



W.P(MD)No.6642 of 2019

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 02.12.2024

CORAM

THE HONOURABLE MR.JUSTICE G.K.ILANTHIRAIYAN

W.P(MD)No.6642 of 2019

S.Jeyaraj

... Petitioner

Vs

The Branch Manager,
State Bank of India,
Trichirappalli Zone,
Trichy – 1.

... Respondent

PRAYER: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorarified Mandamus, calling for the records relating to the impugned order in RASMECCC.TCY.HTL dated 02.05.2016 issued by the respondent and quash the same and consequently direct the respondent to waive the interest in the education loan account No.10848917473 availed for overseas education loan to the petitioner's son Jeyaraj Sureshkumar, as per the scheme provided by the Government of India, Ministry of Human Resource Development Department of Higher Education.

For Petitioner : Mr.B.Prasanna Vinoth

For Respondent : Mr.C.Karthik

ORDER



W.P(MD)No.6642 of 2019

This Writ Petition has been filed by the petitioner challenging the order passed by the respondent dated 02.05.2016 thereby rejecting the request made by the petitioner seeking subsidy in the interest portion for the moratorium period.

2.The petitioner's son Jeyaraj Sureshkumar borrowed an educational loan from the respondent to the tune of Rs.6,75,000/- to do his course in abroad on 17.11.2005. After completion of his education, he obtained a job and settled in London. At the time of sanctioning the loan, the interest was at 14.5% per annum. Though the petitioner paid nearly a sum of Rs.14 lakhs, still the respondent made the demand for further payment of Rs.1,09,384/-. Under the scheme introduced by the Government of India, the petitioner applied for a waiver of interest for the moratorium period. However, the said request was rejected by the respondent dated 02.05.2016 on the ground that the claim for offering interest subsidies came into effect from the year 2014-2015. Therefore, the petitioner is not entitled to get any benefit under the scheme.

3.The respondent filed a counter affidavit and on the submissions made by the learned counsel appearing for the



W.P(MD)No.6642 of 2019

respondent would reveal that the Central Scheme to provide Interest Subsidy for the period of moratorium on educational loans was introduced by the Government of India and its parameters are that the interest subsidy shall be linked with the existing Educational Loan Scheme of the Indian Banks' Association (IBA) and restricted to the students enrolled in recognized provisional courses in India in Educational Institutions established by Acts of Parliament, other institutions recognized by the concerned statutory bodies, Indian Institutes of Management and other institutions set up by the Central Government. Further, the scheme to provide interest subsidy in respect of educational loans is disbursed after 01.04.2009 under which, the Government took over the portion of interest for the duration of a period of study plus one year or six months after getting job, whichever is earlier.

4. Admittedly, the petitioner's son obtained an educational loan on 17.11.2005 ie., before the scheme dated 01.04.2009. Further, the petitioner's son studied in abroad and is now settled in abroad. The petitioner's son and the petitioner is being the co-borrower are not entitled for any waiver of interest subsidy. Hence, the request made by the petitioner was rightly



W.P(MD)No.6642 of 2019

rejected and this Court finds no infirmity or illegality in the order passed by the respondent, dated 02.05.2016. Hence, this Writ Petition is devoid of merits and the same is liable to be dismissed.

5. Accordingly, this Writ Petition is dismissed. There shall be no order as to costs.

02.12.2024

NCC : Yes / No
Index : Yes / No
Internet : Yes
ps

To

The Branch Manager,
State Bank of India,
Trichirappalli Zone,
Trichy – 1.



WEB COPY



W.P(MD)No.6642 of 2019

G.K.ILANTHIRAIYAN, J.

ps

Order made in
W.P(MD)No.6642 of 2019

02.12.2024