



WP(MD)No.2174 of 2016

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED : 27.02.2023

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

WP(MD)No.2174 of 2016
and
WMP(MD)No.1890 of 2016

S.Nandeeskumar

... Petitioner

v.

1.The District Collector,
District Collector Campus,
Madurai District – 625 020.

2.The District Manager,
Office of the Manager,
Tamil Nadu Adi Dravidar Housing and
Development Corporation Ltd.,
TAHDCO Office,
Madurai.

3.The Branch Manager,
Syndicate Bank,
Melur Branch,
Melur, Madurai.

... Respondents

Writ Petition filed under Article 226 of the Constitution of India
seeking issuance of a Writ of Certiorarified Mandamus calling for the records



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relating to the impugned rejection of proposals dated 09.11.2015 issued by the third respondent in Circular No.301-2015-BC-RMD-16/20-07-2015 and quash the same as illegal and consequently, directing the third respondent to sanction loan to the petitioner under Self Employment Programme for Youth Scheme within a stipulated time limit.

For Petitioner : Mr.S.Shankar

For Respondents : Mr.T.Vilavan Kothai,
Additional Government Pleader
for R.1, R.2

Mr.M.Muthukumaran for R.3

ORDER

The petitioner is working as a Driver in '108 Ambulance Service'. He has applied for a loan under TAHDCO Scheme. The second respondent, after interviewing the petitioner, has selected him under the Scheme and also recommended to the third respondent Bank to provide loan to the petitioner, by communication dated 04.03.2015. However, the petitioner was not provided with the loan and the proposal was rejected by the third respondent Bank on 09.11.2015. Aggrieved over such rejection, the petitioner has moved the instant writ petition.



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2.Learned Counsel for the petitioner submitted that the third respondent has rejected the petitioner's application stating that the petitioner is having a bad credit history. He disputed the same and contended that the petitioner has availed only one loan for purchasing a two wheeler and has also closed the same as early as on 11.11.2021. He has also relied upon the No Objection Certificate issued by the HeroFinCorp in this regard.

3.Learned Counsel for the third respondent Bank, by relying upon the counter affidavit, submitted that the petitioner's past credit history with other financial institutions were shown as 'written off' having bad credit history. As per the bank's guidelines, any amount in pursuant to the loan can be disbursed only after confirmation and sanction order passed by the second respondent. Therefore, the petitioner's past credit history has been reported to the second respondent.

4.This Court paid it's anxious consideration to the rival submissions and also to the materials placed on record.



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5.The petitioner is a Driver and he has been recommended by the second respondent under the TAHDCO Scheme, as early as in the year 2015.

The third respondent has not considered the recommendation made by the second respondent stating that the petitioner is having bad credit history. However, the petitioner disputed the same and has also taken a specific stand that he has not taken any other loan, excepting the two wheeler loan, which was also closed. To that effect, the petitioner has relied upon the No Objection Certificate. On the other hand, the third respondent Bank has not substantiated their case that the petitioner is having a bad credit history.

6.In view of the above position, this writ petition stands allowed. The order impugned dated 09.11.2015 is hereby set aside. The third respondent Bank shall reconsider the petitioner's case and shall pass orders afresh. If there is any bad credit, as claimed, a detailed order in this regard may be passed, as expeditiously as possible. No costs. Consequently, connected miscellaneous petition stands closed.

Index : Yes / No
Internet : Yes / No
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B.PUGALENDHI, J.

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