

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 15.06.2017

Coram

THE HON'BLE MRS. JUSTICE PUSHPA SATHYANARAYANA

W.P. No 12847 of 2017
and W.M.P.No.13699 of 2017

N. Aadithya, ... Petitioner

.V.

1. The Branch Manager,
Indian Bank, Usupur Branch,
1st Main Road, Mariappan Nagar,
Chidambaram- 608 002.

2. The Zonal Manager,
Indian Bank, Zonal Office
AVR Towers (III Floor)
No.4, Bharathi Road,
Cuddalore-607 001.

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India praying to issue a writ of Mandamus, directing the respondent bank to process the Petitioners Application for Education Loan, dated 17-10-2015 in the light of the Guidelines issued by the Union of India, Ministry of Finance-Banking Division and the Reserve Bank of India, and to sanction and disperse, expeditiously the education loan for all 4 years of Petitioner's study in B.E. (Computer Science and Engineering)

For Petitioner : Mr.S. Rajendiran

For respondents : Mr.R. Jagadeesan for R1 and R2

ORDER

The petitioner has filed the above Writ Petition to issue a writ of Mandamus seeking a direction to the respondent-Bank to process the Educational loan and to sanction and disburse the same for the petitioner's education, who is doing B.E (Computer Science and Engineering).

2. The facts are not in dispute. The application for Educational loan was applied on 17.10.2015 and the petitioner has paid her college fees by borrowing money from various

people, who are willing to help her at the relevant point of time. As the bank had not processed the loan application on time, the petitioner was constrained to move this Court for a direction.

3. Heard the learned counsel for the petitioner and the learned counsel for the respondents.

4. The learned counsel appearing for the Indian Bank had contended that now three academic years have already gone and they are willing to process only for the current academic year 2017-2018. But, the petitioner as stated in her affidavit, in para 9, that her father had already remitted the College and hostel fees for previous three academic years by borrowing loans from friends and relatives assuring them to settle the same within a short span of time with hoping that the educational loan will be in her favour. As the respondent-Bank have not sanctioned the educational loan on time, those who helped the petitioner are now yielding pressure to return the money borrowed. As the petitioner is still under the financial crisis, she looking forward for the loan to be sanctioned.

4. It is not the case of the Bank that the petitioner has not complied with the norms of the Reserve Bank of India guidelines for sanctioning the educational loan. The learned counsel for the respondent-Bank submits that they would not sanction the loan for the amounts that have already been spent by prospective borrowers. It is admitted in para 5 of the counter affidavit that the Bank would process the petitioner's application for the educational loan in the light of the RBI guidelines for the remaining period of education. The delay in processing the loan should not jeopardise the interest of the students. The students look upon the banks for educational loan only when they have financial crunch. The delay in processing the loan application should not deprive the valuable seat in the professional college. Therefore, the parents managed to borrow hand loans from known sources to educate the children and that should not be taken advantage by the bank. As already the respondent-Bank has assured that it would sanction loan for the remaining year, this Court of the view that the bank shall sanction the loan to the petitioner for the two academic years (i.e) 2016-2017 and 2017-2018 to pursue his education. Accordingly, the respondent-bank is directed to sanction the loan in the light of guidelines issued by the Reserve Bank of India for the two academic years (i.e) 2016-2017 and 2017-2018 in favour of the petitioner. However, the said exercise shall be completed within a period of two weeks from the date of receipt of copy of this order.

5. With the above direction, the Writ Petition is disposed of. No costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

srn

To

1. The Branch Manager,
Indian Bank, Usupur Branch,
1st Main Road, Mariappan Nagar,
Chidambaram- 608 002.

2. The Zonal Manager,
Indian Bank, Zonal Office
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No.4, Bharathi Road,
Cuddalore-607 001.

+1cc to Mr.S. Rajendiran, Advocate, S.R.No.42415

+1cc to Mr.K.V.Subramanian, Advocate, S.R.No.43003

W.P. No 12847 of 2017

NR(CO)
CS/03/07/17

सत्यमेव जयते

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