113 IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CR No. 1594 of 2017 (O&M)
DECIDED ON: MARCH 22, 2017

SEWA SINGH

.....PETITIONER

VERSUS

HARYANA GRAHMIN BANK, NISSING

....RESPONDENT

CORAM: HON'BLE MR. JUSTICE JASPAL SINGH

Present: Mr. Parminder Singh, Advocate
for the petitioner.

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JASPAL SINGH, J

CM No. 4919-CII of 2017

Application is allowed, as prayed for.

CR No. 1594 of 2017

Challenge in this revision petition, preferred under Article 227 of the Constitution of India, petitioner has sought the setting aside of impugned order dated March 10, 2015 (Annexure P-1), passed by Prescribed Authority-cum-Sub Divisional Officer (C), Assandh, Karnal, whereby, a suit preferred by respondent-bank under Section 8(A)1 of the Haryana Agricultural Credit Operations and Miscellaneous (Banks) Act, 1973 (for short 'Act'), has been decreed with a direction to petitioner-defendant to deposit the due amount with the respondent-bank upto May 31, 2015, otherwise, the respondent-bank will have the right to recover the due amount by holding auction of the land mortgaged by the petitioner-defendant as per Rules, in view of the latest direction of Reserve Bank of India.

While assailing the impugned orders, it has been argued with vehemence by learned counsel for the petitioner that in pursuance of the notice of suit preferred under Section 8(A) 1 of the Act, petitioner-defendant appeared and contested the suit. Though, a specific plea was taken by petitioner-defendant that he took agricultural loan from the respondent-bank. However, an excessive rate of interest was charged by the respondent-bank from him. He is ready to settle the account and to pay the outstanding amount with reasonable rate of interest by way of installments. The learned trial Court did not pay any heed or provided an opportunity of hearing to the petitioner-defendant before passing the impugned order. Meanwhile, the sole petitioner expired on March 27, 2016 and the petitioner being his legal heir has preferred the instant revision petition.

This Court has given an anxious thought to the submissions made by learned counsel for the petitioner but does not find any legal or factual substance.

Undisputably, an agricultural loan to the tune of ₹5,00,000/- was obtained by the petitioner/defendant from the respondent-bank and at that time he executed various documents and also mortgaged his agricultural land and executed the mortgage deed in respect of his land measuring 51 kanals 6 marlas situated in the revenue estate of Village Balla, Teshil Assandh, District Karnal. After obtaining the financial assistance by way of agricultural loan, loanee-petitioner did not make the payment of land and failed to adhere to the terms and conditions of the loan, which necessitated the filing of suit under Section

8(A)1 of the Act before the Prescribed Authority-cum-Sub Divisional Officer (C), Assandh, Karnal. Since the petitioner-defendant has failed to make the payment of the loan amount and the land in question has admittedly been mortgaged by him with the respondent/bank for securing the loan amount, it cannot be said that impugned order dated March 10, 2015 suffers from any illegality or perversity.

Moreover, as per the terms and conditions of the loan agreement, petitioner-defendant made himself liable to pay the interest @14.25% per annum with half yearly installments. Thus, the interest cannot be said to be either exorbitant or excessive. Rather, it is obligatory upon the petitioner-defendant to make the payment of the loan amount alongwith interest.

In the light of above discussion, this Court is of the considered view that the suit has been rightly decreed by the authority and the instant petition is nothing but devoid of merits. As such, it stands dismissed.

No order as to costs.

MARCH 22, 2017 **(JASPAL SINGH)**
sham **JUDGE**

Whether speaking/reasoned *Yes/No*

Whether reportable *Yes/No*