IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.10695 of 2019

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M/S Krishna Agro Industries at Jagdishpur P.S. Jagdishpur, District- Bhojpur through its Proprietor Mira Devi, Aged about 34 years, female, wife of Sri Shivjee Prasad, Resident of Jagdishpur, P.S. Jagdishpur, District- Bhojpur.

... ... Petitioner/s

Versus

1. The Union of India through the Secretary, Finance Department, Government of India.
2. The Under Secretary, Ministry of Finance, Department of Financial Services, Jeevandeep Building, Parliament Street, New Delhi.
3. The Principal Secretary, Finance Department, Government of Bihar, Patna.
4. The Deputy Secretary, In-charge, Public Grievance Cell, Chief Minister Secretariat, Bihar, Patna.
5. The Principal Secretary, Industry Department, Bihar, Patna.
6. The Director, Industry Department, Bihar, Patna.
7. The Chairman, Madhya Bihar Gramin Bank, Head Office- Meena Plaza, South of Museum, Patna.
8. The Branch Manager, Madhya Bihar Gramin Bank, Jagdishpur Branch, District- Bhojpur.

... ... Respondent/s

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Appearance :

For the Petitioner/s	:	Mr. Vijay Kumar, Advocate
For the State	:	Mr. Sarvesh Kumar (GP-24)
For the Union of India	:	Mr. Dr. Anand Kumar, Advocate

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CORAM: HONOURABLE MR. JUSTICE ASHUTOSH KUMAR

ORAL JUDGMENT

Date : 13-01-2020

The petitioner though was granted loan under the Credit Guarantee Scheme for Stand UP India (CGSSI) but such loan was disbursed on twelve percent interest and that also by insisting upon deposit of collateral security which was not the mandate of the aforesaid scheme.

2. The broad objective for which the scheme was brought into existence was to provide easy loan to desirous persons for opening up small enterprises. With this purpose in mind, the interest rate was limited to three percent and under no circumstance, the member-lending institution was to charge more than three percent per annum. Bypassing the aforesaid regulation, loan was disbursed at the time when the petitioner did not have any option of resisting the uncalled for insistence upon the higher rate of interest and of deposit of collateral security.

3. It has been submitted that it so happened that as part of vis major, the firm which was started by the petitioner with the financial aid could not take off. Under the aforesaid circumstances, the petitioner wrote to several authorities including the Industries Minister, Government of Bihar for considering the case of the petitioner in the light of the requirement under the circular under which he was granted loan but on a higher

rate of interest. One of such representations was acted upon and the Under Secretary of the Finance Department made a request to the Director of the Industries Department, Government of Bihar to consider the representation of the petitioner.

4. Mr. Ranjeet Kumar, learned advocate for the petitioner submits that the petitioner would stand satisfied if a direction is issued to the Director, Industry Department (respondent No. 6) to consider the claim of the petitioner in correct perspective and pass a reasoned order in accordance with law and communicate the same to the petitioner forthwith.

5. The aforesaid prayer of the petitioner does not appear to be unreasonable and therefore this Court directs that in case a fresh representation is filed before respondent No. 6, within a period of three weeks, re-agitating his claim of financial assistance under the scheme in accordance with the contents of the scheme, the same shall be considered by respondent No. 6 within

a reasonable period of time, preferably within a period of six weeks and a decision shall be taken which shall be communicated to the petitioner forthwith.

6. With the aforesaid observation/direction, the writ petition stands disposed off.

(Ashutosh Kumar, J)

Shageer/-

AFR/NAFR	NAFR
CAV DATE	N/A
Uploading Date	17/01/2020
Transmission Date	N/A