IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 15.04.2016

CORAM:

THE HONOURABLE MR.JUSTICE R.SUBBIAH

W.P.No.8377 of 2016
& W.M.P.No.7428 of 2016

G.Aarthi .. Petitioner

Vs.

The Branch Manager,
Indian Bank,Anna Nagar,
Serapattu Main Road,
Pudupattu,
Villupuram District-606 402. .. Respondent

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorarified Mandamus to call for the records relating to the order of the respondent, dated 05.02.2016 and quash the same as illegal and unsustainable and consequently direct the respondent to sanction educational loan to the petitioner to pursue higher education (BSMS) Course.

For Petitioner : Mr.P.Sankar

For Respondent :Mr.O.R.Santhana Krishnan
for Mr.O.S.Karthikeyan

ORDER

The petitioner has filed this Writ Petition praying for issuance of a Writ of Certiorarified Mandamus to call for the records relating to the order of the respondent, dated 05.02.2016 and quash the same as illegal and unsustainable and consequently direct the respondent to sanction educational loan to the petitioner to pursue higher education (BSMS) Course.

2. In the affidavit filed in support of the Writ Petition, it is averred by the petitioner that she is studying Second Year BSMS Course in Sri Sairam Siddha Medical College and Research Centre, West Tambaram, Chennai, under Government Quota category. She joined the course in the academic year 2014-2015. She hails from agricultural family and her father was murdered on 07.06.2012. She applied for educational loan before the respondent-Bank on 22.07.2015 and First Year fee was also paid by her mother Kalaiselvi out of money borrowed from outsider and the total fee for the academic year 2014-2019 is Rs.6,25,000/-.

The respondent refused to sanction the educational loan to the petitioner on the ground that her father is a defaulter in respect of the agricultural loan availed of by him under IBKC Scheme from the respondent-Bank and the outstanding due as on date is Rs.88,759/-. It is the grievance of the petitioner that as her father was murdered, their family has no other income except the agricultural income, which is insufficient to meet their both ends meet in the family and also to close the said loan account of her father. It is her case that she is fully eligible to avail of the educational loan sought for by her.

3. The petitioner relies on the objective of the Model Educational Loan Scheme which is to help the meritorious students to pursue their higher education in the technical and professional course and as focus is on the development of human capital, repayment of the loan is expected to come from the future earnings of the student after completion of the educational course they pursued based on the loan. Hence, the assessment of the loan will be based on the employability and earning potential of the student upon completion of the course and not parental income/family wealth.

4. Hence, as the respondent has passed the impugned order rejecting the loan application of the petitioner on the ground that her father's agricultural loan amount is outstanding, she has challenged the same by filing this Writ Petition to quash the same, with a consequential direction to respondent to sanction the educational loan to her to pursue higher education course (BSMS) course.

5. Upon hearing the learned counsel appearing on both sides, considering the fact that the petitioner being a student should not be deprived of her educational loan on untenable grounds and also taking into account the benevolent scheme of the educational loan to the students who do not possess wealth to pay the fees, I am of the opinion that since the petitioner is only seeking for educational loan to pursue her course, the same should not have been rejected on the ground that the amount is due in respect of her father's agricultural loan. As it is the grievance of the petitioner that their family is indigent condition after the death of her father, the reply of the respondent as assigned in the impugned order, is not sustainable, as the same has no relevance to the loan sought for by the petitioner. Therefore, the case of the petitioner has to be considered in a different yardstick and there should be applicability of the relevant rules for sanction of educational loan to the petitioner strictly based on her eligibility of the educational loan. Hence, the impugned order is liable to be set aside.

6. Accordingly, the impugned order is set aside. The Writ Petition is allowed. The respondent-Bank is directed to consider the educational loan application of the petitioner and pass appropriate orders sanctioning necessary educational loan to her, if the said application is otherwise in order and she is found eligible to obtain the same as per the relevant Rules in force. No costs. W.M.P. is closed.

Sd/-
Assistant Registrar(CS VI)

//True Copy//

Sub Assistant Registrar

To

The Branch Manager,
Indian Bank,Anna Nagar,
Serapattu Main Road,
Pudupattu,
Villupuram District-606 402.

+1cc to Mr.O.S.Karthikeyan, Advocate Sr.23799
+1cc to Mr.P.Sankar, Advocate Sr.23554

W.P.No.8377 of 2016

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srg 20/04/2016