IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED :12.02.2020

CORAM

THE HONOURABLE MR.JUSTICE ABDUL QUDDHOSE

W.P.No.32102 of 2015

S.P.Ellappan ... Petitioner

Vs

1.The Zonal Manager,
Punjab National Bank,
Zonal Office,
No.160, Greams Road,
Chennai.

2.The Senior Manager,
Punjab National Bank,
Kancheepuram. ... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India seeking for an issuance of a writ of Certiorarified Mandamus calling for the entire records in respect of the order passed by the 2nd respondent dated 25.05.2015 and quash the same and consequently direct the respondent to waive the agricultural loan which was obtained by the petitioner in the year 2006 and return the Kisan Vikas documents.

For Petitioner : Ms.T.Sreelekha

Respondent No.1 : Served- No appearance

For Respondent No.2 : Ms.S.Geetha

ORDER

This writ petition has been filed challenging the order dated 25.05.2015 passed by the second respondent rejecting the application submitted by the petitioner for loan waiver under the Agricultural Debt Waiver and Debt Relief Scheme, 2008.

2.It is the case of the petitioner that he applied for loan by pledging his Kissan Vikas document worth about Rs.1,00,000/- with the respondent bank. According to the petitioner, he availed a loan of Rs.75,000/- for agricultural purpose. It is the case of the petitioner that he is entitled to seek loan waiver under the Agricultural Debt Waiver and Debt Relief Scheme, 2008. According to him, since Kissan Vikas document was pledged to avail the loan, the loan availed by the petitioner is only an agricultural loan. According to the petitioner, without following the guidelines issued under the Agricultural Debt Waiver and Debt Relief Scheme, 2008, the second respondent bank has arbitrarily and illegally rejected the loan waiver application submitted by the petitioner under the impugned order. Under such circumstances, this writ petition has been filed.

3.A counter affidavit has been filed by the respondents stating that the loan obtained by the petitioner is only in the nature of Demand loan and does not fall within the purview of an agricultural loan. According to them, the petitioner will not come within the purview of the Agricultural Debt Waiver and Debt Relief Scheme, 2008 introduced by the Central Government. According to them, the said scheme extends only to Direct Agricultural Loans, Short Term Production Loans and Investment Loans but does not include or extend to Demand loan.

4.Heard Ms.T.Sreelekha, learned counsel appearing for the petitioner and Ms.S.Geetha, learned counsel appearing for the second respondent.

5.This Court has perused the loan application submitted by the petitioner on 05.10.2006 for availing the loan of Rs.75,000/- from the respondent bank. As seen from the loan application, the loan has been given to the petitioner by the respondent bank based on the pledging of the Government Securities. The loan application does not refer to any agricultural operation being carried out by the petitioner. The heading of the loan application reads as follows: " Limit Proposal - Against Govt. Securities."

6.As seen from the loan application, the loan is sanctioned on pledging of Government Securities. Kissan Vikas document is also a Government Security. Just because Kissan Vikas document has been pledged, loan cannot be treated as an agricultural loan. A person seeking an agricultural loan must show documentary evidence to the bank that he /she in fact is carrying on agricultural activities. The loan application submitted by the petitioner does not disclose that the petitioner is carrying on agricultural activity and the loan sought for is an agricultural loan. The Agricultural Debt Waiver and Debt Relief Scheme, 2008 also refers to three kinds of farmers viz., Marginal farmers, Small farmers and Other farmers depending upon their extent of land holding. In fact, in the case at hand, as seen from the loan application, the extent of land holding is not disclosed by the petitioner. All these factors will clearly indicate that the loan availed by the petitioner is not an agricultural loan and is a regular loan, which cannot be entertained under the Agricultural Debt Waiver and Debt Relief Scheme, 2008.

For the foregoing reasons, there is no merit in this writ petition. Accordingly, this writ petition is dismissed. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-
Assistant Registrar(CS VIII)

//True Copy//

Sub Assistant Registrar

sms

To

1.The Zonal Manager,
Punjab National Bank,
Zonal Office,
No.160, Greams Road,
Chennai.

2.The Senior Manager,
Punjab National Bank,
Kancheepuram.

+1cc to Mr.D.Rajagopal, Advocate Sr.11538
+1cc to Ms.S.Geetha, Advocate Sr.11761

pm[co]
srg 16/03/2020