IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED 23.03.2015

CORAM

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM

W.P.No.30850 of 2013

K.Gunabalan ...Petitioner

vs.

1. The Chief Manager,
State Bank of India (RCPC),
Beach Road, Puducheri.

2. The Branch Manager,
State Bank of India,
T.Nedunjeri Branch,
Vilagam Road,
Cudallore District. ...Respondents

Writ petition filed under Article 226 of the Constitution of India praying for a Writ of Certiorari Mandamus calling for records from the second respondent relating to the impugned letter dated 31.08.2013 and quash the same as illegal and further directing the second respondent to sanction the self-employment loan under the TAHDCO Scheme.

For Petitioner : Mr.M.Ravi

For Respondents : Mr.R.Ramasamy for R1 and R2

ORDER

Heard the learned counsel for the petitioner and the learned counsel appearing for the respondent-Bank.

2. The petitioner has challenged the communication issued by the second respondent-Bank stating that the loan application given by the petitioner cannot be considered since the area of operation i.e.,

for establishing a medical shop @ Komaratchi does not fall within the service area of the respondent and therefore, they are unable to give nod for sanction of the loan.

3. The petitioner applied for loan under the scheme of Entrepreneur Development Programme/Self-employment programme for youth to TAHDCO Manager in Cuddalore and he was found to be eligible under the said scheme and his application was considered and recommended to the State Bank of India. It appears that based on the petitioner's residential address, the recommendation was forwarded to the second respondent branch. Since no orders were passed on the application, in spite of having forwarded the same to the second respondent branch, the petitioner approached this Court by filing a writ petition in W.P.No.5019 of 2013. The said writ petition was disposed of by order dated 25-07-2013 directing the second respondent to consider and dispose of the application as expeditiously as possible on merits and as per law. Pursuant to the said order, the impugned communication has been sent stating that the petitioner does not come within the service area of the second respondent-Bank.

4. Before examining the correctness of the impugned proceedings, it is worthwhile to mention that if in the opinion of the second respondent- Bank, the petitioner's business does not fall within the service area, the reasonable approach which the second respondent-Bank could have adopted is to forward the same to the Head Office or directly forward the same to the concerned Branch, where the petitioner's business would fall. However, the second respondent has appeared to have taken a hyper technical approach and rejected the petitioner's application. The petitioner would state that the second respondent was prejudiced on the fact that he approached this Court and obtained a direction.

5. Be that as it may. The petitioner having been selected as a beneficiary under the Scheme formulated by the State Government for upliftment of the oppressed class of society, the respondent-Bank should have considered the application in a proper perspective. The petitioner is a qualified pharmacist. Since, he belonged to a poor Scheduled Caste family his application has been considered for grant of financial assistance. Therefore, the respondent-Bank should have considered the application in a proper perspective by forwarding it to the correct branch for grant of loan.

6. The case of the petitioner is that his residence falls within the operation of second respondent-bank and he also holds a Savings Bank Account in the second respondent branch. Nevertheless,

the petitioner is starting a business. For establishing a business in pharmacy, wherein the area of operation will also be different, he necessarily has to open a current account based on the registration certificate issued by the concerned authorities to run a pharmacy business.

7. Accordingly, the impugned order is set aside and the matter is directed to be placed before the first respondent and the first respondent is directed to assign the application to the appropriate branch of the State Bank of India, which shall consider and sanction the loan, which the petitioner is entitled to within a period of four weeks from the date on which the application is forwarded to the concerned Branch, provided the petitioner satisfy the other eligibility requirements, for sanction of loan.

8. The writ petition is disposed of, accordingly. No costs.

Sd/-
Assistant Registrar(CS-IV)

//True Copy//

Sub Assistant Registrar

glp

To

1. The Chief Manager,
State Bank of India (RCPC),
Beach Road, Puducheri.

2. The Branch Manager,
State Bank of India, T.Nedunjeri Branch,
Vilagam Road, Cudallore District.

1 CC to Mr.M.Ravi, Advocate SR.No. 16228

1 CC to Mr.R.Ramasamy, Advocate SR.No. 16160

RSK (CO)
PSI (06.04.2015)