THE HON'BLE SRI JUSTICE M.S.RAMACHANDRA RAO

WRIT PETITION No.39982 of 2017

O R D E R:

Petitioner is a farmer, who is a resident of Medarametlapalem Village, Lingasamudram Mandal, Prakasham District. He had borrowed two loans from the Canara Bank, Mogilicherla Village(3rd respondent).

2. The State Government of Andhra Pradesh had issued G.O.Ms.No.197 Finance (R & B) Department, dt.04.10.2014 establishing Rythu Sadhikara Samstha, to operationalise the Government's Farm-Sector Debt Redemption Policy.

3. G.O.Ms.No.164 Finance (IF) Department dt.02.08.2014 was issued to waive the agricultural crop loans and gold loans availed for agricultural purposes together not exceeding Rs.1.5 lakhs per family and vide G.O.Ms.No.174 Finance (IF) Department dt.14.08.2014, guidelines were issued laying down eligibility criteria, procedure for waiver, its manner of settlement, etc.

4. Petitioner contends that on 19.12.2015, towards petitioner's liability to the 3rd respondent-Bank, it had received Rs.30,000/-, again a sum of Rs.33,000/- on 08.09.2016 and Rs.36,000/- on 09.10.2017, that amounts would be periodically released with interest to the financial institutions for settlement of farm loans under the said

scheme and though the petitioner's loans to the 3rd respondent were closed on 16.03.2107 on One Time Settlement(OTS) and though as per para 20(3) of the guidelines petitioner would be entitled to receive the eligible amount to his savings account and can draw it even if he had already repaid the loans, the 3rd respondent is not releasing the same.

5. In particular, petitioner contends that 3rd respondent had received a sum of Rs.30,000/- on 19.12.2015, Rs.33,000/- on 08.09.2016 and a further sum of Rs.36,000/- on 09.10.2017 and the amounts which the 3rd respondent received or is likely to receive after 16.03.2017 are to be credited to the petitioner's saving bank account and cannot be retained by the 3rd respondent-Bank.

6. Ms. S.Shiva Kumari, Standing Counsel appearing for 3rd respondent however states that at the time when OTS facility was given to the petitioner there was a term there under which permitted the subsidy received or to be received to be credited to the commission account GL Head-320020125 of the Bank, and the petitioner is not entitled to the amounts of subsidy given towards the Debt Relief Policy after the OTS was entered into.

7. This contention of the Standing Counsel is without merit because clause 20(iii) of G.O.Ms.No.174 dt.14.08.2014

states that in respect of persons, who had already repaid loan, the eligible amount would be credited to the savings bank account of the beneficiary and he would be permitted to draw the amounts.

8. A reading of this clause makes it clear that even if the petitioner had repaid the loan, the eligible amount is to be credited to his savings bank account, and he would be permitted to draw the same.

9. In this view of the matter, even after 16.03.2017, if any amounts are received by 3rd respondent towards Debt Relief of Rs.1,50,000/-, to which the petitioner is entitled, the same have to be credited to the petitioner's savings bank account, and he should be permitted to draw the same. The 3rd respondent cannot alter this policy of the State Government by imposing a different condition in its OTS proposal permitting it to credit the subsidy amount received towards debt waver in its commission account and retain it without paying it to the petitioner.

10. In this view of the matter, the Writ Petition is allowed and the 3rd respondent is directed to credit to the petitioner's savings bank account Rs.36,000/- already received by it on 09.10.2017 and the balance of Rs.60,000/- which it would receive in future and permit the petitioner to withdraw the same. No costs.

11. Consequently, miscellaneous petitions pending, if any, shall stand dismissed.

M.S.RAMACHANDRA RAO, J

17th August, 2018.

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