

HON'BLE SMT JUSTICE KONGARA VIJAYA LAKSHMI

WRIT PETITION No.1562 OF 2007

ORDER:

The writ petition is filed to declare the action of the respondents in trying to disburse the compensation amount to the borrowers of the 1st petitioner Society without obtaining the “No-objection Certificate” from the petitioners pursuant to the notification issued under Section 4(1) of the Land Acquisition Act, 1894 (for short, “the Act”) on 22.12.2006 as illegal.

The brief facts of the case according to the petitioners so far as they are relevant for the purpose of disposal of this writ petition are that the 1st petitioner is a Society registered under the A.P. Cooperative Societies Act, 1964; that the main objective of the society is to provide Long Term and Short Term loans to its members. The lands now proposed to be acquired are mortgaged in favour of 1st petitioner. Before any loans are sanctioned it will obtain the immovable property security by way of mortgage and the mortgages so created in favour of the society and the previous ADBs are a registered one and the particulars of all the mortgage will be available with the concerned Sub Registrars. The society will have the first charge over the mortgaged property of the borrowers as per Section 36 of the Act.

It is further stated that on knowing that the other villagers are going to be acquired by the Government and the mortgaged lands of the borrowers are also going to be affected, the 2nd petitioner addressed a letter dated 7.6.2006 to the 1st respondent informing that the lands offered as security to the petitioners 1 and 2 were also going to be acquired by the Government and the compensation amount if

any is paid to the borrowers directly, the petitioners will suffer irreparable loss and requested the 1st respondent to issue necessary instructions to the Land Acquisition Officer to route through the payment of the compensation only through the 2nd petitioner bank so that the societies may be in a position to collect the loan amounts from the borrowers. Subsequently, the District Collector addressed letter dated 13.6.2006 to all the Revenue Officials informing that the Collector has endorsed on the report submitted by the 2nd petitioner and that no compensation has been paid so far and further informed that before disbursing the compensation amount, the LAO shall scrupulously coordinate with the Bank Managers and issue the cheques duly after obtaining the no due certificates from the concerned PACS/DCCB Managers without fail. It is also stated that the respondents are trying to disburse the compensation to the borrowers without notice to the petitioners.

The writ petition was admitted on 01.02.2007 and the interim direction was granted on that day.

Today, when the matter has come up for hearing, learned counsel for the petitioners submitted that all the members of the petitioners' society have repaid the loan amount and no further orders are required to be passed in the matter.

Recording the said submission of the learned counsel for the petitioners, the writ petition is closed. No order as to costs.

Consequently, Miscellaneous petitions, if any pending in this writ petition shall also stand closed

KONGARA VIJAYA LAKSHMI,J

Date:07.12.2017.
Gk.

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