



W.P(MD)No.2869 of 2015

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 13.09.2023

CORAM

THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)No.2869 of 2015

M/s.V.K.Arumuga Gounder & Sons,
Rep. by its Proprietor,
A.Samiappan
Veerakkiam,
Krishnarayapuram Taluk,
Karur District.

... Petitioner

Vs.

- 1.The Union of India,
Rep. by its Secretary to Government,
Ministry of Agriculture,
Department of Agriculture & Co-operation,
NH-4, Faridabad,
New Delhi-121 001.
- 2.The Assistant General Manager,
National Bank for Agriculture and Rural Development
(NABARD)
Tamil Nadu Regional Office,
No.48, (Old No.105/106) Mahathma Gandhi Road,
Post Box No.6074, Chennai-600 034.
- 3.M/s.Karur Vysya Bank Limited,
Rep. by its Branch Manager,
633-537, Jawahar Bazaar,
Karur Main Branch, Karur
(R3 is impleaded vide order dated 29.03.2023
in W.M.P.(MD)No.5606 of 2023)

... Respondents



W.P(MD)No.2869 of 2015

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records relating to letter dated 18.4.2014 of the 1st respondent herein and the order dated 7.5.2014 in ref. No.NB.TIN.ICD/AMIGS/Rej.2014-15 of the 2nd respondents herein and quash the same and consequently, direct the respondent herein to consider the claim of the petitioner for grant of assistance and pass such further or other orders.

For Petitioner : Mr.C.Mahendran

For Respondent : Mr.D.Saravanan for R1

: Mr.R.Pandivel for R2

ORDER

Heard both sides.

2. The petitioner is having a milk diary unit. He obtained loan from the Karur Vysya Bank. He also sought subsidy. The request for subsidy was rejected both by the ministry as well as by the NABARD. Challenging the said communication, the present writ petition came to be filed.

3. The learned counsel appearing for the petitioner reiterated all the contentions set out in the affidavit filed in support of the writ petition and called upon this Court to set aside the impugned communication and grant relief as prayed for.



W.P(MD)No.2869 of 2015

WEB COPY

4. The Central Government Standing Counsel appearing for the first respondent submitted that the scheme envisages granting subsidy only for existing projects and not for new projects. According to him, the petitioner's case would fall under the category of new project. The stand of NABARD is that subsidy will be granted only for the bank assisted projects and not for the private projects. The second respondent filed the counter affidavit and the learned standing counsel took me through its contents. The learned standing counsel appearing for the respondents called for dismissal of the writ petition.

5. I carefully considered the rival contentions and went through the materials on record. The case on hand will have to be decided with reference to the norms already set out. The Ministry of Agriculture, Government of India, New Delhi, issued operational guidelines governing the scheme for Development /Strengthening of Agricultural Marketing Infrastructure, grading and standardization. The said scheme catalogues who are all the eligible persons to receive subsidy. The relevant portion of the guidelines is as follows:-

Eligible Persons

(iv) The assistance will be available to individuals Group of farmers/growers/consumers, partnership/proprietary firms, Non-Government



W.P(MD)No.2869 of 2015

Organizations (NGOs), Self Help Groups (SHGs), Companies, Corporations, Autonomous Bodies of the Government, Cooperatives, Cooperative Marketing Federations, Local Bodies, Agricultural Produce Market Committees & Marketing Boards in the entire country.

(v) Bank assisted projects of State agencies, including projects refinanced /Co-financed by National Bank for Agriculture and Rural Development (NABARD) for strengthening / modernization of existing marketing infrastructure would also be eligible for assistance under the scheme.

6. A careful reading of the aforesaid clauses would indicate that assistance will be available not only to the incorporated and un-incorporated bodies and associations but also to the individuals. Clause V states that the bank assisted projects would also be eligible for assistance under the scheme. The expression “also” is significant. It means that apart from the eligible persons falling under Clause IV, those who fall under the projects that fall under Clause V would also be eligible. Clause V is not exhaustive and it cannot exclude the list of persons set out in clause IV. I therefore reject the stand advanced by the learned counsel for the second respondent that the bank assisted projects alone would be eligible for assistance. As regards the impugned communication issued by the first respondent, the reasons set out therein is that M/s.V.K.Arumuga Gounder and sons is a private individual and that the scheme is not applicable for private projects. If I accept the stand of the learned standing counsel for the first respondent, that would virtually



W.P(MD)No.2869 of 2015

nullify clause IV of the scheme. I have no doubt whatsoever that the impugned communications are not in consonance with the guidelines set out in the scheme. The impugned communication is set aside. The respondents 1 & 2 shall consider the petitioner's claim for grant of assistance and also disburse the same to the petitioner within a period of ten weeks from the date of receipt of a copy of this order.

7. The Writ Petition is allowed. No costs.

13.09.2023

Index : Yes / No
Internet : Yes/ No
rmi



WEB COPY



W.P(MD)No.2869 of 2015

G.R.SWAMINATHAN, J.

rmi

W.P(MD)No.2869 of 2015

13.09.2023