

A parasite, ICICI Lombard chose Centre's schemes to suck govt money

Gangadhar S Patil & Sandeep Pal ■ MUMBAI

State diaries

Forgery and ICICI Lombard General Insurance Company Ltd, it seems, go hand in hand.

In the course of its investigation, DNA found that the company had cheated the government of crores not just under the Rajiv Gandhi Shilpi Swasthya Bima Yojna, but also under a weather insurance scheme for farmers, a health insurance scheme for weavers and the Rashtriya Swasthya Bima Yojana for poor people.

Also, the company's 'internal control and loss minimisation department' had discovered in 2010 that at least 2,093 bogus farmers in Rajasthan's Ganganagar district had been enrolled under the Weather-Based Crop Insurance Scheme (WBCIS).

The Union agriculture ministry funds the scheme (pays the premium), aimed at acting as an indemnity for losses that may arise due to abnormal weather conditions such as excess or scant rainfall, variations in temperature, wind speed and humidity.

The department report also spoke of a particular agent who had enrolled 1,807 of the 2,093 bogus farmers. The matter came to the fore when the Rajasthan government in October 12, 2010, warned the company of legal action for withholding claims.

ICICI Lombard on October 19, 2010, wrote to the joint director of Rajasthan's agriculture department that the "total amount involved here is about Rs15 crore". "With respect to Ganganagar and Phodi, Jodhpur, the internal team of ICICI Lombard came

The Maharashtra government filed a case in the National Consumer Redressal Forum against ICICI Lombard for refusing to pay insurance claims of farmers

The company refused to go into details because the matter was sub-judice

the field. It was found that in many of these cases (2,093), there was no agriculture activities carried out by the beneficiaries enrolled under the scheme."

Though the company highlighted that "there was no agriculture activities carried out by the beneficiaries enrolled", it suppressed the fact these beneficiaries were bogus.

Why did it do so? The only plausible reason that comes to mind is the company did not want the government to know. For if it did, it could have questioned the entire enrolment under the WBCIS.

During a field survey, it was seen that insured farmlands, in reality, belonged to other farmers. Expectedly, they were angry. They demanded answers from the company.

Now, if this has happened in a district during a particular season, one can well imagine how much the government would have had lost in premiums, and the company gained, because of fictitious data.

DNA found such violations are common across districts in Rajasthan. In Kota, the addresses of 77 insured farmers were non-existent. In Barmer, Jodhpur, and Jaisalmer, at least 105 farmers in 2010 got policies, based on forged records.

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