

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06.11.2019

CORAM:

THE HON'BLE MR.JUSTICE V.BHARATHIDASAN

W.P.No.39318 of 2015

R. Bharathi
W/o. Sasikumar

... Petitioner

Vs.

1. The Chief Manager,
Indian Overseas Bank,
Regional Office,
Five Roads, Salem 636 004.
2. The Branch Manager,
Indian Overseas Bank,
Periyamanali Branch,
Periyamanali Post,
Tiruchengode Taluk.
3. The Chief General Manager,
National Bank for Agriculture and
Rural Development (NABARD)
Regional Office,
No.48, Mahatma Gandhi Road,
Nungambakkam, Chennai 34.

... Respondents

PRAYER : Petition filed under Article 226 of the Constitution of India to issue a writ of mandamus directing the respondents to sanction eligible subsidy to the petitioner to the tune of Rs.18,88,144/- with interest from 12.08.2011 in respect of the agricultural loan sanctioned to the petitioner for construction of Rural Godown in Survey Field No.7/2 and 5 at Veppampatti, Pudur Musiri Village, Tiruchengode Taluk.

For Petitioner : Mr. N. Suresh

For Respondents : Mr. Benjamin George,
for R1 & R2

: Mr. Shobhan M.Padmanabhan
for R3

ORDER

This writ petition has been filed seeking a direction to the third respondent to sanction a sum of Rs.18,88,144/- with interest towards the subsidy payable to the petitioner.

2. According to the petitioner, he has intended to construct a rural godown in Survey Field No.7/2 and 5, at Veppampatti Pudur, Musiri Village, Tiruchengode Taluk, Namakkal District, and the respondents 1 and 2/Bank agreed to sanction a sum of Rs.40 lakhs for the construction of the godown. As per the Gramin Bhandaran Yojana Scheme, 33% subsidy on the total loan amount has to be sanctioned under the Capital Investment Subsidy Scheme. As per the loan sanctioned by the Government, the petitioner is entitled for subsidy of Rs.18,88,144/-, and the said amount is payable by the third respondent NABARD. Since the amount was not paid so far, the present writ petition has been filed.

3. The third respondent filed a counter affidavit, wherein, he has stated that as per guidelines framed under the Scheme, subsidy will be calculated based on the capacity of the godowns. For the godown upto 1000 tones capacity, the project cost as appraised by the Bank or the actual cost of Rs.2500/- per tonne of storage capacity, whichever is lower will be paid as subsidy. For godowns exceeding 1000 tones capacity, the project cost as appraised by the Bank or actual cost or Rs.1875/- per tone of storage capacity, whichever is lower will be paid. On the Joint Inspection of the petitioner godown, it is found that godown capacity is 1354.60 Metric Tonnes. Hence, the petitioner is entitled for subsidy to the tune of Rs.8,46,625/-. The above amount has been sanctioned, and the full and final subsidy of Rs.8,46,500/- was released on 05.01.2017 as per proceedings No.NB.TN/ICD/951/RG-257/Release/2016-17. According to the third respondent, the petitioner is not entitled for the subsidy as claimed by him.

4. The learned counsel for the petitioner was not in a position to dispute the above contention of the third respondent .

5. Considering the above circumstances, the subsidy payable by the Bank has been arrived at, and the amount has been deposited before the first and second respondents, the prayer sought for by the petitioner cannot be granted.

6. Mr. Suresh, the learned counsel appearing for the petitioner would contend that, now the respondents 1 and 2 Bank calculated interest on the subsidy payable to the petitioner, and as per Clause 24 of the Guideline issued by the third respondent, the Bank is not entitled to levy any interest on the subsidy portion. The learned counsel further submitted that the petitioner may be permitted to raise his objection regarding levying of interest on subsidy before the respondents 1 and 2. Considering the request made by the petitioner, the petitioner is at liberty to make a representation to the authorities regarding levying of interest on subsidy and if any such representation is filed, it is for the respondents 1 and 2 to consider the same and pass suitable orders on merits.

7. Accordingly, this writ petition is dismissed. No costs.

Sd/-

Assistant Registrar

//True Copy//

Sub Assistant Registrar

mrp
To

1. The Chief Manager,
Indian Overseas Bank,
Regional Office,
Five Roads, Salem 636 004.
2. The Branch Manager,
Indian Overseas Bank,
Periyamanali Branch,
Periyamanali Post,
Tiruchengode Taluk.
3. The Chief General Manager,
National Bank for Agriculture and
Rural Development (NABARD)
Regional Office,
No.48, Mahatma Gandhi Road,
Nungambakkam, Chennai 34.

+1cc to Mr.N.Suresh, Advocate SR.93161
+1cc to Mr.Shoban, Advocate SR.91886

W.P.No.39318 of 2015

VGII(CO)
CB(30/01/2020)