



W.P(MD)No.1473 of 2015

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 16.03.2023

CORAM

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P(MD)No.1473 of 2015

V.Saravanan

.. Petitioner

Vs.

1.The District Collector,
Virudhunagar District,
Virudhunagar

2.The General Manager,
District Industries Centre,
Virudhunagar District.

3.The Chief Lead District Manager,
Virudhunagar District,
Indian Overseas Bank,
Lead Bank Office,
Virudhunagar -626 001
Virudhunagar District.

4. The Manager,
Indian Overseas Bank,
Rajapalayam II Branch,
732, Thenkasi Road,
Rajapalayam 626 117.

... Respondents

Prayer: Writ Petition is filed under Article 226 of the Constitution of India praying for the issuance of a writ of Manadamus directing the respondents to disburse the loan amount as per sanction intimation dated 08.08.2014 issued by the fourth respondent forthwith.

For Petitioner
For R1 & R2

: Mr.Madhusudhanan
: Mr.J.K.Jayaselan
Government Advocate (Civil)
: Mr.N.Dilip Kumar

For R3 & R4



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ORDER

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This Writ Petition is filed for issuance of mandamus directing the respondents to disburse the loan amount as per sanction intimation dated 08.08.2014 issued by the fourth respondent.

2. The petitioner has applied for a loan under 'NEED' scheme for setting up of electrical service and motor rewinding service industry at Rajapalayam and the petitioner was selected by the Task Force Committee chaired by District Collector on 25.07.2014 and the said Committee has recommended the project under 'NEED' scheme and also made a recommendation to the fourth respondent bank to sanction a loan for Rs.6 lakhs. Under the 'NEED' scheme, the Government provides a subsidy of 25% of the project cost and though the petitioner was selected by the Task Force committee and he was also recommended for the loan, the fourth respondent has not sanctioned the loan as recommended. Hence this Writ Petition.

3. This Writ Petition was filed in the year 2015 and on 08.03.2023, when the matter was taken up for hearing, it was informed before this Court that the learned counsel appearing for the petitioner is no more and therefore, this Court by order dated 13.02.2023 directed the Registry to issue notice to the petitioner.



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Notice was also served on the petitioner on 23.02.2023 and thereafter, the case was listed on 23.03.2023 and again listed today. The petitioner's name appears in the cause title but there is no representation for the petitioner.

4. The fourth respondent has filed a counter affidavit, wherein it is stated as follows:

“the petitioner herein had previously availed a small loan (Account No. 311400003) of Rs.1 lakh from our branch on 09.07.2014. Due to default the said loan account was classified as Non Performing Asset (NPA) on 31.10.2014. Therefore, his past conduct does not create confidence for the banker to extend further credit facility;

During the physical inspection conducted by the fourth respondent found that the petitioner is not residing in the service area of our branch. The verification of the other details and enquiries revealed that the project of the petitioner is not viable. Further the petitioner did not submit any lease or rental agreement to start the proposed business;

For loans coming under Government sponsored programme service area concept is adopted;

On the advice of the Regional Officer Madurai, the fourth respondent has returned the loan application of the petitioner to D.I.C (District Industries Centre), Virudhunagar”.



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5. The second respondent has also filed a counter affidavit which reads as follows:

'as per the modalities of the NEED scheme, the bank have to consider the project which is recommended by District Industries Centre, Virudhunagar as per the guidelines of bank for its viability and sanction of loan. The Bank Manager has returned the petitioner's application to the second respondent for the reason that the project is not viable'.

6. In view of the stand taken by the respondents 2 and 4, this Court is not inclined to entertain this Writ Petition. Accordingly, this Writ Petition is dismissed
No costs.

16.03.2023

Index : Yes/No
Internet: Yes/No
CM



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To,

1.The District Collector,
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2.The General Manager,
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B.PUGALENDHI. J.,

CM

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