

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.7593 of 2017

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Brij Vilas Rai Son of late Raj Dayal Rai, Resident of Village- Sarenja, P.S.
Rajpur, District- Buxar.

... .. Petitioner

Versus

1. The State of Bihar through the Chief Secretary, Bihar, Patna.
2. The Principal Secretary, Department of Agriculture, Bihar, Patna.
3. The Agriculture Produce Commissioner, Agriculture Department, Bihar, Patna.
4. The Director, Agriculture Department, Bihar, Patna.
5. The Joint Director, Agriculture Department, Bihar, Patna.
6. The District Magistrate, Buxar
7. The District Agriculture Officer, Buxar.
8. The State Bank of India through the Chief Manager, ADB, Sarenja, Buxar.

... .. Respondents

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Appearance :

For the Petitioner/s : Mr.Rana Ishwar Chandra, Advocate
For the Respondent/s : Mr.AC to PAAG-2

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CORAM: HONOURABLE MR. JUSTICE RAJEEV RANJAN PRASAD
ORAL ORDER

8 02-04-2019 Heard learned counsel for the petitioner, learned
counsel representing the State as well as the State Bank of India.

Pursuant to the last order dated 28.03.2019 Mr.
Pankaj Kumar, Chief Manager of the State Bank of India
(ADB), Sarenja, Buxar is present with his affidavit.

The Court has been informed that the respondent-
Bank has charged interest at the rate of 13.25% per annum
compounding at half yearly rest on the subsidy amount of Rs. 5
Lacs. As a result of this now the outstanding amount which
would be required to be realized from the petitioner would be



Rs. 11,49,448/-. Annexure A to the supplementary counter affidavit filed on behalf of the Bank is the calculation showing the interest amount charged for the relevant period.

In the aforementioned facts now the question arises for consideration as to whether the respondent-State and its authorities are required to be directed to pay the aforesaid amount which has got accumulated to the loan account of the petitioner because of delay in disbursement of the subsidy amount.

The facts of the case are not much in dispute. The petitioner is a farmer and had applied for agriculture loan under the scheme known as Rashtriya Krishi Vikas Yojna (In short "R.K.V.Y."). It was an agricultural loan for purchase of Combined Harvester in which under the scheme the government had agreed to provide a subsidy amount of Rs. 5 Lacs. The District Agriculture Officer, Buxar had recommended the loan application of the petitioner vide Letter No. 792 dated 04.12.2009 addressed to the Branch Manager, State Bank of India, ADB, Sarenja, Buxar and recommended for grant of loan. A copy of letter dated 04.12.2009 written by the District Agriculture Officer, Buxar has been brought on record as Annexure-1 to the writ application.



A perusal of the letter would show that he had asked the Branch Manager of the Bank to sanction the loan and return the documents so that the petitioner may be provided the benefit of the subsidy.

In the aforementioned background of facts the petitioner was granted a loan of Rs. 11,50,000/- and with the margin money provided by the petitioner the Bank issued a demand draft in the name of Manku Agro Tech Pvt. Ltd. Patiala, (Punjab). After receiving the demand draft the company had delivered a Combine Harvester to the petitioner.

The District Agriculture Officer, Buxar, however, remained sitting over the request of the petitioner for disbursement of the subsidy. The inordinate delay on the part of the District Agriculture Officer compelled the petitioner to move this court in C.W.J.C. No. 23267 of 2013 which was disposed of by a learned Co-ordinate Bench of this Court on 09.08.2016 with some directions and observations whereunder the Court directed the District Agriculture Officer to examine the representation of the petitioner and Director, Agriculture Department was asked to consider the request of the petitioner in the light of the objectives of the scheme under which the subsidy was to be paid to the farmers like the petitioner.



Despite order dated 09.08.2016, passed by the learned Writ Court, when no decision was taken by the authorities of the State, the petitioner moved this Court once again in M.J.C. No. 3861 of 2016 for initiation of a contempt proceeding against the erring officers. It appears that during pendency of the contempt application only the Director Agriculture, Bihar came out with a reasoned order as contained in Annexure- '4' to the writ application whereby the petitioner was held entitled for the subsidy, accordingly, direction was issued to pay the subsidy amount to the petitioner and to take action against the erring officers. While disposing of the contempt application, vide order dated 15.03.2017, this Court took note of the aforesaid order passed by Director Agriculture.

In the aforementioned background that the subsidy amount of Rs. 5 Lacs was disbursed after about 7 years only, the amount was credited in the loan account of petitioner on 30.03.2017.

The Bank, in terms of sanction granted to the petitioner, has been charging interest on the loan amount including subsidy of Rs. 5 Lacs.

In course of hearing learned counsel for the petitioner submits that it is apparent from the materials available on the



record that because the District Agriculture Officer, Buxar remained sitting over the matter and did not take appropriate steps to allow the subsidy to the petitioner interest has been charged in the account and now the same has been sought to be recovered from the petitioner for no fault on his part. The petitioner had availed the loan only because the government had come with a scheme in which promise was made to a farmer that for agricultural equipment a subsidy will be given to the farmers.

Learned counsel for the State has though tried to defend the respondents but is unable to demonstrate any *bona fide* reason on the part of the District Agriculture Officer in not taking steps for disbursement of the subsidy amount. The facts of this case coupled with the orders of this Court passed in the earlier round of the litigation go a long way to show that the entire problem has arisen because of inaction on the part of the District Agriculture Officer, Buxar who did not do his duty within a reasonable period to process the application of the petitioner for disbursement of the subsidy. It was he who had asked the Branch Manager of the Bank to sanction the loan and had given him to believe that once the documents are made available to him, steps will be taken to grant the benefit of



subsidy. It is not the case of the State that the Bank had not provided the documents or for any such reason the matter remained pending for so long rather the facts are clear that even after the order of the learned Writ Court the respondent authorities remained sitting over the matter for more than a year approximately. Nothing has been brought on record to show that District Agriculture Officer had done his part of the responsibility.

In the given facts and circumstances, this Court would have no hesitation in recording that the State would be responsible to pay the entire amount of Rs. 11,49,448/- (approximately) as per Annexure- 'A' to the counter affidavit of the Bank in order to liquidate the charges on account of interest which has been levied in the account on the subsidy amount.

The Principal Secretary, Department of Agriculture, Bihar, Patna (respondent no. 2) is therefore, directed to ensure payment of the aforesaid amount in the loan account of the petitioner bearing Account No. 31057784238 in the State Bank of India, ADB, Sarenja, Buxar within a period of 30 days from the date of receipt/production of a copy of this order.

This Court has been informed that in terms of Annexure- '4' to the writ application an enquiry has been set up



against the District Agriculture Officer, Buxar, if it is so, it is expected that the enquiry will be concluded within a period of 90 days from today and the disciplinary authority shall ensure conclusion of the enquiry within the aforesaid period.

The writ application stands allowed to the extent indicated hereinabove.

(Rajeev Ranjan Prasad, J)

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