

IN THE HIGH COURT OF JUDICATURE AT MADRAS  
DATED : 10.11.2017  
CORAM

THE HONOURABLE MR.JUSTICE K.K.SASIDHARAN  
And  
THE HONOURABLE MR.JUSTICE P.VELMURUGAN

W.A.No.937 of 2015  
And  
M.P.No.1 of 2015

- 1.The State of Tamil Nadu Represented by its  
Secretary to Government,  
Backward Classes, Most Backward Classes  
and Minorities Welfare Department,  
Fort St.George, Chennai - 9.
  - 2.District Collector,  
Erode District.
  - 3.Erode District Backward Classes Officer,  
Most Backward Classes and Minorities  
Welfare Officer,  
Backward Classes Office,  
District Collector Office,  
5<sup>th</sup> Floor, Erode - 638 011. .... Appellants/Respondents in  
WP.28611/2012
- Vs.
- P.R.Muthusamy .... Respondent /Petitioner

Prayer:

Writ appeal filed under Clause 15 of Letters Patent praying to set aside the order dated 18.11.2013 made in W.P.No.28611 of 2012.

WP.No.28611 of 2012:Writ Petition praying to writ of Mandamus directing the respondents 1-3 to provide subsidy to the petitioner as provided under G.O.No.111 dated 31.12.2007 issued by 1st respondent along with compensation of Rs.2 00 000/- for the enormous delay caused by the respondents and for the mental agony suffered by petitioner and his family.

For Appellants : Ms.A.Srijayanthi  
Special Government Pleader  
For Respondent : Ms.S.Harini  
for M/s.Rohini Ravikumar

## J U D G M E N T

(Judgment of the Court was delivered by K.K.SASIDHARAN,J.)

This intra court appeal is directed against the order dated 18.11.2013 in W.P.No.28611 of 2012, allowing the writ petition filed by the respondent for payment of the subsidy amount along with interest.

2.The Government of Tamil Nadu issued an order in G.O.Ms.No.111, Backward Classes, Most Backward Classes and Minorities Welfare Department, dated 31.12.2007, providing for relief to the Agriculturists. As per the Scheme, in case a loan of Rs.1,00,000/- is taken by the Agriculturist for irrigation purposes, the Government would give a subsidy of Rs.50,000/-. Since the respondent was found eligible, the District Collector, Erode, included his name in the list of eligible beneficiaries. However, the subsidy amount was not given inspite of taking a loan by the respondent from the Primary Agricultural Co-operative Bank, Vilakkethi. The respondent therefore filed a writ petition before the writ Court. Having found that the respondent was fully eligible for subsidy, the learned Single Judge allowed the writ petition with a direction to pay interest at the rate of 3% from 01.01.2012 on the subsidy amount. Feeling aggrieved by the said order, the State is before us.

3.The learned Special Government Pleader submitted that after the order was passed by the writ Court, a sum of Rs.50,000/- was paid to the respondent on 25.12.2014 and as such, he is not eligible for interest.

4.We have also heard the learned counsel for the respondent.

5.The Government issued an order in G.O.Ms.No.111, Backward Classes, Most Backward Classes and Minorities Welfare Department, dated 31.12.2007, providing for benefits to the small time Agriculturist belonging to Backward Community, Most Backward Community and Minority Class. As per the Scheme, the Agriculturists are eligible for a loan of Rs.1,00,000/- and the Government would pay 50% of the loan amount by way of subsidy.

6.The respondent submitted the application for the benefit under the Scheme on 23.07.2008. The District Collector, processed the application and the name of the respondent was included in the list of beneficiaries. The initial understanding was to take a loan from Canara Bank, Sivagiri Branch. Since there was some problem in getting the loan from Canara Bank, Sivagiri Branch, the respondent was directed to approach the Primary Agricultural Co-operative Bank, Vilakkethi. Accordingly, the respondent took a loan from the Primary

Agricultural Co-operative Bank, Vilakkethi. The Bank appears to have disbursed only a portion of the amount and collected interest for the entire amount of Rs.1,00,000/-. Since the subsidy amount was not paid within a reasonable period, the respondent could not repay the amount to the Bank and the same resulted in collecting interest by the Bank. It was only under such circumstances, the respondent filed a writ petition before this Court.

7.The Scheme is very clear that on receiving intimation from the Agriculturists, the subsidy amount would be paid within a period of three months. It is a matter of record that the respondent promptly intimated the District Collector with regard to the factum of availing loan from the Bank. Even then, the subsidy amount was not paid. We are informed that the subsidy amount of Rs.50,000/- was paid by the appellants to the respondent on 25.12.2014.

8.The learned Single Judge allowed the writ petition by order dated 18.11.2013. Even then, the appellant took one year and one month to pay the subsidy amount to the respondent. The appellants are therefore liable to pay interest to the respondent.

9.We do not find any error or irregularity in the order passed by the learned Single Judge directing payment of interest to the respondent. Since the subsidy amount has been paid already, the liability is only to pay interest. We direct the appellants to pay interest on the subsidy amount at the rate of 3% from 01.01.2012 till the actual date of payment. Since the interest is a very meagre amount, the appellants shall pay the amount to the respondent within a period of one month from the date of receipt of a copy of this order, failing which, the amount would carry interest at 18% with quarterly rest.

10.The intra court appeal is disposed of as indicated above. No costs. Consequently, the connected miscellaneous petition is also closed.

Sd/-  
Assistant Registrar(CS V)

//True Copy//

Sub Assistant Registrar

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To

1.

1.The State of Tamil Nadu Represented by its  
Secretary to Government,  
Backward Classes, Most Backward Classes  
and Minorities Welfare Department,  
Fort St.George, Chennai - 9.

2.The District Collector,  
Erode District.

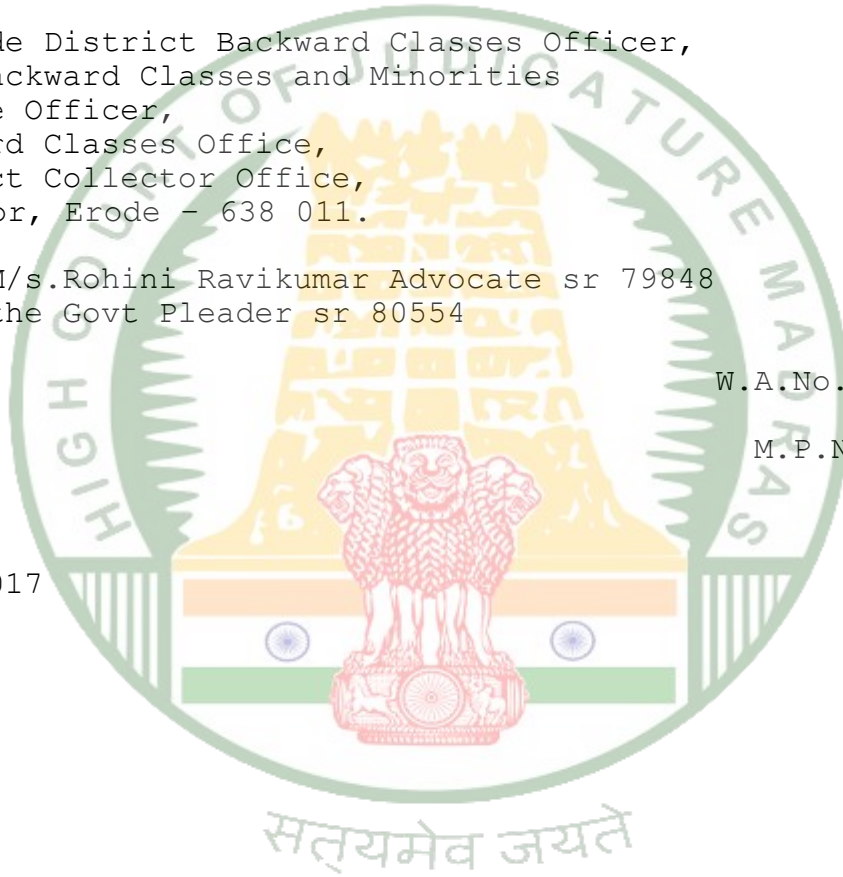
3.The Erode District Backward Classes Officer,  
Most Backward Classes and Minorities  
Welfare Officer,  
Backward Classes Office,  
District Collector Office,  
5<sup>th</sup> Floor, Erode - 638 011.

+1 cc to M/s.Rohini Ravikumar Advocate sr 79848

+1 cc to the Govt Pleader sr 80554

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And  
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