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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 02.08.2018

CORAM:

THE HONOURABLE MR.JUSTICE M.S.RAMESH

W.P. (MD) No.20759 of 2017

S.Kandasamy

... Petitioner

vs.

The Branch Manager,
State Bank of India,
Keezhanatham,
K.T.C.Nagar,
Palayamkottai Taluk,
Thirunelveli.

... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Mandamus, directing the respondent to sanction the full amount of tuition fee and hostel fee viz-Rs.2,41,,200/-(Two lakhs forty one Thousand and Two Hundred Only) for the B.S.C Forestry course pursued by the petitioner's Daughter namely K.Subalakshmi, as Educational loan for the Academic Years 2016-2020 within the time stipulated by this Court.

For Petitioner : Mr.R.RajeshKumar

For Respondent : Mr.H.Arumugam

O R D E R

The petitioner's request for sanction of educational loan for his daughter namely K.Subalakshmi, for the B.S.C. Forestry course for the academic year 2016-2020, has been kept pending, which prompted the petitioner to file the present writ petition.

2. Heard Mr.R.RajeshKumar, learned counsel for the petitioner and Mr.H.Arumugam, learned counsel for the respondent.

3. The respondent herein filed a counter affidavit. The main objection raised therein is that the petitioner had not submitted any loan application through Vidyalaksshmi Portal for the academic year 2016-2017. Hence, they were unable to process the said application. In sofar as, the remaining years are concerned, according to the respondent, the fees structure was not in



conformity under the recommendations of the Hon'ble Mr. Justice N.V.Balasubramaniam Fee Committee. As such, the learned Standing Counsel for the respondent expressed their inability to process the petitioner's application.

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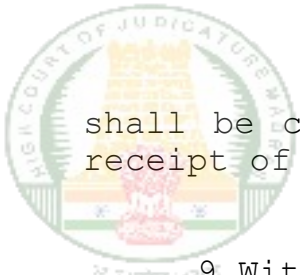
4. I am unable to accept the reasons given by the respondent in refusing to process the petitioner's application. Insofar as the first year is concerned, admittedly though the respondent did not process the application initially, subsequently based on the petitioner's representation, they had scrutinized the application. As such, it can only be construed that the respondent Bank had ratified the discrepancy. Nevertheless, the learned counsel for the petitioner submitted that they are not insisting for the educational loan for the academic year 2016-2017.

5. Insofar as the educational loan for the remaining academic years 2017 to 2020 is concerned, the reasoning that the fees structure is not in conformity with the Hon'ble Mr. Justice N.V.Balasubramaniam Fee Committee's recommendations cannot be accepted as a reason, since no such guidelines are found in the scheme. The scheme of educational loan is framed under Indian Bank's Association recommendations, pursuant to the RBI's guidelines. The object of the scheme is to assist meritorious and financially weak students to pursue their education. It is this noble object that the scheme came to be framed. The guidelines specified therein are also beneficial guidelines framed to support such students.

6. Though the IBA recommendations enable the Banks to frame their own norms, such norms cannot be decided with conditions that are outside the purview of the general guidelines and recommendations of the Reserve Bank of India as well as the IBA respectively.

7. In the instant case, quoting the fee structure to be over and above the fees recommended by the Hon'ble Mr. Justice N.V.Balasubramaniam Fee committee is not a guideline found recommended by the IBA. As such quoting of the fees structure to be exorbitant can only be termed to be illegal and not in conformity with the guidelines. In view of the same, the petitioner would be entitled for sanction of the educational loan, since no other reason has been cited by the respondent for non consideration of his daughter's educational loan application.

8. In the light of the above observation, there shall be a direction to the first respondent herein to sanction the entire fees including hostel fees to the petitioner's daughter namely A.Subalakshmi for the academic years 2017 to 2020. Such an exercise



shall be completed within a period of four weeks from the date of receipt of a copy of this order.

9. With the above direction, this writ petition is disposed of.
No costs.

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Sd/-
Assistant Registrar (RTI)

/True Copy/

Sub Assistant Registrar

das

+1cc to Mr.R.Rajesh kumar, Advocate in SR No.76862
+1cc to H.Arumugam, Advocate in SR No.77142

W.P. (MD) No.20759 of 2017

NM/RP/SAR 4/20.09.18/3P/3C