



W.P.(MD).No.11523 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 12.06.2023

CORAM:

THE HONOURABLE MR.JUSTICE C.V. KARTHIKEYAN

W.P.(MD).No.11523 of 2023

K.Sudalaikannu

... Petitioner

Vs.

**The Branch Manager,
UCO Bank,
Karungulam Branch,
Thoothukudi District.**

...Respondents

PRAYER : Writ Petition is filed under Article 226 of the Constitution of India to issue a Writ of Mandamus, directing the respondents to grant Educational Loan amount of Rs.4,73,467/- (Rupees Four Lakhs Seventy Three Thousand Four Hundred and Sixty Seven only) to the petitioner studying 1st year LLB(Hons) Course in the academic year 2023-2025 at Aarupadai Veedu Institute of Law, Aarupadai Veedu Institute of Technology Campus, Vinayaga Nagar, Rajiv Gandhi Salai, Paiyanoor, Chengalpattu District, by processing the petitioner's Educational Loan Application ID No.1869401 dated 27.12.2022.

For Petitioner : Mr.M.Anbarasi

For Respondent : Mr.A.V.Suresh Kumar



W.P.(MD).No.11523 of 2023

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ORDER

This Writ Petition has been filed in the nature of Mandamus seeking a direction to the respondents to grant educational loan amount of Rs.4,73,467/- (Rupees Four Lakhs Seventy Three Thousand Four Hundred and Sixty Seven only) to the petitioner, who is studying 1st year LLB(Hons) Course, in the academic year 2023-2025 at Aarupadai Veedu Institute of Law, Aarupadai Veedu Institute of Technology Campus, Vinayaga Nagar, Rajiv Gandhi Salai, Paiyanoor, Chengalpattu District, by processing his Educational Loan Application ID No.1869401 dated 27.12.2022.

2. The petitioner has made an application for educational loan on 27.12.2022.

3. In the affidavit filed in support of this petition, the petitioner claimed that he belongs to MBC (Maravar Community) and he has completed Bachelor Degree in B.Sc (Electornics) and he got admission in LLB (Hons) Course and now is studying 1st year in the said College.



W.P.(MD).No.11523 of 2023

He sought for loan by giving an application. It is stated that he had obtained seat for LLB(Hons) Course through management quota and the guideline of the Reserve Bank of India is very clear that the educational loan upto Rs.4 Lakhs may be granted without any collateral security and the students, who join the college through management quota, would also be treated on par with the candidates, who secure admission through Entrance test or recognized selection process

4. This has been given in the guidelines on educational loans updated upto 31.12.2020 for the respondent Bank. The relevant guideline is extracted hereunder:-

For candidates who have appeared in the entrance test or their names appear in the merit list but opted for management quota seats for admission in a specified college or course of his/her choice, will also be considered for educational loan and they will be treated at par with candidates securing admission through Entrance test or recognized selection process. However, fees as approved by the State Government/Government approved regulatory body for payment seats will be considered, subject to viability of repayment.



W.P.(MD).No.11523 of 2023

WEB COPY

5. In view of this particular fact and the fact that the further guideline of RBI for sanction of educational loan that for less than a sum of Rs.4,00,000/-, collateral security is not required, I would direct the respondent herein to act in accordance with their own guidelines and proceed to sanction the loan to the petitioner herein. The entire exercise must be completed within a period of eight weeks from the date of receipt of a copy of this order.

6. Though the application of the petitioner was rejected on the ground that the petitioner has joined the college through Management quota, the guidelines of the RBI reveal that the students, who join college through Management quota, will be treated on par with the other candidates, who secure admission through entrance test or recognised selection process. The petitioner may produce the records before the respondent Bank relating to the bonafide certificate and the payment of the first year fees, and provide an undertaking that he would repay the loan, on completion of studies.



W.P.(MD).No.11523 of 2023

7. With these directions, this Writ Petition stands disposed of.

There shall be no order as to costs.

12.06.2023

Index: Yes/No
Internet: Yes/No
ssb

To

The Branch Manager,
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W.P.(MD).No.11523 of 2023

C.V. KARTHIKEYAN, J.

ssb

W.P.(MD).No.11523 of 2023

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