

HON'BLE SRI JUSTICE S.V.BHATT

WRIT PETITION No.40815 OF 2014

ORDER:

The petitioner prays for Mandamus declaring the action of respondents in rejecting application dated 13.02.2014 of petitioner for sanctioning personal loan by endorsing that a C.B.I. case is pending, as illegal, arbitrary and consequently direct the respondents to consider the application dated 13.02.2014 and sanction the loan forthwith without reference to pendency of C.B.I. case.

The circumstances relevant for disposal of the writ petition are as follows:

The petitioner is an employee of Visakhapatnam Port Trust. The petitioner is member of 1st respondent society. On 13.02.2014, the petitioner made an application to 1st respondent for grant of personal loan. The application was rejected with an endorsement that a C.B.I. case is pending against the petitioner. The petitioner complains that refusing to grant loan to an employee/member on the ground that a C.B.I. case is pending is illegal and has nothing to do with the application filed by the petitioner for sanction of the loan amount.

The respondents filed counter opposing grant of any relief.

The 1st respondent submits that the society has not considered loan application as per bye law No.16.5 (d) which reads

as follows:

“Not withstanding anything contained to the rules and bye laws if a loanee fails to pay his monthly loan installment regularly, his/her loan amount shall be recovered from his surety salary.

Under any circumstances if the surety of the default member leaves the port organization, the loanee's default amount/loan balance shall be recovered from his/her settlement amount,

No member under disciplinary action like criminal cases/Major Charge Sheet/Long leave/Deputation/Long sinc/ Chronic defaulter, and the person left the services without any intimation is made eligible for sanction of fresh loan/renewal of loan.”

Admittedly, a criminal case filed by C.B.I. is pending against the petitioner. The application is processed in accordance with bye laws and there is no illegality in rejection of loan application of petitioner.

The petitioner has invoked jurisdiction of this Court without referring to the certified bye laws of 1st respondent society. As is evident from the bye law excerpted above, the society is prohibited from sanctioning loan under a few circumstances. One of the circumstances is pendency of a criminal case. For the above reasons, I do not see any illegality in refusing to sanction loan to the petitioner much less the petitioner has made out any case for grant of relief under Article 226 of the Constitution of India.

The writ petition is dismissed. No order as to costs.

Miscellaneous petitions pending, if any, shall stand closed.

S.V.BHATT,J

Date: 02-03-2015

Stp