

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.08.2015

CORAM

THE HONOURABLE MR.JUSTICE M.M.SUNDRESH

W.P.No.3981 of 2015

G.Thamodharan

... Petitioner

Vs.

1.The District Collector,
Collector's Office,
Nagappattinam District,
Nagappattinam.

2.The District Manager,
Tamil Nadu Adi Dravidar Housing
and Development Corporation Limited(TAHDCO),
Nagappattinam District,
Nagappattinam.

3.The Branch Manager,
State Bank of India,
Thiruvankadu Branch,
Sirkali Taluk,
Nagapattinam District.

... Respondents

Prayer:

Petition filed under section 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records pertaining to the order dated 02.07.2014 passed by the third respondent and the subsequent order dated 27.12.2014 rejecting the loan application of the petitioner and quash the same and further directing the third respondent to provide financial assistance for purchasing Mahindra XYLO car under the Entrepreneur Development Programme of the second respondent.

For Petitioner : Mr.A.Nagarathinam

For Respondents : Mr.A.Kumar for R1 and R2
Special Government Pleader

O R D E R

This Writ Petition has been filed seeking for issuance of a Writ of Certiorarified Mandamus calling for the records pertaining to the order dated 02.07.2014 passed by the third respondent and the subsequent order dated 27.12.2014 rejecting the loan application of

the petitioner and quash the same, and further direct the third respondent to provide financial assistance for purchasing Mahindra XYLO car under the Entrepreneur Development Programme of the second respondent.

2.By the proceedings dated 21.03.2013, the respondent no.2 has made a recommendation to consider the loan application of the petitioner and to provide financial assistance for purchasing of Mahindra XYLO car under the Entrepreneur Development Programme.

3.On perusal of the impugned order would show that the loan application was rejected on the following grounds:

(i)Income generated would not provide sufficient revenue to repay the loan dues.

(ii)As per the income projections submitted in your loan application, the proposed retail Taxi is run about 250kms per day which is on higher side.

(iii)Hence the project is not viable.

4.Challenging the same the present Writ petition has been filed.

5.The learned counsel for the petitioner submitted that the liability of the proposed business has been taken into consideration by the respondent no.2 before making recommendation. The petitioner is a schedule caste person. The scheme is meant to help the schedule caste unemployed persons in the age group of 18 to 35. Therefore, the order of rejection cannot be sustained in the eye of law.

6.The learned counsel also submitted that sufficient security was also furnished, though it was not required under the scheme.

7. Despite notice having been served, none appears for the respondent no.3. The counsel appearing for the respondent no.3 did not appear on the last hearing and unfortunately even today.

8.Hence, this Court is inclined to pass appropriate orders based on the materials on hand. The loan is sought to be sanctioned in favour of the petitioner based upon the scheme. The petitioner has paid an initial amount of Rs.40,000/- and his ability to do business was found to be satisfactory by the respondent no.2. The reason that a Taxi cannot run 250 kilometers per day does not have any factual matrix.

9.Though, it has been stated that income generated would not be sufficient to repay the loan, the bank has not come out with the logic behind the statement. Considering the scope and object of the scheme and taking note of the facts and circumstances of the case, especially the recommendation made by the respondent no.2 and the

fact that the loan paid will be reimbursed by the proceedings of the respondent no.1, the proceedings dated 02.7.2014 & 27.12.2014 are set aside.

10. Accordingly, respondent no.3 is directed to process the application of the petitioner and sanction the loan within a period of eight weeks from the date of receipt of a copy of this order.

11. With the above said observation, the writ petition is allowed. No costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

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To

1. The District Collector,
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Nagappattinam.
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1 cc to Mr. A. Nagarathinam, Advocate Sr.43768

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