



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 08.06.2022

CORAM

THE HON'BLE MR.JUSTICE R.VIJAYAKUMAR

W.P. (MD) .No.12698 of 2011

R.Arulappan

... Petitioner

Vs.

1. The Senior Manager,
Canara Bank,
Arulanandha Nagar Branch,
46, Nanji Kottai Road,
Tanjavur - 613 001.
2. The Assistant General Manager,
Circle Office, Canara Bank,
Tiruchirappalli District.
3. The General Manager (in-charge),
District Industries Centre,
Thanjavur.
4. The District Collector,
Thanjavur District, Thanjavur.

... Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records of the first respondent passed in Proceedings Ref.No.112/prr 30/2011 dated 12.09.2011 and quash the same and directing the first respondent to disburse Rs.9,00,000/- to the petitioner as sanctioned by the first respondent on 12.05.2011 under the Prime Minister's Employment Generation Programme for the year 2010-2011.

For Petitioner : Mr.T.M.Madasamy

For R-1 & R-2 : No appearance

For R-3 & R-4 : Mr.D.Sasikumar
Additional Government Pleader



ORDER

The Writ Petition has been filed challenging an order passed by the first respondent Bank, under which the loan that was already sanctioned was cancelled by the Bank.

2. According to the learned counsel for the petitioner he had applied for the loan for starting Tyre re-treading business under Prime Minister's Employment Generation Programme. According to the learned counsel for the petitioner, the loan was sanctioned on 02.09.2011. However under the impugned order, dated 12.09.2011, the Bank has cancelled the said sanction order on the ground that the business is not economically viable. I find that the consideration of loan application by the Bank and the grant of loan is within the complete discretion of the respondent Bank depending upon various factual circumstances. As a matter of right, the petitioner cannot seek a Mandamus to direct the Bank to sanction a loan. When the petitioner has no legal right, the question of issuing a Mandamus to the Bank for sanction of the said loan or disbursal of the said amount cannot arise.

3. However, considering the facts and circumstances of the case and also the submissions made by the learned counsel for the petitioner that the petitioner is still continuing the said business, this Court is inclined to pass the following order:

- i) The petitioner is at liberty to approach the Bank with a fresh application for sanction of loan.
- ii) First respondent, the Bank is at liberty to consider the same as per the existing scheme following the formalities.

4. With the above said observations, the writ petition is disposed of. No costs.

Sd/-

Assistant Registrar (As)

// True Copy //

/ /2022

Sub Assistant Registrar(CS)

jbr

To

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MGJ(21.06.2022) 3P 5C