

**IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH.**

CWP No.13474 of 2018

Date of decision: May 29, 2018

Sant Singh

...Petitioner

Versus

National Horticulture Board & another

...Respondents

CORAM: HON'BLE MR. JUSTICE RAJAN GUPTA

Present: Mr. Y.M. Bhagirath, Advocate for the petitioner.

Rajan Gupta, J.

Petitioner poses a challenge to the condition of availing at least 25% loan of the total project cost as also quashing of order dated 09.02.2018, passed by Managing Director, National Horticulture Board, Ministry of Agriculture & Farmer Welfare, Government of India, Gurgaon, whereby claim of petitioner for grant of subsidy has been rejected.

Learned counsel for the petitioner has urged before this court that the order suffer from patent illegality. Thus, same deserve to be set-aside. According to him, condition of minimum 25% of loan of the total cost of project, is unjustified.

I have heard learned counsel for the petitioner and given careful thought to the facts of the case.

It appears, respondent No.1 Board issued a scheme namely, “Development of Commercial Horticulture through Production and Post-harvest Management” for development of high quality horticultural farms.

Petitioner sent application form for issuance of LOI (Letter of Intent) as per the scheme, stating therein that his project was for cultivation of Stevia, which is used for manufacturing of medicines. Total cost of the project was stated to be about Rs.10.00 lacs. In pursuance thereto, respondent No.1, vide letter dated 20.12.2006 informed the petitioner that his proposal was deferred for want of MOU between farmer and buyer. After MOU was sent by the petitioner, respondent No.1 accepted the proposal, subject to certain conditions, vide letter dated 9.6.2007. Thereafter, petitioner availed a loan of Rs.1.00 lac from respondent No.2 bank. However, respondent No.1 Board refused to release subsidy through respondent No.2 bank on the ground that the term loan sanctioned and released was below 25% of total cost of the project. Aggrieved, petitioner filed CWP No.174409 of 2010 before this court, which was disposed of in view of statement made by counsel for respondent No.1-Board that a fresh order would be passed by respondent No.1 regarding plea raised by the petitioner in the writ petition. However, vide order dated 9.2.2018, the Managing Director, National Horticulture Board rejected claim of the petitioner on the ground that loan of Rs.1.00 lac was sanctioned in favour of the petitioner, which is below 25% of the total project cost, which is Rs.7,50,000/-. The authority observed that claim of the petitioner had already been rejected vide order dated 15.02.2008, which was duly communicated to the bank.

I find no infirmity with the order passed by the authority. Admittedly, a conditional LOI dated 09.06.2007 was issued to the petitioner by the respondent Board, stating therein that mere issuance of LOI will be no guarantee to grant the subsidy. Petitioner had applied for a term loan of

Rs.1.00 lac only, whereas his project cost was Rs.7,50,000/-. Thus, he failed to fulfill the statutory conditions of the respondent Board. I am of the considered view that the pleas raised before this court are without any merit. Same are hereby rejected. Petition is hereby dismissed.

May 29, 2018
'Rajpal'

(RAJAN GUPTA)
JUDGE

Whether speaking / reasoned

Yes / No

Whether Reportable:

Yes / No