



W.P.No.19691 of 2017

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.10.2022

CORAM:

THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

W.P.No.19691 of 2017
and W.M.P.No.21243 of 2017

E.Mathivanan

.. Petitioner

Vs.

1. The Regional Manager,
Central Bank of India,
Zonal Office, No.48/49,
Monteith Road, Egmore,
Chennai - 600008.
2. The Chairman,
Central Bank of India,
Zonal Office, No.48/49,
Monteith Road, Egmore,
Chennai - 600 008.
3. The Branch Manager,
Central Bank of India,
Avadi Branch, Chennai - 54.
4. The Ombudsman
C/o Reserve Bank of India,
Fort Glacis, Chennai - 600001.
5. The Chairman,
National Commission for Scheduled Caste,
5th Floor, Lok Nayak Bhavan,
Khan Market, New Delhi - 110003.



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6. The Assistant Director of Scheduled Caste,
National Commission for Scheduled Caste,
II Floor, Block - 5, Shastri Bhavan,
Chennai - 6.

7. The Secretary to Government,
Adi-Dravida Welfare Department,
Secretariat, Chennai - 9.

.. Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India seeking a Writ of Certiorarified Mandamus calling for the records in respect of the impugned order in letter RO/CHEN/RB/2017-18, dated 12.07.2017 issued by the third respondent and quash the same and direct the third respondent to consider the representation letter dated 14.06.2017.

For Petitioner	:	Mr.Parigopal
For Respondents 1 to 3	:	Mr.M.L.Ganesh
For Respondent 4	:	Mr.C.Mohan for M/s.King & Patridge
For Respondents 5 & 6	:	Mr.A.Veeramani CGSC
For Respondent 7	:	Mr.M.Muthusamy Government Advocate

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ORDER

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This writ petition has been filed challenging the order dated 12.07.2017 passed by the third respondent recovering the education loan interest subsidy amount of Rs.40,517/- from the petitioner's daughter.

2. It is the case of the writ petitioner that the writ petitioner's daughter joined medical course in the year 2010. The petitioner availed educational loan of Rs.7,50,000/- on behalf of his daughter from the third respondent bank. The petitioner's daughter completed the course in the year 2016 and the petitioner also retired from service on 31.01.2014 from the Southern Railways.

3. It is the contention of the petitioner that there was a scheme introduced by the Central Government where the subsidy of interest has been provided to Scheduled Caste and Scheduled Tribes students. However, the same has not been indicated properly by the third respondent bank. Therefore, the subsidy amount once credited has been debited thereafter. Hence, seeking to quash the same, the present writ petition has been filed.



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4. Counter has been filed by the respondents 1 to 3. It is contended that the petitioner while in service never claimed any subsidy as per the scheme. The scheme is applicable only to the income group of below Rs.4,50,000/-. At the relevant point of time the petitioner's income was more than Rs.4,50,000/-. However, after retirement, he claimed subsidy and it is contended that the petitioner submitted representation dated 20.03.2017 only on 26.05.2017 i.e. after the closure of the window for submission of the pending claims pertaining to the SC/ST candidates. The circular issued by the IBA indicated that the claims pertaining to the SC/ST candidates only for the eligible left out cases for the years from 2009-10 to 2015-16 and the portal was open for a short period as per the circular.

5. Whereas the representation of the petitioner was received after closure of the window for submission of the pending claims pertaining to the SC/ST candidates and hence the third respondent bank cannot upload the representation of the petitioner after the due date announced by the Government to claim reimbursement. Since the third respondent bank has wrongly claimed and credited education loan subsidy amount in the educational loan account to the tune of Rs.40,517/- representing the period of 30.01.2013 to 22.08.2013, it has been recovered from the petitioner's account.



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WEB COPY 6. It is the contention of the learned counsel appearing for the petitioner that the bank has not informed properly the scheme available to the SC/ST candidates with regard to interest subsidy. If the petitioner has been properly informed, he would have applied earlier, but whereas, the bank has not informed properly. Therefore, the recovery of Rs.40,517/- is not correct.

7. The learned counsel appearing for the respondents 1 to 3 submitted that as long as the petitioner was in service his income was above Rs.4,50,000/- and therefore the petitioner has not made any representation and only after his retirement in the year 2014, he made a representation that to after the web portal was closed. According to him, as the portal has been closed, bank cannot pay any amount since the subsidy is given only by the Central Government and not from the bank's money. Hence he prays for dismissal of the writ petition.

8. I have heard the learned counsel on either side and also perused the records carefully.



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9. A perusal of the circular indicate that the bank has been advised to open the interest subsidy portal from 01.08.2016 to 31.10.2016 for primary claims of interest subsidy on Educational Loan for Financial Year 2015-16. When the bank was advised to open the portal for a fixed time, and the petitioner has given representation at a later point, after the closure of the portal, the bank cannot be blamed for non payment of subsidy. The subsidy scheme has been introduced by the Central Government and the interest subsidy is paid by the Government. When there was fixed time for opening and closure of portal, the claim ought to have been made within that particular period. On the contrary, the petitioner sent the representation on 26.05.2017 that to after the closure of the portal. Thus, the petitioner being aware of the scheme has not claimed it when his income is above Rs.4,50,000/- while he was in service and later on after his retirement, he claimed that to belatedly.

10. Such view of the matter, this Court is of the view that as the interest subsidy is provided by the Central Government and now the bank cannot be directed to pay the amount. Accordingly this writ petition is liable to be dismissed, however it is open to the petitioner to approach the bank for



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interest reduction in the pending loan with the bank and the bank is also

directed to consider the petitioner's case sympathetically and grant some

reduction of interest. With the above direction this writ petition is dismissed.

Consequently, the connected miscellaneous petition is closed. No costs.

13.10.2022

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To

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N.SATHISH KUMAR, J.

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