
(1999) 01 NCDRC CK 0015

NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION

Case No: None

MAHARASHTRA
STATE SEEDS CORP.
AKOLA

APPELLANT

Vs

SAYYAD MUMTAZ
SAYYAD TAHIR ALI

RESPONDENT

Date of Decision: Jan. 8, 1999

Citation: 1999 2 CPJ 190 : 1999 3 CPR 111

Hon'ble Judges: A.A.Halbe , G.R.Bedge , Rajyalakshmi Rao J.

Final Decision: Appeal partly allowed

Judgement

1. THIS appeal arises out of the order passed by the District Forum, Buldana in C. No. 246/97 whereby the District Forum has ordered the appellant Corporation to pay Rs. 24,000/- to Complainants Nos. 1 and 2 along with the compensation of Rs. 1,000/- for mental torture and deficiency in service plus Rs. 1,000/- towards cost of the litigation. THIS order has been challenged by the appellant.

2. THE undisputed facts of the case are that the respondents had taken up Seed Production Programme of YF 425 of Cotton-Seed during the Kharip Season 1995-96. THE respondents were taking Seed Production Programme for about 4- 5 years prior to the year 1995-96 and were supplying the seed to the appellant-Corporation. THERE was a mutual confidence and understanding between the appellant and the respondents and the latter had taken up the Seed Production Programme and sowed the seed in 60 Rs in Gat No. 110 of village Mehenaraja in Deulgao Raja Tahsil of Buldana district. THE sowing was done on or about 10.7.1996. THERE was good vegetation growth. But there was no

bearing as the flowers and leaves of the cotton plants dropped down. According to Officers of the appellant Corporation also, there was no cotton yield at all and the Seed Plot had totally failed. THE respondents /complainants sent a notice through their Advocate to the appellant Corporation with various allegations which were totally denied by the present appellant. THE allegations and the denials have been made in regard to the cultivation, use of fertilizers, insecticides and pesticides, etc. at proper time.

The complainants have submitted that since they have been taking programme of Seed Production for about 4-5 years, they have followed all the instructions of the appellant-Corporation in preparing the land, sown the seeds and did the subsequent operations and there was no negligence on their part. While the appellants have contended that the complainants did not use adequate quantities of inputs and also did not take care of the Seed Plot and, therefore, the appellant-Corporation is not responsible for the failure of the Seed Plot. The hotly disputed issue between the parties is that, according to complainants, the seed supplied by the appellant Corporation was defective inasmuch as it was adulterated with some defective Seeds while the appellant has contended that the Seed variety has been developed by the Dharward Agriculture University in Karnataka. The variety has been approved by the Central Government and that it has been duly certified by the Maharashtra State Government Seed Certification Agency. These submissions were made by the parties before the District Forum.

The District Forum has particularly relied upon the so-called joint Panchnama drawn on 7.2.1997. We have heard the learned Counsel for the appellant-Corporation who vehemently argued that there is no specific agreement between the appellant and the Seed Producers and at no point of time, the appellant-Corporation had given any assurance to compensate the losses, if any, on account of the failure of the Seed Plot. He submitted that there are hundreds of Seed Producers of various varieties of Seeds and in no case, the appellant gives any guarantee of assured income to the Seed Producers. The appellant supplies the genuine seeds to the agriculturists for production of Foundation Seeds and that the success or failure of the Seeds Plot depends upon the care taken by the Seed Producers and occasionally due to nature"s vagaries. It is submitted that the appellant being a State Government Corporation, it processes thousands of quintals of so many types and varieties of Seeds every year including cotton, jowar, ground nut, etc. and it always ensures the purity of the variety and only pure seeds are supplied to the agriculturists who take the Foundation Seed Programme. He submitted that detailed instructions and guidance is provided to the Seed Producers.

3. THE learned Counsel for the respondents submitted that being experienced agriculturists, the respondents have taken all the precautions in preparing the plot and

had taken every care to sow the seeds and had carried out all the operations as per the guidance of the Officers of the appellant-Corporation. THEir grievance is that because the Seed was defective and adulterated, they could not get any yield at all. THEy further submitted that the officers of the Corporation were at the initial stage satisfied with all the actions taken by the respondents. But in spite of that, the plot failed as there was no yield at all. He heavily relied upon the Exh. 19 which is said to be a joint-Panchanama drawn by the officers of appellant-Corporation and one of the 2 respondents, has signed it. This is an isolated case District Forum has heavily relied upon Exh. 19 which is treated as a joint Panchnama made on 7.2.1997. We have carefully perused the said Panchnama. In fact, it is not at all a Panchnama. It is the record of discussions between the Officers and Syed Taher Ali who is one of the two respondents. During the course of discussions, it was clear to both the parties that there was no defect in the Seeds. But at the same time, there was no yield at all. No reasons for the failure of the plot have been recorded. However, the representative of the appellant-Corporation and respondent Syed Taher Ali has agreed that a total amount of Rs. 45,000/- should be paid to compensate the cost of the Seed, insecticide, pesticide, cost of chemical fertilizers, etc.

To satisfy ourselves, the original record of the C. No. 246/97 was obtained from the District Forum, Buldana. We have carefully perused the entire record. We find that there is absolutely no proof regarding the defectiveness or adulteration of the Seeds. It is also clear that the appellant-Corporation does not ensure any fixed income or profits out of the said plot. It supplies pure Seeds and other inputs but it is entirely left to the Seed Producers to take care of the rest. There are cases where the entire seed plot fails and all the efforts made by the Seed Producers result into a total loss and a bitter disappointment. If he succeeds, he gets a wind fall. There is always an inherent risk in taking up a Foundation Seed Programme and, accordingly, the respondents were running the risk and the Seed Production Programme was not totally a new affair to them. They have themselves admitted that they were taking Seed Production Programme for the previous 4-5 years and they are fully aware of the mutual duties and obligations of both the parties. We find no contractual obligation on the appellant to compensate the loss suffered by the respondents on account of the failure of the plot. However, as agreed between both the parties vide the discussion-note at Exh. 19, it will be in the interest of justice that at least an amount of Rs. 4,500/- is paid to the respondents not by way of damages or compensation but by way of good gesture so that in future the Seed Producers do not turn their back to the appellant-Corporation and would continue to participate in the Foundation Seed Programme. We further find that respondents/complainants have not submitted any documentary evidence establishing their rights to damages. They have failed to produce any documentary evidence in the form of any agreement between them and the appellant Corporation. It is, therefore, very difficult for us to order payment of damages on account of the seed plot.

4. CONSIDERING all the facts and circumstances and also the legal position in the matter we pass the following order :

"The appeal is partly allowed. The appellant-Corporation is ordered to pay the amount of Rs. 4,500/- to meet the expenses as detailed in Exh. 19 along with the cost of Rs. 500/-."

The original record in C. No. 246/97 should be returned to the District Forum, Buldana along with the copy of this order. Appeal partly allowed.