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G. Kumar Vs. the Zonal Manager, Punjab National Bank, Chennai and Another

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Court : Chennai

Decided On : Nov-28-2012

Judge : D. Hari Paranthaman

Appeal No. : W.P.No.12433 of 2012

Appellant : G. Kumar

Respondent : The Zonal Manager, Punjab National Bank, Chennai and Another

Advocate for Pet/Ap. : For the Petitioner: S. Kumaresan, Advocate. For the Respondents: M.L. Ganesh, Advocate.

Judgement :

(**Prayer:** Writ Petition filed under Article 226 of Constitution of India praying to issue Writ of mandamus as stated therein.)

1. The petitioner seeks for issuance of a writ of mandamus to direct the respondents to issue educational loan application and to grant educational loan to the petitioner's son, namely, K.Siva without any delay.

2. The petitioner's son, K.Siva, passed +2 examination in March, 2011. He joined B.E. Mechanical Engineering in the Vels University, Chennai, during the year 2011-2012. He approached the second respondent Bank for educational loan. The

second respondent Bank assured to issue loan application. After some time, in the month of May, 2011, he was informed that the application was not available and he was asked to come back in June, 2011. In these circumstances, the petitioner was forced to pay the first semester fee.

3. Again, in June, 2011, the petitioner approached the second respondent to issue loan application. The second respondent informed him to get bonafide certificate from the Vels University to enable them to issue loan application. Accordingly, the petitioner received a bonafide certificate. Then again, he was informed by the second respondent that there was no loan application available with them. Therefore, he had to wait for some more time.

4. In those circumstances, the petitioner approached many times the second respondent Bank, but, no application was issued to him. Hence, he made a representation dated 23.04.2012 to issue loan application. Thereafter, finding no reply from them, he filed the present writ petition with the aforesaid prayer.

5. The respondents filed a counter stating that the Vels University, wherein the son of the petitioner joined in BE Mechanical Engineering Course, is a deemed University. But, the same was de-recognized as recommended by the Tandon Committee. The Head Office issued a circular not to give fresh loan to the students of the de-recognized Deemed University, however, it was stated that the credit facilities already sanctioned to the students are to be continued by the Bank. Subsequently, the de-recognized Deemed University including the Vels University approached the Hon'ble Apex Court and obtained interim order against de-recognition. Consequently, the Head Office of the respondents had empowered the circle heads to evaluate the standing of the Universities and Institutions and take appropriate decision regarding extension of fresh loan. The Head Office amended the earlier circular and approved 20 of the 44 Deemed Universities, which were de-recognized and obtained interim order in the Apex Court for fresh educational loan to the students. But, the Vels University is not one among 20 Deemed Universities. Hence, the petitioner was not considered for educational loan.

6. Heard both sides.

7. It is an admitted fact that all those Deemed Universities, which were de-recognized by the Tandon Committee, approached the Hon'ble Apex Court and obtained interim orders against their de-recognition. In these circumstances, the respondent Bank is not correct in refusing educational loan to the petitioner. The respondent Bank cannot choose 20 among 44 de-recognized Deemed Universities, when the Apex Court granted interim order of stay in the case of all the Universities against their de-recognition. Further, it is to be noted that the respondent Bank also has given loan to the students, who studied in the de-recognized Deemed Universities. Hence, the respondent Bank is not justified in refusing educational loan to the petitioner.

8. In the light of the above, the writ petition is disposed of and a direction is issued to the respondents Bank to issue loan application to the petitioner within a period of one week from the date of receipt of a copy of this order and upon receiving the duly filled-in application from the petitioner, the respondents are directed to grant educational loan to the petitioner within a period of three weeks thereafter. No Costs. Consequently, connected miscellaneous petitions are closed.

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