BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 09.11.2016

CORAM:

THE HONOURABLE MR.JUSTICE V.BHARATHIDASAN

Writ Petition (MD) No.18278 of 2016
and
W.M.P.(MD).No.13169 of 2016

S.Arun ... Petitioner

Vs.

1.The Reserve Bank of India,
rep. Through its Manager,
Reserve Bank of India, Regional Office,
Chennai.
2.The Regional Head,
Canara Bank (Lead Bank)
Theni-31.
3.The Branch Manager,
Tamil Nadu Merchandile Bank,
Aundipatti Taluk,
Theni District. ... Respondents

Prayer: Writ Petition is filed under Article 226 of the Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus to call for the records pertaining to the 3rd Respondent's impugned Letter dated 22.07.2016 and quash the same as illegal and consequently direct the 3rd Respondent to provide the educational loan amount of Rs.12,48,280/- as per the college fee structure for the petitioner's course 2015-2021 to him to continue his studies within the time frame as fixed by this Hon'ble Court.

For Petitioner : Mr.S.Rajeshkumar Dejango
For Respondents: Mr.R.Murugappan
Central Govt. Standing Counsel for R-1
Mr.N.Dilip Kumar for R-3

ORDER

The present writ petition has been filed challenging the order passed by the third respondent/the Branch Manager, Tamil Nadu Merchantile Bank, dated 22.07.2016, refusing to grant educational loan to the petitioner.

2.According to the petitioner, he is studying Pharm-D Course in the College of Pharmacy of Sri Ramakrishna Institute of Para Medical Sciences at Coimbatore in the six years course and total fees for the entire six years comes to Rs.12,48,280/-. Hence, he made an application before the third respondent for education loan and now, it has been returned by the third respondent on the ground that the income of the petitioner was so less, hence, he directed him to bring more margin money towards the total fees. Challenging the same, the present writ petition has been filed.

3.The third respondent has filed a counter affidavit stating that for educational loan amount of beyond Rs.7.5 lakhs, the petitioner and the co-borrower should have offered a third party guarantee from a person having adequate means and also tangible collateral security of suitable value, acceptable to the Bank. The annual income of the family as per the income certificate produced was just Rs.48,000/- and with this very poor income level of the family, it may be highly difficult to sustain the payment of margin, even if the loan is sanctioned by the Bank, as per the education loan policy guidelines.

4.Heard the submissions made on either side and perused the documents carefully.

5.The learned counsel for the petitioner is ready and willing to furnish sufficient surety, as required by the Bank and he has also produced a Valuation certificate in respect of his house situate at door No.2/117, S.S.Puram Village, Andipatti Taluk, Theni District, as per the certificate, the value of the property is Rs.15 lakhs and the petitioner is willing to produce a third party security.

6.In view of the above submission, the third respondent is directed to consider the petitioner's application, considering the security offered by the petitioner and on furnishing all the required documents, as per the guidelines, pass appropriate orders within a period of four weeks from the date of receipt of a copy of this order.

7.Accordingly, this writ petition is disposed of. There shall be no order as to costs. Consequently, connected miscellaneous petition is also closed.

Sd/-
Assistant Registrar (Writs)

/True Copy/

Sub Assistant Registrar

vs
To
1.The Manager,
Reserve Bank of India,
Reserve Bank of India, Regional Office,
Chennai.
2.The Regional Head,
Canara Bank (Lead Bank)
Theni-31.
3.The Branch Manager,
Tamil Nadu Merchandile Bank,
Aundipatti Taluk,
Theni District.

+1CC to Mr.S.Rajeshkumar Deejango, Advocate Sr.No.67371
+1CC to Mr.N.Dilipkumar, Advocate Sr.No.67257

Gjm/ck/29.11.16-3p-6c

W.P(MD)No.18278 of 2016
09.11.2016