IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.10.2021

CORAM :

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

W.P.NO.20491 OF 2021

1. T.Saminathan
2. S.Bhuvaneswari
3. P.Gobu
4. K.Sekar
5. G.Panneerselvam
6. M.Arumugham
7. A.Revathy
8. T.Bharathy
9. N.Gunasekaran
10. S.Abdul Rahim
11. V.Gurumurthy
12. G.Panchavarnam
13. M.Saminathan
14. K.Senthilkumar
15. K.Madhankumar
16. P.Velmurugan
17. K.Gayathri
18. S.Senthilkumar
19. S.Meenakshi
20. M.Karunanithi
21. N.Pakkirisamy
22. M.Dhanapal
23. D.Balachandran
24. G.Mythili
25. N.Senthilvelan
26. M.Dhakshinamurthy
27. V.Rajendran
28. A.Abdul Latheef
29. B.Abdul Salam
30. R.Muthuvel
31. R.Elankumaran
32. E.Manonmani
33. E.Rubia
34. V.Surya
35. E.Udhaya
36. G.Rajkumar
37. J.Venkateswaran
38. R.Premavathy
39. S.Ramesh Kumar
40. T.Pakkirisamy

41.P.Maharani
42.P.Balasubramanian
43.V.Selvaraj
44.G.Nagarajan
45.R.Sankar
46.S.Geetha
47.A.Mohamed Basheer
48.R.Jagadeesan
49.S.Muthunathan
50.K.Venkatasubramanian
51.K.Gandhi
52.P.Mariappan ... Petitioners

-Vs-

1. The Joint Registrar of Co-operative Societies
Nagapattinam Region
Nagapattinam District.

2. The Managing Director
Kumbakonam Central Cooperative Bank Ltd.,
No.2, T.S.R.Big Street
Kumbakonam, Tanjore District.

3. The Regional Manager
The New India Assurance Company Limited
No.770-A, Anna Salai, Chennai 600 002.

4. The Secretary
Z 719, Thittacheri Primary Agricultural
Co-operative Credit Society Limited
Purakiramam - 609 703
Nagapattinam Taluk & District. ... Respondents

Prayer :

Writ Petition under Article 226 of the Constitution of India praying for the issuance of a Writ of Mandamus directing the third respondent to disburse the exact and actual compensation payable towards the crop insurance amount for the year 2017-18, Paddy-II, in respect of the villages viz., Thittacheri (51.35%), Alathoor (62.36%), Eravancheri (72.24%). Seeathamangai (91%), Kothamangalam (79%) and Kuthalam (75%) of Nagapattinam Taluk and Nagapattinam District under the “PRADHAN MANTRI FASAL BIMA YOJANA” (PMFBY) Scheme.

For Petitioners : Mr.S.Kamadevan

For Respondents : Mr.R.Selvendran
Government Advocate- for R1
Mr.Jayaprakash – for R2
Mr.S.R.Sundar – for R3
Mr.M.S.Palanisamy – for R4

ORDER

The petitioners in this writ petition are poor farmers who are made to knock the doors of this Court seeking for the compensation payable to them towards the crop insurance for which these farmers had paid the premium.

2. All the petitioners have insured their agricultural crops under Pradhan Mantri Fasal Bima Yojana (PMFBY) Scheme (hereinafter referred to as 'PMFBY Scheme'). The petitioners are the members of the fourth respondent society and the premium is paid to the fourth respondent. In turn, the fourth respondent hands over the premium amount to the second respondent Kumbakonam Central Cooperate Bank, which in turn pays the premium to the third respondent New India Assurance Company Limited.

3. The petitioners suffered a natural disaster in the year 2017 and as a result of the same, they lost their crops. Hence, the petitioners made a claim for payment of compensation under the insurance scheme. The damage was assessed by an inspection team in totally six villages and the following are the particulars of the damage that was assessed by the team.

S.No.	Name of Village	Damage assessed by the Inspection Team
1.	Thittacheri Village	51.35%
2.	Alathoor Village	62.36%
3.	Eravancheri Village	91%
4.	Seeathamangai Village	79%
5.	Kothamangalam Village	79%
6.	Kuthalam Village	75%

4. The report of the inspection team was also submitted and the petitioners were eagerly expecting the payment of the compensation. Unfortunately, all the petitioners received only 8.23% of the total damage that was suffered by them. This

mistake seems to have happened due to the wrong feeding of the particulars in the portal by the fourth respondent and the second respondent. The petitioners also made a representation in this regard. However, there was no light at the end of the tunnel and left with no other option, the present writ petition has been filed before this Court.

5. When the matter came up for hearing on 22.10.2021, this Court passed the following order.

> " Mr.M.S.Palaniswamy, learned counsel for the fourth respondent brought to the notice of this Court the proceedings of the District Collector communicated through the Deputy Registrar of Cooperative Societies. A copy of the same shall be furnished to the learned counsel appearing on behalf of the third respondent Insurance Company. The learned counsel appearing on behalf of the third and fourth respondents shall coordinate and come up with a solution to enable the petitioners to get their compensation amount for which they have been fighting from the year 2017-18 onwards.
> 2. Post this case immediately after admission on 29.10.2021."

6. When the matter was taken up for hearing today, this Court had the advantage of going through the counter affidavit filed by the third respondent along with typed set of papers. On going through the counter affidavit, it is clear that the particulars have not been properly fed in the portal and as a result of the same, the damages that was assessed for Nagapattinam village has been applied even in the case of the petitioners also, who admittedly belong to other villages. As a result of the mistake in entering the particulars in the portal, the petitioners were deprived of the actual compensation amount as per the percentage of loss that was sustained for each of the village , which is extracted hereunder.

VILLAGES	LOSS %
1. THITTACHERI	51.35
2. ALATHUR	62.36
3. ERAVANCHERI	72.24
4. SEEYATHAMANGAI	82.31
5. KOTHAMANGALAM	70.55
6. KUTTALAM	58.05

7. In spite of the loss being ascertained at the percentage mentioned supra, the petitioners received only 8.23%.

8. On carefully going through the typed set of papers filed by the third respondent, it is seen that the policy document that was issued by the third respondent for the PMFBY Scheme makes a specific mention to the operational guidelines which governs the parties. Even the policy disputes are to be adjudicated in accordance with the mechanism prescribed in the operational guidelines. The operational guidelines issued under the PMFBY Scheme specifically provides that the banks must ensure that the cultivator is not deprived of any benefit under the Scheme due to the errors / omissions / commissions of the concerned bank and in case of such errors, the concerned institution shall make good for such losses. The third respondent, by pointing out to this clause, has taken a very specific stand that the error had happened due to the mistake in uploading the particulars in the portal and for this mistake, the petitioners should not be deprived of their compensation and it should be made good only by the second respondent.

9. Heard Mr.S.Kamadevan, learned counsel appearing for the petitioners, Mr.R.Selvendran, Government Advocate appearing for the first respondent, Mr.Jayaprakash, learned counsel for the second respondent, Mr.S.R.Sundar, learned counsel for the third respondent and Mr.M.S.Palanisamy, learned counsel for the fourth respondent.

10. It is an unfortunate case where the farmers who suffered a huge loss in the year 2017 are being made to run from pillar to post to get the compensation for the loss suffered by them due to a natural disaster. It is an admitted case that all the petitioners have paid the premium amount to the fourth respondent Society and it was also handed over to the second respondent bank. The second respondent bank in turn has taken the policy from the third respondent insurance company. It is not known at what stage the mistake in uploading the particulars in the portal had taken place. However, it is not the look out of the petitioners to rectify this mistake and they are entitled to receive the compensation as contemplated under the Scheme. The communication of the second respondent dated 21.09.2020 made to the first respondent shows that the names of the petitioners and others were wrongly entered under the Nagapattinam Village instead of being added in the respective villages to which the petitioners and others belong to. This mistake is accepted by the second respondent in the communication that was made to the first respondent. Under the operational guidelines, which governs the parties, it is specifically provided under Clause XXIV (4) (m) as follows.

"XXIV (4)(m) Banks should ensure that cultivator may not be deprived of any benefit under the Scheme due to erros/omissions/commissions of the concerned branch / PACs, and in case of such errors, the concerned institutions shall only make good all such losses."

11. When the petitioners made a representation to the third respondent insurance company, the insurance company has given a reply on 15.09.2021 and it will be relevant to extract the entire reply hereunder.

"Re: PMFBY - SEASON RABI 2017-18, PADDY II CROP - NAGAPATTINAM DISTRICT - 52 FARMERS ENROLLED THROUGH M/S.KCCB CLAIMING COMPENSATION FOR CHANGE OF VILLAGE (WRONG ENTRY OF REVENUE VILLAGE IN NCIP BY M/S.KCCB)

We refer your letter dated 04/09/2021 received by us on 06/09/2021 with a request to consider your claim for change of revenue village which was wrongly entered by M/s.KCCB in the National Crop Insurance Portal. We have settled the claim based on the Portal Entry made by M/s.KCCB for the Revenue Village "Nagapattinam" in the NCIP.

Please note that as per PMFBY Operational Guidelines, the Bank procuring the farmer's premium has to upload the farmers' details in the NCIP (National Crop Insurance Portal) and we, the Insurance company download the said data from the portal and calculate claims on the basis of details/Revenue Village uploaded by banks. It is the responsibility of the banks (who is also a stakeholder as per the Scheme) to see the correctness of the details they are entering in the portal. Insurance companies don't get an opportunity to verify the Land document before claim calculations, since the documents are not uploaded by banks in the portal.

As per item No.XXIV on Page No.53 of the Operational Guidelines of PMFBY, titled Role and Responsibilities of various agencies, "In case of any misreporting by Nodal Bank/Branch/PACCS in case of farmer's coverage, concerned bank only will be liable for such misreporting and its consequences" and Point No.m) Banks should ensure that cultivator may not be deprived of any benefit under the scheme due to errors/omissions/commissions of the concerned branch/PACCS and in case of such errors, the concerned institutions shall only make good all such losses.

In this juncture, we reiterate that change of village cannot be entertained by us when we have finished the claim calculations and disbursement of the same.

Hence, we like to state that M/s.KCCB is only liable for the error happened at their end as per the Operational Guidelines of PMFBY."

12. The above discussion leads to the inescapable conclusion that the second respondent Kumbakonam Central Cooperate Bank has committed a mistake while uploading the particulars of the petitioners in the portal by bringing all of them within Nagapattinam Village and whereas the petitioners were owning lands spread out to nearly six villages and which has been referred supra. As a result of this mistake committed by the second respondent, the petitioners who are entitled to receive the compensation as per the loss that has been ascertained and mentioned supra, received only 8.23% less. The petitioners are entitled to receive the entire loss suffered by them based on the percentage fixed by the Committee.

13. The second respondent cannot make the petitioners wait endlessly for receiving the compensation on the ground that steps are being taken to discuss the issue with the third respondent insurance company. This process has to be undertaken by the second respondent independently with the third respondent insurance company and that can never be a ground to deprive the petitioners to receive the compensation for the loss sustained by them due to the natural disaster. The second respondent has to necessarily own up for the mistake since the second respondent is also bound by the operational guidelines under the PMFBY Scheme.

14. The upshot of the above discussion is that, there should be a direction issued to the second respondent to pay the compensation to the petitioners in accordance with the loss ascertained by the Committee and which has been extracted supra. The second respondent is directed to settle the compensation to all the petitioners and the farmers similarly placed within a period of four weeks from the date of receipt of a copy of this order. While paying the compensation, the second respondent shall adjust the 8.23% which has already been paid to the petitioners and the balance amount shall be settled. The total

amount payable to the petitioners shall be ascertained by the second respondent from the third respondent and the third respondent shall furnish all the particulars to the second respondent. Insofar as the discussion that is taking place between the second respondent and the third respondent, it shall be done independently without getting in the way of the petitioners receiving the compensation amount.

15. This writ petition is disposed of accordingly with the above directions. No costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

KST

To

1. The Joint Registrar of Co-operative Societies
   Nagapattinam Region, Nagapattinam District.

2. The Managing Director
   Kumbakonam Central Cooperative Bank Ltd.,
   No.2, T.S.R.Big Street
   Kumbakonam, Tanjore District.

3. The Regional Manager
   The New India Assurance Company Limited
   No.770-A, Anna Salai, Chennai 600 002.

4. The Secretary
   Z 719, Thittacheri Primary Agricultural
   Co-operative Credit Society Limited
   Purakiramam – 609 703
   Nagapattinam Taluk & District.

+1cc to Mr.Jayaprakash , Advocate, S.R.No.56589
+1cc to Mr.S.R.Sundar, Advocate, S.R.No.56137
+1cc to Mr.M.S.Palanisamy, Advocate, S.R.No.56166
+1cc to the Government Pleader, S.R.No.56709

W.P.No.20491 of 2021

KSM(CO)
PM/02/12/2021