BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
DATED :**04.08.2015**
CORAM
THE HONOURABLE **MR.JUSTICE R.SUBBIAH**
W.P(MD).No.1057 of 2015

Vivek ... Petitioner

Vs

1.The Branch Manager,
Indian Overseas Bank,
Siramelkudi Branch,
Pattukottai Taluk,
Thanjavur District.

2.The Chief Regional Manager,
Indian Overseas Bank,
Thanjavur Region,
Thanjavur,
Thanjavur District. ... Respondents

This Writ Petition has been filed praying for a Writ of Mandamus directing the first respondent bank to grant to the petitioner educational loan of four years total Rs.3,24,000/-(Three Lakhs Twenty Four Thousand Only) for enabling the petitioner to pursue and continue the petitioner's higher educational studies in B.E., computer engineering at Periyar Maniammai University at Vallam, Thanjavur District.

For petitioner : Mr.T.Sekar
For respondents : Mr.Pandivel

ORDER

This Writ Petition has been filed praying for a Writ of Mandamus directing the first respondent bank to grant educational bank loan to the petitioner for four years (i.e.,) a total sum of Rs.3,24,000/- to enable the petitioner to pursue and continue his higher studies in B.E., Computer Engineering at Periyar Maniammai University at Vallam, Thanjavur District.

2. Mr.P.Pandi, learned counsel takes notice for the respondents.

3. By consent, this Writ Petition itself is taken up final disposal.

4.The case of the petitioner is that the petitioner completed his 10^{th} standard in the year 2010 and secured 393 marks out of 500 (78.6%) and thereafter, he completed 12^{th} standard in the year 2012 and secured 664 marks out of 1200(53.6%) and thereafter, he joined B.E.,(Computer Engineering) at Periyar Maniammai University at

Vallam, Thanjavur District. While the petitioner was studying first year, he availed a private loan of Rs.82,000/- and paid the college fees. Thereafter, the college had issued bonafide certificate furnishing the estimated expenditure of the fees details for another three years fees details and as per the fees structure, the petitioner has to pay Rs.71,500/- for the second, third and fourth years respectively. In the subsequent period, the petitioner has paid the college fees by availing private loan and now the petitioner has to pay five semester fees and hence, the petitioner has applied for educational loan before the first respondent bank on 19.07.2014. But the first respondent refused to sanction educational loan to the petitioner stating that the petitioner has not secured the cut-off mark of 60% fixed by the bank to sanction educational loan. Hence, the petitioner has filed the present Writ Petition for the above stated relief.

5. When the matter is taken up for consideration, the learned counsel for the petitioner by placing reliance on the judgment of the Honourable Division Bench of this Court in ***Branch Manager, Indian Overseas Bank vs. A. Ravi*** reported in ***2014(4) CTC 363***, submitted that in the identical set of facts, the Honourable Division Bench has held that the bank cannot refuse educational loan to the petitioner stating that he has not secured minimum mark of 60%. For the very same proposition, the learned counsel relied on two judgments passed by a single judge of this Court in W.P.Nos.556 of 2010 and 16003 of 2012.

6. The learned counsel for the respondent bank has replied that the Indian Banker's Association has issued guidelines stating that if the student has obtained admission to an eligible course through a merit based selection process, he/she could be considered a meritorious student and where the admission is purely based on the marks scored in qualifying examinations, the bank may fix cut-off marks(percentage) for loan eligibility. Hence, the respondent bank as per the guidelines of Indian Banker's Association, has fixed minimum 60% marks for sanctioning the educational loan to the student. He would further submit that insofar as the present case is concerned, the petitioner has obtained only 53.6% marks., which is lesser than the cut-off mark fixed by the respondent bank. Hence, the application of the petitioner cannot be considered by the bank. In this regard, the learned counsel for the respondent has relied on an order of this Court in W.P(MD)Nos.2007, 2022, 2023 & 2025 of 2014(batch of cases), wherein the learned single Judge by considering the judgment of the Honourable Division Bench delivered in ***A.Kasinathan v. The Branch Manager, Canara Bank, Town Hall Road, Madurai*** reported in ***2012 Writ L.R.640***, has held as follows:

> "***18.Thus, the respondent Banks have fixed the cut-off mark based on the notification and the notification has not been challenged by the petitioners in these writ petitions and therefore they are bound by the notification. That apart, the Honourable Division Bench in the case of A.Kasinathan(cited supra) upheld the power***

of the respondents bank to fix the cut-off percentage. Therefore, it is held that the respondents bank are justified in fixing the cut-off percentage and this Court exercising writ jurisdiction cannot direct the respondents bank to take a decision contrary to the policy notified.

19. Having held so, if individual cases are perused, all the petitioners have secured admission under management quota. The petitioners, in all the writ petitions viz., W.P(MD)Nos.2007, 2022, 2023 and 2025 of 2014 have secured over all marks of 52.33%, 58%, 58% and 51% respectively. Therefore, all the four petitioners have not even scored 60% marks. In such circumstances, if the revised guidelines are applied unless and until the petitioners had secured 65% minimum marks, they could not be stated to be eligible for being considered for grant of educational loan. The power to fix the percentage has been upheld by the Division Bench of this Court and a new educational loan scheme was formulated by IBA in consultation with Government of India and circulated by RBI to all scheduled commercial banks vide circular dated 28.04.2001 for implementation and the scheme provides broad guidelines to the Banks and implementing bank will have the discretion to make changes suiting to the convenience of students/parents etc. Further, the Division Bench pointed out that IBA being a body of experts has taken the decision to fix cut-off marks, who secured admission under the management quota and the Courts cannot issue a direction to dilute the said policy."

7. The said judgment of the learned single Judge, is squarely applicable to the facts of the present case. Even in this case, the petitioner has secured only 53.6% marks and he has not challenged the notification issued by the bank fixing the cut-off mark as 60%. Therefore, the petitioner cannot ask for a direction to the bank to sanction educational loan to him.

8. Hence, I do not find any merit in this Writ Petition and the same is liable to be dismissed and accordingly, the Writ Petition is dismissed. No Costs.

Sd/-
Assistant Registrar(AS)

/True copy/

Sub Assistant Registrar

pm
To
1.The Branch Manager,
Indian Overseas Bank,
Siramelkudi Branch,
Pattukottai Taluk,
Thanjavur District.

2.The Chief Regional Manager,
Indian Overseas Bank,
Thanjavur Region,
Thanjavur,
Thanjavur District.

+one cc to Mr.T.Sekar, Advocate in SR.No.44425

W.P(MD).No.1057 of 2015
04.08.2015

CSL 14/08/2015
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