



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.08.2021

CORAM

THE HONOURABLE MR.JUSTICE R.MAHADEVAN

W.P.No.17100 of 2021

1. Prabu
2. M.AffrienBanu
3. R.Aravind Kumar
4. R.Aruna
5. R.Dhanalakshimi
6. G.Eazhilarasi
7. G.Edison
8. T.Gnanasundari
9. R.Ayyappan
10. R.Kalaiyarasi
11. S.Karthikeyan
12. Manjula
13. G.Manivanan
14. E.Mahalakhmi
15. R.Panchanathan
16. G.Ramachandran
17. R.Rajesh
18. R.Rajalakshmi
19. R.Ramamoorthy
20. Rajavalli
21. S.Senthilkumar
22. K.Sujatha
23. P.Sumathi
24. R.Sumathi
25. Thamaraiselvan
26. K.Tamilselvan
27. N.Thambidurai
28. G.Veeramani
29. D.Vimala

...Petitioners

Vs

1. The Secretary to Government,
Agricultural Department, Krishna Bhavan,
Dr.Rajendra Prasad Road,
New Delhi.
2. The District Collector,
Collectrate, Coddalore District.



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3. The General Manager,
Debt recovery department,
Canara bank, No.170, Nag Construction,
Lal Bhagathur Shathri Street,
Pandicherry.

4. The Branch Manager,
Canara Bank, Karikadu Branch,
Coddalore, Coddalore Dist.,

...Respondents

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a writ of Mandamus directing the respondents 3 & 4 not to pursue against us except after claiming the insurance made by us as per the term of the loan agreement, by considering our representation 06.07.2021.

For Petitioners : Mr.Senthil Kumar
For R1 & R2 : Mr.Stalin Abhimanyu,
Government Counsel

O R D E R

Mr.Stalin Abhimanyu, learned Government Counsel takes notice for the respondents. With the consent of both sides, this writ petition is taken up for final disposal at the admission stage itself.

2.According to the petitioners, who are farmers, in the years 2018 and 2019, they cultivated cashew nuts, however, due to force majeure situation, they were unable to sell the same at fair price. So, they intended to put it in warehouse and later, sell it in good price in the market. For availing agricultural produce loan, they approached the third respondent, who inturn, inspected the stock, sanctioned loan, which is 70% of the market value of the stock, stored in the government warehouse and thereafter, insured for the 100% market value. Pursuant to the same, the petitioners executed necessary agreements for loan and hypothecation of the movables. As per the terms of the agreements, the third respondent deducted necessary charges for warehouse rent and insurance premium from the petitioners' account for the products hypothecated. While so, the third respondent without giving any intimation to the insurance company, issued notice to the petitioners demanding over due amount, to which the petitioners sent detailed reply, stating that they have paid 100% insurance for the stock value, now the price of the mortgaged products is increased, the Government passed an order to waive the agricultural loan, etc. Further, they sent representations on 06.07.2021 to the respondents requesting to conduct public auction with the assistance of the insurance company and pay the balance loan



amount to them. However, the said representations were not considered, which compelled the petitioners to file this writ petition, seeking a mandamus directing the respondents 3 and 4 not to pursue against them, except after claiming the insurance made by them, as per the terms of the loan agreements.

3. Heard both sides and perused the materials placed before this Court.

4. Considering the facts and circumstances of the case and having regard to the submissions made by the learned counsel on either side, this Court directs the respondents 3 & 4 to consider the representations of the petitioners dated 06.07.2021 and pass appropriate orders, on merits and in accordance with law, after affording an opportunity of personal hearing to the petitioners. Such an exercise shall be completed within a period of eight weeks from the date of receipt of a copy of this order.

5. The Writ Petition is disposed of with the above directions. No costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

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To

1. The Secretary to Government,
Agricultural Department, Krishna Bhavan,
Dr. Rajendra Prasad Road,
New Delhi.
2. The District Collector,
Collectorate, Cuddalore District.
3. The General Manager,
Debt recovery department,
Canara bank, No.170, Nag Construction,
Lal Bhagathur Shathri Street,
Pandicherry.
4. The Branch Manager,
Canara Bank, Karikadu Branch,
Cuddalore, Cuddalore Dist.

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NSK 29/09/2021