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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 22.11.2016

CORAM:

THE HONOURABLE MR.JUSTICE V.BHARATHIDASAN

Writ Petition(MD)No.21471 of 2016

S.Mohanram ... Petitioner

Vs.

1.The Deputy General Manager,
Indian Bank,
Trichy.

2.The Branch Manager,
Indian Bank,
Thiruvanaikoil,
Trichy. ... Respondents

Prayer: Writ Petition is filed under Article 226 of the Constitution of India praying for the issuance a Writ of Certiorarified Mandamus calling for the records relating to the impugned proceedings of 2nd respondent, dated 28.09.2016 and quash the same and consequently direct the respondents to sanction the educational loan to the tune of Rs.2,33,000/- for petitioner's study of B.E., (Civil Engineering) course at Dhanalakshmi Srinivasan Institute of Technology, Trichy within the time limit fixed by this Hon'ble Court.

For Petitioner : Mr.A.L.Kannan
For Respondents : Mr.Alaguram Jothi

ORDER

Challenging the order passed by the second respondent/Bank rejecting the petitioner's loan application for grant of educational loan, the present Writ Petition has been filed.

2. According to the petitioner, he has completed his Higher Secondary Course during the academic year 2014-2015 and joined B.E., (Civil Engineering) course at Dhanalakshmi Srinivasan Institute of Technology, Trichy, in the academic year 2015-2016 and made an application before the second respondent for grant of educational loan for a sum of Rs.2,33,200/-. The said application has been submitted on 25.02.2016. Despite the representation made by the petitioner, no order has been passed by the second respondent. Finally, on 28.09.2016, the second respondent rejected the petitioner's application on the ground that the

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petitioner did not pass all the papers in the II Semester examinations, hence, he is not eligible for the educational loan. Challenging the said order, the petitioner has filed this Writ Petition.

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3. The learned counsel for the petitioner would submit that even though the application was made in the month of February, 2016, the application has been rejected only on 28.09.2016 and at the time of making application, there is no examination was held and even, the petitioner failed only in two subjects in the II Semester examinations and cleared all other papers and hence, the reason for rejecting the application is not valid.

4. Whereas the learned counsel for the respondents would submit that as per the revised Indian Bankers Association Model Educational Loan Scheme, the object of educational loan, is only to help the meritorious students for pursuing higher education in technical and professional courses. Since the petitioner failed in two subjects, he cannot be considered as a meritorious student and hence, the bank has rightly rejected the petitioner's application.

5. I have considered the rival submissions.

6. I am not persuaded by the submissions made by the learned counsel appearing for the respondents. Even in the Model Educational Loan Scheme, no yardstick has been fixed in the criteria of meritorious student. Merely because the petitioner failed in two subjects due to various reasons, he cannot be considered as less meritorious student, when no clear yardstick is given in the Scheme.

7. Clause 4(1) of the Scheme speaks about the eligibility of the students for obtaining educational loan and the same reads as follows:

" *4.1.Students Eligibility:*

. The student should be an Indian National.

. Should have secured admission to a higher education course in recognized institutions in India or Abroad through Entrance Test/Merit Based Selection process after completion of HSC (10 plus 2 or equivalent). However, entrance test or selection purely based on marks obtained in qualifying examination may not be the criterion for admission to some of the post graduate courses or research programmes. In such cases, Zonal Managers will have to adopt appropriate criteria based on employability and reputation of the Institution concerned.

In our Bank, as per extant guidelines, the ZLCC can consider such cases, based on the merit of the institution and placement records.

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Note:

It would be in order to consider a meritorious student(who qualifies for a seat under merit quota) eligible for loan under this scheme even if the student chooses to pursue a course under Management Quota."

and nowhere in the eligibility criteria, it is stated that the educational loan can be granted only to those, who have passed in all the subjects. In the absence of any such prohibition in the Scheme, for granting loan to the candidate like the petitioner, the second respondent is not correct in rejecting the application on the ground that he did not pass in all the subjects in II Semester examinations.

8. Further, in similar circumstances, the Honourable Division Bench of this Court in *Branch Manager, Indian Overseas Bank, Peramanallur, Tirupur v. A.Ravi* reported in *2014(2) CWC 323*, after considering the eligibility criteria has held that the educational loan cannot be rejected on the ground that a person secured less than 60% of marks.

9. In the result, the Writ Petition is allowed and the order passed by the second respondent, dated 28.09.2016, is set aside. The second respondent is directed to consider the application of the petitioner, 25.02.2016, and pass suitable orders on the same, within a period of four weeks from the date of receipt of a copy of this order. No Costs.

Sd/-
Assistant Registrar(AS)

/True Copy/

Sub-Assistant Registrar

To
1.The Deputy General Manager,
Indian Bank, Trichy.
2.The Branch Manager,
Indian Bank,
Thiruvanaikoil,Trichy.
Pm
RL/3C/2P/SS3/9.12.2016

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22.11.2016