

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.03.2020

CORAM:

THE HONOURABLE Mr. JUSTICE N. ANAND VENKATESH

W.P.No.31344 of 2018

and

W.M.P.Nos.36535 & 36536 of 2018

R.Senthilkumar M/A 40,
Chairman,
Rajiv Gandhi Educational Charitable Trust,
Educational Agency of Raasi Polytechnic College,
S/o.Ramamoorthi
Door No.50, Thiyagi Kumaran Nagar,
Papanaickanpalayam,
Coimbatore.Petitioners

-Vs-

- 1.The Director,
Adi Dravidar Welfar Office,
Ezhilagam, Chennai - 600 005.
- 2.Mr.L.Sengottaiyan
- 3.The Lakshmi Vilas Bank,
Rasipuram Branch, Represented through its Branch Manager,
48-E, Kavarai Street, Rasipuram - 637 408.

(R3 impleaded as per Order dated 13.01.2020 made in
WMP.No.19401/2019 in WP.No.31344/2018 by PDAJ)

...Respondents

Prayer : Writ Petition filed under Article 226 of the
Constitution of India praying to issue a Writ of Certiorarified
Mandamus calling for the records of the 1st respondent relating
to his impugned order proceedings No.Na.Ka.No. L1/1799/2017
dated 30.10.2018 quash the same and direct the 1st respondent
herein to disbursement of the scholarship amount to the students
belongs to SC/ST category who are studying in the petitioner
college for the year 2016-2017.

For Petitioner : Mr.V.Arunagiri
For Respondents : Mrs.V.Annalakshmi,
Government Advocate for R1
Mr.S.Senthil for R2
Mr.Arun Babu for R3

O R D E R

This writ petition has been filed challenging the proceedings of the first respondent dated 13.10.2018 and for a consequential direction to the first respondent to disburse the scholarship amount to the students belonging to SC/ST category and who are studying in the petitioner college.

2. The case of the petitioner is that Rajiv Gandhi Educational Charitable Trust is running a college in which students belonging to SC / ST Category are admitted on scholarship, which is aided by the Government of Tamil Nadu through the Adidraavidar Welfare Department.

3. Disbursement of the scholarship amount to the petitioner college was withheld on the basis of the objections made by the second respondent. Consequently, the impugned proceedings came to be passed by the first respondent on 30.10.2018, withholding the payment of the scholarship amount till the dispute is resolved between the petitioner and the second respondent. This Court passed the following order on 18.03.2019:

"Though the matter relates to the scholarship for the SC/ST students and the authorities have also sanctioned the amount and it is appropriation of the same, which has to be decided. Admittedly, there are civil disputes between the petitioner and the second respondent. If the said disputes are resolved amicably between the parties, it would be better for smooth running of educational institution at the interest of the trust, which is an Educational Agency.

2. With the consent of learned counsel appearing on both sides, the matter is referred to the Tamil Nadu Mediation and Conciliation Centre, High Court, Madras.

3.The Registry is directed to place this matter before the Mediation Centre on 25.03.2019 and the mediation report shall be placed before this Court on 12.04.2019."

4. Pursuant to the above order, the parties were referred to the Mediation and Conciliation Centre and the parties came to a compromise, the parties filed a joint memo of compromise before this Court on 25.02.2020 which is extracted hereunder:

"1. 1st respondent had stopped the payment of scholarship of SC/ST students of the Raasi Polytechnic College just because of the objection raised by the 2nd respondent.

2. Now the 3rd respondent had impleaded to claim the money due to the petitioner from the 1st respondent, if the money is paid to the 3rd respondent by the 1st respondent it will reduce the loan amount only. So, the petitioner and the 2nd respondent do not have any objection in payment of the scholarship amount due to the petitioner by the 1st respondent.

So, the Hon'ble High Court may be pleased issue direction to the 1st respondent to pay the scholarship amount to the 3rd respondent and to adjust the same in the Loan account and thus render justice."

5. During the pendency of this writ petition, the third respondent namely the Lakshmi Vilas Bank impleaded itself as a party on the ground that the petitioner has to pay a huge amount towards repayment of the loan and therefore, any amount that is due and payable to the petitioner can be directly paid to the petitioner. The second respondent has given no objection even for this request made by the Bank. The same is clear from the joint memo that was filed before this Court on 25.02.2020.

6. The matter, thereafter, came up on 05.03.2020 and the following order was passed by this Court:

"A Joint Memo, dated 25.02.2020 has been filed the petitioner and the second respondent.

2.The first respondent stopped paying the scholarship amount to the students of the petitioner institution, only on the objections made by the second respondent. Now, the petitioner and the second respondent have come to an understanding.

3.In the meantime, the Lakshmi Vilas Bank impleaded itself as one of the respondents in the present writ petition, on the ground that the petitioner institution has not repaid the loan amount. Therefore, whatever has to be paid by the first respondent can be directly paid to the Lakshmi Vilas Bank towards the amount due and payable.

4.The learned counsel for the petitioner submitted that the petitioner has no objection in the first respondent paying the amount to the Lakshmi Vilas Bank.

5.The learned Government Advocate appearing for the first respondent seeks time to take instructions in this regard.

Post the case under the caption 'for orders' on 10.03.2020."

7. Mrs.V.Annalakshmi, learned Government Advocate appearing on behalf of the first respondent submitted that there are some pending proceedings between the parties and till the same is disposed of, it will be difficult for the first respondent to disburse the scholarship amount to the petitioner. The learned Government Advocate also brought to the notice of this Court that a total sum of Rs.1,02,60,700/- is due and payable to the petitioner towards the scholarship amount.

8. The learned counsel appearing on behalf of the second respondent submitted that the above said amount can be directly paid to the Bank. It was further contended that the amounts payable in future can be paid directly to the institution. The learned counsel further submitted that this order can be passed without prejudice to the right of the second respondent to proceed further with the suits that have been filed before the Civil Courts.

9. The learned counsel appearing for the third respondent Bank submitted that the first respondent can be directed to transfer the entire amount to the third respondent / Bank and the same will be adjusted towards the loan amount that is due and payable by the petitioner to the third respondent Bank.

10. In view of the above, this writ petition is disposed of with the following directions:

(i) The first respondent is directed to transfer the entire amount of a sum of Rs.1,02,60,700/-, directly to the third respondent Bank.

(ii) The third respondent shall receive the same towards the loan account of the petitioner and adjust the amount from the total amount due and payable by the petitioner to the third respondent Bank.

(iii) The first respondent shall continue to pay the scholarship amounts in future directly to the petitioner Institution.

(iv) The second respondent is at liberty to proceed further with the suits filed before the Competent Courts and the order passed in the present writ petition will not have any bearing on the rights of the second respondent to proceed further in accordance with law.

11. Accordingly, writ petition stands disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

Sd/-

Assistant Registrar(CS III)

//True Copy//

Sub Assistant Registrar

Pns

To

- 1.The Director,
Adi Dravidar Welfar Office,
Ezhilagam, Chennai - 600 005.
- 2.The Lakshmi Vilas Bank,
Rasipuram Branch, Represented through its Branch Manager,
48-E, Kavarai Street, Rasipuram - 637 408.

+1cc to the Government Pleader, S.R.No.24104
+1cc to Mr.S.Senthil Kumar, Advocate, S.R.No.23600
+1cc to Mr.A.Arunbabu, Advocate, S.R.No.23544
+1cc to Mr.K.Ashok Kumar, Advocate, S.R.No.23554

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RLD(CO)
KKV/24/07/2020