BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 20.02.2018

Coram

THE HON'BLE MR.JUSTICE **V.BHARATHIDASAN**

Writ Petition (MD)No.22496 of 2017

R.Yogeswaran ... Petitioner

-Vs-

The Branch Manager,
United Bank of India,
Nattarasankottai Branch,
Sivagangai District. ... Respondent

Prayer: Writ Petition is filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus call for the records pertaining to the impugned order of the respondent, dated 12.12.2016 and consequently directing the respondent to sanction the Educational Loan of Rs.4,80,000/- as per the expenditure certificate issued by the College to petitioner for his B.E.Mechanical Course within the stipulated period.

For petitioner :Mr.R.Aravindraj
For Respondent :Mr.H.Arumugam
Standing Counsel for respondent

ORDER

The petitioner has filed this writ petition to issue a Writ of Certiorarified Mandamus call for the records pertaining to the impugned order of the respondent, dated 12.12.2016 and consequently directing the respondent to sanction the Educational Loan of Rs.4,80,000/- as per the expenditure certificate issued by the College to petitioner for his B.E.Mechanical Course within the stipulated period.

2.According to the petitioner, he got admission in the B.E. Mechanical Engineering Course in Panimalar Engineering College, Poonamallee, Chennai, in the academic year 2016-2017, it is a four years course. Since the petitioner's father is a daily wager, he was not in a position to arrange the college fee and other fees. In the above circumstances, the petitioner applied for Educational loan to the respondent bank. Now, the respondent bank rejected the petitioner's application on the ground that, the marks obtained by the petitioner is below the threshold of 50% as per the Educational Loan Scheme, challenging the above order, petition preferred the present writ petition.

3.The learned counsel appearing for the petitioner submitted that the respondent cannot reject the application on the basis of marks obtained by the petitioner in qualifying examinations. In similar occasion, this Court in W.P.(MD). No.14490 of 2011, has passed orders on 02.01.2013 stating that the bank cannot deny the Educational loan on the ground that the petitioner obtained marks less than the threshold mark of 50%. If the above order become final against the respondent bank, in that circumstances the respondent bank cannot deny the Educational loan to the petitioner.

4.On the other hand, the learned counsel appearing for the respondent submitted that the respondent bank sanctioned the Educational loan only based on the guidelines laid down in UEL Master Circular No.RBD/USEL/24/OM-0280/13-14, dated 03.08.2013. As per the guidelines, the candidates who possess the marks below 50% are not eligible for Educational loan and this Court also held that the guidelines issued by the above circular is binding in nature in another occasion. In that circumstances, the respondent bank passed an order refusing the Educational loan.

5.The learned counsel appearing for the petitioner submitted that the above issue has already been decided against the respondent bank in W.P.(MD).No.14490 of 2011, dated 02.01.2013, wherein this Court has held that the bank cannot deny the Education loan based on the marks obtained by the petitioner in the qualifying examinations, and produced the copy of the order of this Court. The relevant portion of the Order is as follows:

13."On the aforesaid circumstances, the respondent cannot have any arbitrary parameters by way of score sheet for Education Loan and Scheme and state that the petitioner has secured only 38 marks, less than the threshold score of 50 marks, as per the illegal and arbitrary method. The score sheet of Education Loan and Scheme annexed in the circular of the respondent, dated 21.11.2011 has no rationale or legal basis.

14.Considering the score sheet of Education Loan and Scheme and the marks awarded in various heads by the respondent, I am of the view that it is totally an arbitrary method adopted by the respondent. The respondent cannot say that the petitioner has secured only 38 marks, though he factually has obtained 78 % of marks in the SSLC public examination. The method of calculation adopted by the respondent would be against the object of the welfare legislation and policy of the Government of India in providing financial assistance to meritorious poor students, who want to pursue their higher education or to do any recognized Diploma Course. The respondent has no authority to have any unreasonable *yardstick, so as to defeat and give a go-by to the legislative mandate and the order of the Government.”*

According to the petitioner, the order was not challenged by the bank and it is being a final it binding on the bank, hence, the respondent bank cannot deny the Education Loan on that ground. The above said contention was not disputed by the learned counsel appearing for the respondent bank.

6.In the circumstances, as this Court has already decided the issue against the respondent, the respondent bank cannot rejected the petitioner's application on the ground that the petitioner has obtained less than 50% mark. Hence the impugned order passed by the bank is liable to be set aside and the respondent bank is directed to consider the application and grant Education Loan as requested by the petitioner within a period of four weeks from the date of receipt of the copy of this order.

7.With the above direction this petition is disposed off. No costs.

Sd/-
Assistant Registrar(T&P)

/True Copy/

Sub Assistant Registrar

To

The Branch Manager,
United Bank of India,
Nattarasankottai Branch,
Sivagangai District.

+1cc to Mr.R.Aravindraj, Advocate Sr.No.50099
+1cc to Mr.H.Arumugam, Advocate Sr.No.50033

TM

VB/SKN/RSK/SAR2/15/03/2018/3P/4C

W.P.(MD).No.22496 of 2017
20.02.2018