



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 12.08.2021

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THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

W.P(MD)No.14096 of 2021

WEB COPY

Sreeman G.Ayyakonar Educational Trust,
through its Managing Trustee / President,
A.Palkannan,
No.42, Kalangaperi,
Rajapalayam Taluk,
Virudhunagar District.

... Petitioner

Vs.

1.The General Manager (MSME),
Indian Bank Corporate Office,
No.254-260, Avvaishanmugam Salai,
Royapettai,
Chennai - 14.

2.The Zonal Manager,
Indian Bank
No.34/3, Church First Street,
J.R.C.Scan Complex 1st Floor,
Karaikudi,
Sivagangai District.

3.The Branch Manager,
Indian Bank
Rajapalayam Branch,
No.285, Tenkasi Road,
Rajapalayam Town,
Virudhunagar District.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, directing the third respondent to sanction IND-MSE Covid Emergency loan to the petitioner trust namely, Sreeman Ayyakonar Educational Trust, so as to enable the petitioner trust to meet out their day to day expenses of the School namely, Sree Ayyan Kendra Vidyalaya International School at Kalangaperi within a stipulated period

For Petitioner : Mr.M.Thirunavukkarasu

ORDER

The petitioner seeks a direction to the Indian Bank, Rajapalayam Branch to sanction IND-MSE Covid Emergency loan to the petitioner.



2. In view of the nature of the order, notice to the respondents has been dispensed with.

3. The petitioner states that it availed of two term loans from the Indian Bank and was servicing such loans promptly until the petitioner was impacted adversely by the COVID-19 pandemic.

3. In these circumstances, the petitioner requested the bank to sanction an IND-MSE Covid Emergency loan to the petitioner in terms of the bank's proceedings dated 24.03.2020. According to the petitioner, the petitioner is fully qualified for such loan.

4. The aforesaid Covid emergency loan is subject to guidelines and standard operating procedures which are annexed to the communication dated 24.03.2020. As a public sector bank, the bank is under an obligation to apply a scheme for grant of such Covid emergency loans in a non discriminatory manner by offering the same strictly in accordance with the terms and conditions of the governing scheme. The eligibility of an applicant for any loan, including such Covid emergency loan, is a matter entirely within the domain of the bank to decide upon because it is the bank which takes the hit in the event of default. Nonetheless, the petitioner refers to several letters issued to the bank requesting for the sanction of such loan.

5. It is stated that the bank has not responded to such request except to the limited extent to opening a Covid loan account. Therefore, the bank may be directed to reply to the petitioner and set out cogent reasons either for sanctioning such loan or for rejecting the same.

6. Accordingly, without going into the merits of the matter, the third respondent is directed to consider the petitioner's request for the sanction and disbursement of a Covid loan in terms of the bank's scheme by providing a reasoned communication in response to the petitioner's letter dated 29.07.2021. As indicated above, such reasoned decision should set out reasons for granting or refusing to grant such loan. Such reasoned decision should be communicated within a period of one (1) month from the date of receipt of a copy of this order.

7. Accordingly, W.P. (MD).No.14096 of 2021 is disposed of on these terms without any order as to costs.

Sd/-

Assistant Registrar (CS III)

// True Copy //

/ /2021

Sub Assistant Registrar (CS)



NOTE: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant concerned.

WEB COPY

To

1.The Branch Manager,
Indian Bank
Rajapalayam Branch,
No.285, Tenkasi Road,
Rajapalayam Town,
Virudhunagar District.

+1 CC to Mr.M.Thirunavukkarasu, Advocate (SR-26187[F] dated
12/08/2021)

**W.P(MD)No.14096 of 2021
12.08.2021**

MGJ(24.08.2021) 3P 3C