Ct. 05
Item No.13
01.04.2022
(suvendu)

WPA 5134 of 2022

Irina Mullick
Vs.
The State of West Bengal & Ors.

Ms. Irina Mullick
.....for the Petitioner (In Person)

Mr. Debashis Saha
Ms. Dipika Basu
.....for the SBI

Mr. Bhaskar Prasad Vaisya
Mr. Sagnik Chatterjee
.....for the State

Ms. Soni Ojha
Ms. S.B.Chatterjee
.....for the respondent no. 4

The Affidavit of Service is taken on record.

The writ petitioner, appearing in person, is a 3rd Year Law Student who is presently in financial distress. The petitioner has two more years to complete her five-year Law Course 2019-2024. The petitioner seeks to avail of a Educational Loan under The Student Credit Card Scheme floated by the State Government for continuing with her undergraduate studies in the concerned Law School.

The petitioner applied for a loan of Rs. 2,50,000/- from the State Bank of India in 2019. The petitioner is aggrieved by the rejection of her loan application by a letter of SBI dated 17th

March, 2022. The ground for rejection is the low CIBIL score of the petitioner's father, Mr. Imamul Hasan Mullik. CIBIL is a measure of the credit-worthiness of an applicant.

Learned counsel appearing for the SBI submits that the petitioner's father was the co-borrower of the loan and the Bank was compelled to reject the loan on account of the low CIBIL score of the petitioner's father. Counsel submits that the petitioner was subsequently unable to apply for the loan with her mother as a co-borrower since the concerned portal did not allow for a second-time application.

Learned counsel appearing for Transunion CIBIL submits that the low score is based on the information from various member-Banks and that the petitioner's father had an overdue amount of Rs. 2,73,571/- as of 28th February, 2022.

Learned counsel appearing for the State furnishes alternative email IDs which would allow the petitioner to avail of the loan with her mother as the co-borrower.

The facts in the case revolve around the West Bengal Student Credit Card Scheme as notified on 30th June, 2021. The said Scheme was framed by the State Higher Education Department

for providing Credit Cards to students for pursuing higher education.

Rule 8(b) of the Scheme provides that "The Banks will not insist on any security/collateral security in tangible/intangible form other than co-obligation of the parents/Legal guardians" and that the State Government will enter into an agreement with the banks separately in this regard.

The SBI relied on these Rules and the low CIBIL score of the petitioner's father for rejecting the petitioner's loan application.

The purpose of an Educational Loan as framed by the Scheme, is to give needy students a chance to pursue their education despite financial challenges. The Scheme or Policy should hence be geared to take into account financial contingencies faced by students and facilitate granting of the loan on easy terms.

The West Bengal Students Credit Card Scheme seeks precisely to address this issue which would be evident from the object of the Scheme which is to facilitate the availability of necessary funds for higher studies. The State Government proposes to support the students by providing them with Credit Cards needed to fund their studies.

There are a few areas which the State Government should forthwith address to make the Scheme more effective and true to its object.

First, the complaint with regard to the portal being inoperative for a second-time application is inconsistent with the Scheme which should be user friendly.

Second, there are several inconsistencies in the Scheme with regard to the right of a student to avail of the loan either in his/her personal capacity or with the parent as a co-borrower. The inconsistencies would be evident from Rules 6, 8 and 13 of the Scheme. For instance, what happens if a student does not have a parent to act as a co-borrower? Would an orphan or a destitute be excluded from the Scheme?

The Banks should also consider low-risk areas, such as the present case, where the loan amount is only Rs. 2,50,000/-. The requirement of the financial cover should be commensurate to the amount of the loan.

The State Government is thus requested to ensure that no student who is in need of money, is forced to sacrifice his/her education or future career aspirations for want of timely financial intervention.

The petitioner has only managed to pay for the 1st Semester and the substantial amount remains outstanding to the College for the last two years. The petitioner shall hence be at liberty of availing of the alternative email IDs provided by counsel for the State and make the necessary application for the Educational Loan under the Scheme.

The SBI is directed to process the loan within two weeks from the date the application made by the petitioner. The SBI shall also provide necessary assistance to the petitioner in this regard.

Needless to say, the loan application shall be processed under the relevant Rules. The Bank shall be at liberty of seeking clarification from the Higher Educational Department of the State if the need arises.

WPA 5134 of 2022 is disposed of in terms of the above.

Urgent photostat certified copy of this order, if applied for, be given to the parties on usual undertakings.

(**Moushumi Bhattacharya, J.**)