IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 05.12.2017

CORAM

THE HONOURABLE MR.JUSTICE K.RAVICHANDRABAABU

Writ Petition No.16023 of 2017

M.Chandru .. Petitioner

Vs.

1. The General Manager,
State Bank of India,
Iyyapanthangal RACPC Branch,
Chennai - 56.

2. The Branch Manager,
State Bank of India,
Thiruvottiyur Branch,
Chennai - 19. .. Respondents

PRAYER: Writ petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Mandamus to direct the respondents to sanction the educational loan to the petitioner considering his application dated 06.01.2017 and 10.05.2017.

For Petitioner : Mr.K.Sasindran

For Respondents : Mr.R.Dhananjeyan

O R D E R

The petitioner seeks for a Mandamus directing the respondent to sanction educational loan to the petitioner by considering his application dated 06.01.2017 and 10.05.2017.

2. A common counter affidavit is filed by the respondents.

3. Heard the learned counsel for the petitioner and the learned counsel appearing for the respondent Bank.

4. The petitioner, after completing his Higher Secondary Course joined the School of Excellence in Law, which is governed by Tamil Nadu Dr.Ambedkar Law University to pursue his studies in B.C.A., L.L.B(Hons) Course. The petitioner claims that his father is a fisherman and his family is not in a sound financial position to meet out the educational expenses. Therefore, the

petitioner approached the respondent Bank and made an application seeking for educational loan. As it is not considered, the petitioner filed the present writ petition.

5. The respondents opposed the application by filing counter wherein they contended that there is some discrepancies with regard to the income of the petitioner's father viz., Rs.6000/- in his first application whereas it is Rs.5500/- in his second application. Therefore, this small difference of Rs.500/- blocks the mind of the respondent Bank by treating it as a big error committed by the petitioner. The second reason is very unfortunate and inconceivable one, as discussed below.

6. It is the contention of the respondent Bank that the petitioner, after completion of the Course, could earn only between Rs.3,000/- to Rs.5,000/- per month and therefore, it raises a doubt in their mind about the capacity of the petitioner to repay the loan. This mischievous reason stated by the respondent Bank is liable to be deprecated with strong dose of displeasure. I do not understand as to how the respondent Bank has come to the conclusion that the petitioner, after completion of his graduation, would earn only Rs.3,000/- to Rs.5,000/- per month. Such reasoning is not only baseless but also degrading the legal profession.

7. In fact, when this matter was taken up earlier on 25.10.2017, this Court directed the respondent Bank to consider the case of the petitioner and report before this Court at the time of next hearing. Accordingly, the matter is listed today for further hearing.

8. Learned counsel for the respondent Bank without insisting upon the other two reasons as discussed supra, has now come out with another reason not stated in the counter that the entire fees as claimed by the College cannot be given except the tuition fees and the course material fees. Again, I do not find any justification on the part of the respondent Bank in refusing to grant educational loan to the petitioner in respect of the fees structure issued by the said College indicating the total amount payable for every year which was split into several heads such as Tuition fee, Admission Fee, Library Deposit (Refundable), Library Fee (p.a.) Internet facility Fee, Infrastructure Facility Fee, Class Amenities Fee, Course Material Fee (p.a.), Bar Council Inspection Fee, Sports Fee, Moot Court Fee, Matriculation Fee, Admission Application Fee, NSS Fee (p.a.) and Youth Red cross Fee (p.a.).

9. Considering the several heads under which the total fees is collected by the College, I do not think that the respondent Bank has got any role to say as to which fees could come under

the purview of educational loan and which fees will not come under the purview of such loan, especially when the entire fee structure as stated above is issued by the College. The attitude of the respondent bank only shows their pedantic approach instead of looking into the issue in a pragmatic manner, more particularly, when the issue involved is in respect of educational loan sought by a poor student. This Court has time and again has repeatedly held in very many cases that the Financial Institutions should lend a helping hand to the needy students without finding some technical objections to reject the request for educational loan. The bank should always find out ways and means to extend the financial assistance to the needy student instead of looking for a reason as to how such request could be denied. After all, they are not doing any charity and on the other hand, they are only lending the loan to recover the same with interest from the student after completion of the course. Therefore, I find that the contention of the respondent Bank, in all aspects as discussed supra, are liable to be rejected. Accordingly, the writ petition is allowed and the respondent Bank is directed to disburse the educational loan to the petitioner after obtaining necessary undertaking if any warranted, and other required documents from the petitioner. Such exercise shall be done by the respondent Bank within a period of two weeks from the date of receipt of a copy of this order. No costs.

Sd/-
Assistant Registrar(Co)

//True Copy//

Sub Assistant Registrar

To

1. The General Manager,
State Bank of India,
Iyyapanthangal RACPC Branch,
Chennai - 56.

2. The Branch Manager,
State Bank of India,
Thiruvottiyur Branch,
Chennai - 19.

+1cc to Mr.Dhananjeyan, Advocate SR.No.86015
+1cc to Mr.K.Sasidaran, Advocate SR.No.85967

W.P.No.16023 of 2017

MG(CO)
sm:7.12.2017