

HON'BLE SRI JUSTICE A.RAMALINGESWARA RAO

W.P.No.26575 of 2017

ORDER

This writ petition is filed for the following relief:

“...to issue a writ order or direction more particularly one in the nature of Writ of Mandamus, declaring the action of the respondents in disbursing the compensation amounts to the borrowers of the petitioner bank as per the list of the borrowers enclosed to the letter dated 15.7.2017 and 25.07.2017 addressed to the 2nd respondent without deducting the loan portion due from the borrowers to the petitioner bank out of the compensation amounts payable for the lands acquired by the respondents under the awards over the lands of borrowers which is being illegal, arbitrary and consequently direct the respondents to consider the representations dt. 15.07.2017 and 25.05.2017 and remit to the petitioner the loan amounts due from the borrowers to the petitioner bank as per the details mentioned in the list enclosed addressed to the respondents and pass such other order or orders as this Hon'ble Court may deem fit and proper in the circumstances of the case”.

The petitioner is a Regional Rural Bank, which is established under Regional Rural Bank's Act, 1976. The business of the bank includes disbursement of the loans and advances to the rural farmers. It provided long term and short term loans to a number of farmers situated in Bylampur, Mamidyala and

Thanedarpally of Mulugu Mandal, Siddipet District and villages of Pamulaparthi, Markook of Markook Mandal, Siddipet District, against hypothecation of their properties. The majority of loans are falling in the category of crop loans and Self Help Groups. Crop loans are sanctioned to farmers in accordance with scale of finance and crop pattern on security of hypothecation of standing crops. Self Help Groups advanced finances for multiple activities including artisans etc., in true spirit of vision of Government for empowerment of rural women. All the Self Help Group members are women and as the security being joint and several, in these type of loans, the bank has no tangible security to enforce recovery of bank dues. An amount of Rs.7,58,20,643/- was disbursed to 1109 accounts. While so, the State Government has taken up Kaleswaram Konda Pochamma Sagar Reservoir Project in Siddipet District and land acquisition proceedings were issued under the provisions of the Right to Fair Compensation & Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (for short 'Act 30 of 2013'). The State Government has issued several notifications and declarations under the Act 30 of 2013 seeking acquisition of the lands of the farmers, who are borrowers of the petitioner bank.

Several villages are going to be submerged under the project and for that purpose the Government invoked the provisions of the Act 30 of 2013 for payment of compensation to the persons, who are affected under the project. In those circumstances, the petitioner addressed letters on 15.7.2017 and 25.7.2017 to respondents 2 and 5 to pay the compensation amount through the bank in order to facilitate the recovery of loans due from the farmers. When no action was taken on the said representations, the present writ petition is filed.

The particulars of the land acquisition proceedings with regard to notification and Award have not been filed along with the writ petition. The recovery of the loans relates to an agreement entered into by the individual farmers with the petitioner. Therefore, it is for the petitioner to take steps in accordance with law for recovery of the loan amounts. Respondents 2 and 5 cannot be directed to deposit the compensation amount in the bank of the petitioner and they have to discharge their duties in accordance with the statutory provisions contained in the Act 30 of 2013.

In the absence of any provision in support of the prayer in the writ petition, the present writ petition cannot be entertained and the same is accordingly dismissed.

Miscellaneous petitions, if any, pending shall stand closed.

JUSTICE A.RAMALINGESWARA RAO

10th August, 2017
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