperative, Govt. of Bihar, Patna

.... Respondent/s

with

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Civil Writ Jurisdiction Case No. 7968 of 2017

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1. I C I C I Lombard General Insurance Company Limited, through the Manager (Legal)/Duly Constituted Attorney/Authorized Signatory, Uma Complex, Frazer Road, Patna.

.... Petitioner/s

Versus

1. The State of Bihar through the Chief Secretary, Govt. of Bihar, Patna.
2. The Development Commissioner, Govt. of Bihar, Patna.
3. The Principal Secretary, Department of Cooperative, Govt. of Bihar, Patna.
4. Deputy Secretary, Department of Cooperative, Govt. of Bihar, Patna.

.... Respondent/s

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Appearance :

(In CWJC No.8296 of 2017)

For the Petitioner/s : Mr. Y.V. Giri, Sr. Advocate,
Mr. Durgesh Kumar Singh

For the State : Mr. Chittranjan Sinha, PAAF-2
Mr. M.K. Ambasth, SC-26

(In CWJC No.7968 of 2017)

For the Petitioner/s : Mr. Durgesh Kumar Singh

For the State : Mr. Chittranjan Sinha, PAAG-2
Mr. M. K. Ambasth, SC-26

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CORAM: HONOURABLE MR. JUSTICE SHIVAJI PANDEY

ORAL JUDGMENT

Date: 05-07-2017

Heard learned counsel for the petitioners and learned counsel for the State.

Since in both the cases common issue has been raised, they have been heard together and are being disposed of by this common order.

In both cases petitioners have raised a grievance that they were prevented to participate in the bid for crop insurance.

The Government of India for the benefit of the farmers and to compensate the loss of the crop due to adverse weather condition initiated schemes through Department of Agriculture and Cooperation, namely, PMFBY and restructured WBCIS. PMFBY scheme has been implemented in the State of Bihar through its Co-operative Department. At different places weather stations have been established to measure rain fall from time to time including change of climate during the period of crops.

In 2013 there was drought and at that time there was a heavy loss to the farmers. PMFBY covers the loss of crop on account of adverse condition of weather like drought, flood, inundation, hail, storm etc. In 2013 these Insurance Companies were also in the field and have insured the crop of farmers. As per claim of the State of Bihar what was required to be paid to farmers having been not paid by the Company inasmuch as the

Company has paid less then 50 % of the insurance amount assessed by the State of Bihar led to debarment of petitioner to participate in the bid.

Learned counsel for the petitioners has stated that they have assessed the loss on the basis of the report submitted by the central agencies and accordingly proper amount of insurance has been paid. It has further been argued that if there is any dispute between the Insurance Company and the State Government with respect to the payment, the Central Government has created agency is called DAC and whenever there is a dispute with respect to payment, the decision of DAC is final will be binding to the State Government, Insurance Company, Bank and farmers. As per claim of the petitioner, DAC has given its finding in favour of Insurance Company.

In the present case this is not the issue whether they have paid lower amount or correct amount as this issue has to be decided in pending proceeding instituted under PDR Act which is under challenge in pending writ petition before this Court. So this Court is not required to give finding on the quantum of payment of insurance amount to farmers by petitioners Companies.

In the present case limited question about participation of petitioners Companies in the bid for selection of insurance is under consideration. Petitioners have submitted that even defaulters having been allowed to participate in the bid except three Companies which has been replied by the State that Insurance Companies which have not paid less then 50% have been allowed.

Be that as it may, whether it is proper payment or incorrect will be decided in different proceeding and keeping at bay three Insurance Companies to participate in the bid will not, be in the interest of the farmers nor for the State as maximum participation will give better result. In such view of the matter, petitioners or any left out empanelled Companies are allowed to participate in the bid by filing proper bid in a sealed cover within a period of one week from today.

With the aforesaid observation and direction both writ petitions are disposed of.

(Shivaji Pandey, J)

Vinay/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	5.7.2017
Transmission Date	NA