

**IN THE SUPREME COURT OF INDIA**  
**CIVIL ORIGINAL JURISDICTION**  
**TRANSFER PETITION (C) NOS.1488-1492/2020**

**RESERVE BANK OF INDIA**

**PETITIONER(S)**

**VERSUS**

**AUM CAPITAL MARKETS PRIVATE  
LIMITED & ORS.**

**RESPONDENT(S)**

**WITH**

**TRANSFER PETITION (C) D. NO.27512/2020  
TRANSFER PETITION (C) NOS.476-489/2021**

**ORDER**

These transfer petitions have been filed under Article 139 A (2) of the Constitution of India read with Order XL of the Supreme Court Rules, 2013. Reserve Bank of India, the petitioner in T.P. (C) Nos.1488-1492/2020, is seeking transfer of following petitions:

- (i) W.P. No.17521 of 2020 titled as "AUM Capital Markets Private Limited vs. Union of India & Ors." pending before the High Court of Judicature at Madras at Chennai;
- (ii) W.P. No.17958 of 2020 titled as "Sneh Bhansali vs. Union of India & Ors." pending before the High Court of Judicature at Madras at Chennai;
- (iii) W.P. (C) Diary No.1153756 of 2020 titled as "Sudhir Kathpalia vs. Union of India & Ors." pending before the High Court of Delhi at New Delhi;
- (iv) W.P. No. 14121 of 2020 titled as "M.P. Shyam vs. Reserve Bank of India & Ors." pending before High Court of Karnataka at Bengaluru;
- (v) W.P. No.14044 of 2020 titled as "Mr. B Sumanth Kumar

- Reddy vs. Reserve Bank of India & Ors.” pending before High Court of Karnataka at Bengaluru.
- (vi) W.P. No. 19162/2020 and W.P. No. 19177/2020 titled ‘AVR Swarnamahal Educational Trust vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
  - (vii) W.P. No. 19360/2020 and W.P. No. 19367/2020 titled ‘Kamakshi Pitchai vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
  - (viii) W.P. No. 19438/2020 titled ‘Arya Vysya Charitable and Education Foundation vs. Union of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
  - (ix) W.P. No. 19460/2020 and W.P. No. 19463/2020 titled ‘Brookfields Estate Private Limited vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
  - (x) W.P. No. 19761/2020 and W.P. No. 19764/2020 titled ‘Mangal Tirth Estate Ltd. vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
  - (xi) W.P. No. 19930/2020 titled ‘Usha R Prabakaran vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
  - (xii) W.P. No. 19942/2020 titled ‘Arison Capital Asset Holdings Private Limited vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
  - (xiii) W.P. (MD) No. 18857/2020 titled ‘S. Dattathreyan vs. Union of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Madurai;
  - (xiv) W.P. No. 15098/2020 titled ‘M/s Brigade Enterprises Limited vs. Union of India & Ors.’ pending before the Hon’ble High Court of Karnataka;
  - (xv) W.P. No. 15445/2020 titled ‘Sri Doddaballapur Nagarajchar Prahlad vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Karnataka;

and as also such other future petitions challenging the amalgamation scheme to the High Court of Judicature at Bombay.”

In the connected and analogous petitions also filed by the Reserve Bank of India bearing T.P. (C) Nos.476-489 of 2021, the following prayers are sought:

“(a) Transfer the following petitions to the Hon’ble High Court of Bombay for adjudication:-

- (i) W.P. No. 17521 of 2020 titled ‘AUM Capital Markets Private Limited vs. Union of India & Others’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (ii) W.P. No. 17958 of 2020 titled ‘Sneh Bhansali vs. Union of India and Others’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (iii) W.P. (C) Diary No. 1153756 of 2020 titled ‘Sudhir Kathpalia vs. Union of India & Others’ pending before the Hon’ble High Court of Delhi at New Delhi;
- (iv) W.P. No. 14121 of 2020 titled ‘M.P. Shyam vs. Reserve Bank of India & Others’ pending before the Hon’ble High Court of Karnataka at Bengaluru; and
- (v) W.P. No. 14044 of 2020 titled ‘Mr. B Sumnath Kumar Reddy vs. Reserve Bank of India & Others’ pending before the Hon’ble High Court of Karnataka at Bengaluru.
- (vi) W.P. No. 19162/2020 and W.P. No. 19177/2020 titled ‘AVR Swarnamahal Educational Trust vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (vii) W.P. No. 19360/2020 and W.P. No. 19367/2020 titled ‘Kamakshi Pitchai vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (viii) W.P. No. 19438/2020 titled ‘Arya Vysya Charitable and Education Foundation vs. Union of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (ix) W.P. No. 19460/2020 and W.P. No. 19463/2020 titled ‘Brookfields Estate Private Limited vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (x) W.P. No. 19761/2020 and W.P. No. 19764/2020 titled ‘Mangal Tirth Estate Ltd. vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (xi) W.P. No. 19930/2020 titled ‘Usha R Prabakaran vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (xii) W.P. No. 19942/2020 titled ‘Arison Capital Asset Holdings Private Limited vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Chennai;
- (xiii) W.P. (MD) No. 18857/2020 titled ‘S. Dattathreyan vs. Union of India & Ors.’ pending before the Hon’ble High Court of Judicature at Madras at Madurai;
- (xiv) W.P. No. 15098/2020 titled ‘M/s Brigade Enterprises Limited

- vs. Union of India & Ors.’ pending before the Hon’ble High Court of Karnataka;
- (xv) W.P. No. 15445/2020 titled ‘Sri Doddaballapur Nagarajchar Prahlad vs. Reserve Bank of India & Ors.’ pending before the Hon’ble High Court of Karnataka”

(b) pass such other and further orders as this Hon’ble Court may deem fit in the circumstances of the case.”

In the transfer petition being T.P.(C) D.No.27512/2020 filed by DBS Bank India Ltd., the following reliefs are sought:

“In the circumstances, it is, therefore, most humbly and respectfully prayed that this Hon’ble Court may be graciously pleased to –

- (a) Allow the present Transfer Petition for the transfer of (i) W.P. No.17521 of 2020 pending before the High Court of Judicature at Madras at Chennai titled “AUM Capital Market Private Limited vs. Union of India & Others”; (ii) W.P. No.17958 of 2020 pending before the High Court of Judicature at Madras at Chennai titled ‘Mrs. Sneh Bhansali vs. Union of India & Others’; (iii) W.P. No. 14121 of 2020 pending before the High Court of Karnataka at Bengaluru title ‘Mr. MP Shyam vs. The Reserve Bank of India & Others’; (iv) W.P. No.14044 of 2020 pending before the High Court of Karnataka at Bengaluru title ‘Mr Sumanth Kumar Reddy vs. The Reserve Bank of India & Others’; (v) W.P. (C) Diary No.1153756 of 2020 pending before the High Court of Delhi at New Delhi titled ‘Sudhir Kathpalia vs. Union of India and Others’; and such other future writ petitions challenging the Amalgamation Scheme to Hon’ble High Court of Judicature at Bombay or any High Court as may be deemed fit; and
- (b) Pass such further or other orders as this Hon’ble Court may deem fit and proper”

It is averred in all the transfer petitions that the aforesaid writ petitions have challenged the Lakshmi Vilas Bank Limited (Amalgamation with DBS Bank India Limited) Scheme, 2020 dated 25.11.2020 (hereinafter referred to as the ‘Amalgamation Scheme’) issued by the Central Government under Section 45 of the Banking Regulation Act, 1949 (hereinafter referred to as the “BR Act”) in terms of which the

erstwhile Lakshmi Vilas Bank has been amalgamated with DBS Bank India Limited (referred to as 'DBIL' for the sake of convenience). The same has been challenged in the aforementioned petitions before various High Courts referred to above.

In the circumstances these transfer petitions have been filed by Reserve Bank of India and DBIL, the transferee Bank seeking transfer of the aforesaid writ petitions to the High Court of Judicature at Bombay or any other High Court.

I have heard Sri. Tushar Mehta, learned Solicitor General as well as Sri. Mukul Rohatgi, learned Senior Counsel supporting him and learned counsel for the respective respondents, who have opposed the petitions for transfer of the aforesaid cases pending before the Madras High Court or any other High Court to the High Court of Judicature at Bombay.

Learned Solicitor General contended that in view of the fact that several petitions are already pending before various High Courts and there is a likelihood of further writ petitions being filed in future before various High Courts, it is just a proper that all the petitions be heard by one High Court in order to avoid conflict of decisions from various High Courts. Hence all these cases may be heard by one High Court. During the course of his submissions, he stated that since a petition has already been filed and is pending before the High Court of Judicature at Bombay and further since the Head Office of the petitioner, the Reserve Bank of India, is also located at Mumbai, the aforesaid cases may be transferred to the High Court of Judicature at Bombay as it would be convenient from

the point of view of the petitioner herein, namely, Reserve Bank of India.

These contentions are also reiterated by learned Senior Counsel, Sri Rohatgi who is appearing in T.P. (C) Dairy No.27512/2020 on behalf of the petitioner therein. He further submitted that one of the petitions pending before the Bombay High Court was filed at the earliest in point of time and therefore all the cases pending before other High Courts may be transferred to the Bombay High Court.

Per contra, learned counsel for the respondents have opposed the transfer of the cases pending before the High Court of Madras at Chennai to the High Court of Judicature at Bombay or any other High Court by contending that the erstwhile Lakshmi Vilas Bank Limited (transferor Bank) has its registered office in Karur in the state of Tamil Nadu. That there are hundreds of investors of the transferor Bank, who are residing in the said State and in order to safeguard their interests, the petitions may be heard by the High Court of Judicature at Madras at Chennai as this would enable the investors to prosecute their cases more effectively. It is also submitted that the First Bench of the Madras High Court is already seized of the matters and a detailed interim order has been passed by the said Court. It would be in the interest of justice that the petitions pending before the various High Courts be transferred to the High Court of Judicature at Madras, so that the cases could be clubbed together, heard and disposed of by the common judgment. It is also submitted that the High Court of Madras has not proceeded with final hearing owing to the pendency of these transfer petitions before this Court.

In the circumstances, they submitted that the prayers sought by

the petitioners may not be granted and the petitions pending before all other High Courts may be transferred to the High Court of Judicature at Madras.

It was further submitted that the maximum number of writ petitions are pending before the Madras High Court, which is seized of the matters and hence these transfer petitions may be disposed of by directing all the writ petitions pending before various High Courts to be transferred to the High Court of Judicature at Madras.

An application for amendment of the present Transfer Petition, being I.A. No. 5711 of 2020, was filed on 11th January, 2021, on behalf of the Petitioner - Reserve Bank of India, praying that the Petition be amended to include a list of fresh cases that were filed before the High Courts of Bombay, Delhi, Karnataka and Madras, subsequent to the filing of the present Transfer Petitions. As per the said application, a total of seventeen Writ Petitions are pending before various High Courts, wherein the Amalgamation Scheme was challenged. Nine out of the total number of cases are pending before the Chennai Bench of the Madras High Court, one Writ Petition each is pending before the Madurai Bench of the Madras High Court and the High Court of Delhi, four Writ Petitions before the High Court of Karnataka and two before the High Court of Bombay.

Subsequently, it was also brought on record that thirteen fresh Writ Petitions challenging the amalgamation scheme were instituted on the file of the Madras High Court and one on the file of the High Court of Karnataka, bringing the tally of cases up to thirty-one.

I have given my thoughtful consideration to the submissions made

on behalf of the respective parties.

What is in challenge before various High Courts in the respective writ petitions is the scheme of amalgamation of Lakshmi Vilas Bank Limited with the DBS Bank India Limited Scheme, 2020, namely, the amalgamation scheme dated 25.11.2020 under Section 45 of the BR Act, 1949, in terms of which, the former Bank has been merged with the latter Bank. The same is assailed in the writ petitions referred to above and which are now sought to be transferred to the High Court of Judicature at Bombay or alternatively to any other High Court. Common question of law and fact arise in all the above noted petitions.

Having heard learned Solicitor General and learned Senior Counsel appearing for the petitioner in the analogous transfer petition and learned counsel for the respondents, I am of the view that the writ petitions pending before the various High Courts including those abovementioned ought to be transferred to the High Court of Judicature at Madras, wherein the writ petitions referred to above are already pending final hearing. It is noted that the Head Office of erstwhile Lakshmi Vilas Bank Limited is at Karur at Tamil Nadu and further, the petitioner in the analogous petition which is the Bank to which the erstwhile Lakshmi Vilas Bank Ltd., has been amalgamated can have no valid reason not to contest the matters before the Madras High Court. That apart, it is also stated at the Bar that the First Bench of the Madras High Court is already seized of the matters and a detailed interim order has been passed. The matters are awaiting final hearing on disposal of these transfer petitions. This is in order to avoid a dichotomous situation of conflict in orders and

bearing in mind principle of judicial comity.

Reference may also be made to the decision of this Court in ***Institute of Chartered Accountants of India vs. Southern Petrochemical Industries, [(2007) 15 SCC 649]*** wherein this Court considered a Transfer Petition seeking transfer of several Writ Petitions filed before various High Courts, to one of such High Court. The Writ Petitions of which transfer was sought in the aforesaid case pertained to the validity of Para 33 of the Accounting Standards 22 framed by the Petitioner therein. This Court transferred all the Writ Petitions pertaining to the common question, to the High Court of Calcutta. In doing so, this Court observed that since the High Court of Calcutta was seized of the matter as to validity of Para 33 of the Accounting Standards 22, and was ready to proceed with the hearing and the only reason why the hearing before the Calcutta High Court could not continue was because of the adjournments sought before the said Court in light of the Transfer Petition which was pending before this Court, the Calcutta High Court would be best equipped to dispose of the entire batch of Writ Petitions.

Co-relating the facts of the said case, to the facts of the cases at hand, it is noted that the Madras High Court had posted the matter for hearing on 28th January, 2022, on which date an adjournment was sought by the Petitioner herein, on the ground that the present Transfer Petitions were pending before this Court. I therefore deem it appropriate that all the Writ Petitions pending before the High Courts of Karnataka, Bombay, Delhi or any other High Court, referred to above be transferred to the Madras Bench of the High Court of Madras since that Court is

seized of the matter and is ready to proceed with final hearing and which had been adjourned only on account of pendency of the present Transfer Petitions.

It is further noted that a detailed interim order dated 27th November 2020, has been passed by the High Court of Madras in Writ Petition No. 17521 of 2020 and other connected Writ Petitions, whereby, the interests of the transferor Bank (Lakshmi Vilas Bank) have been sought to be protected by directing that no action shall be taken by the transferee Bank which would be prejudicial to the interests of the shareholders of the transferor Bank.

Keeping in view the elaborate discussion already undertaken by the Madras High Court while passing the interim order and the directions issued in the interests of shareholders of the transferor bank, it would be appropriate to permit the final hearing to proceed before the Principal Bench of Madras High Court, together with the all other cases on the similar issue which shall be transferred to it from the High Courts of Karnataka, Bombay, and Delhi and from all other High Courts where similar cases are pending or are likely to be filed. It is made clear that the cases shall be heard by the Principal Bench of the Madras High Court and any matters pending before the Madurai Bench of the Madras High Court shall also stand transferred to the Principal Bench of the said High Court.

In the circumstances, these transfer petitions are disposed of by directing the aforesaid matters pending before various High Courts other than Principal Bench of Madras High Court mentioned above and any

other matter on a similar issue to be filed before any other High Court shall be transferred to the High Court of Judicature at Madras and to be heard along with serial No.(i), (ii) and (vi) to (xiii) noted above in T.P. (C) Nos. 1488-1492 of 2020 and other petitions before the Principal Bench of Madras High Court.

It is needless to observe that although there may be several other writ petitions pending before the other High Courts including the High Court of Judicature at Bombay and in respect of which no prayer has been made by the petitioners herein, this order would apply to those cases also.

It is further observed that in view of the aforesaid order and direction, all the cases which now stand transferred to the Principal Bench of High Court of Judicature at Madras, shall be listed formally on 25.04.2022, so as to ascertain whether the record of the said aforesaid writ petitions as also the other writ petitions, which may be pending before the other High Courts have been transferred to the High Court of Judicature at Madras.

On transfer of all the aforesaid cases before the High Court of Judicature at Madras, the same shall be heard and disposed of as expeditiously as possible with the cooperation of all counsel appearing for the respective parties.

These transfer petitions along with all pending Interlocutory Applications are disposed of in the aforesaid terms.

Let a copy of this order be sent by the Registry of this Court to the Registrar General / Registrar (Judicial) of the High Courts of Bombay,

Delhi, Karnataka and Madras including Madurai Bench for ensuring compliance of the aforesaid direction.

.....J.  
[B.V. NAGARATHNA]

**New Delhi;**  
**21<sup>st</sup> March, 2022.**

S U P R E M E C O U R T O F I N D I A  
RECORD OF PROCEEDINGS

Transfer Petition(s)(Civil) No(s). 1488-1492/2020

RESERVE BANK OF INDIA

Petitioner(s)

VERSUS

AUM CAPITAL MARKETS PRIVATE LIMITED &amp; ORS.

Respondent(s)

(IA No. 5714/2021 - EXEMPTION FROM FILING AFFIDAVIT  
IA No. 5713/2021 - STAY APPLICATION)

WITH

Diary No(s). 27512/2020 (XVI-A)

(FOR

FOR PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES ON IA  
3993/2021

FOR APPLICATION FOR PERMISSION ON IA 3997/2021

FOR PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES ON IA  
109852/2021IA No. 109852/2021 - PERMISSION TO FILE ADDITIONAL  
DOCUMENTS/FACTS/ANNEXURESIA No. 3993/2021 - PERMISSION TO FILE ADDITIONAL  
DOCUMENTS/FACTS/ANNEXURES)

T.P.(C) No. 476-489/2021 (XVI-A)

Date : 21-03-2022 These matters were called on for hearing today.

CORAM : HON'BLE MRS. JUSTICE B.V. NAGARATHNA

For Petitioner(s)

Mr. Tushar Mehta, Ld. SGI  
Mr. Ashish Kamat, Adv.  
Ms. Liz Mathew, AOR  
Mr. Vivek Shetty, Adv.  
Mr. Nishant Upadhyay, Adv.  
Ms. Sonali Jain, Adv.  
Mr. Akhilesh Menzes, Adv.  
Ms. Vasudha Jain, Adv.Mr. Mukul Rohatgi, Sr. Adv.  
Mr. Anuj Berry, Adv.  
Ms. Veena Sivaramakrishnan, Adv.  
Mr. Chaitanya Safaya, Adv.  
Mr. Dhananjai Charan, Adv.  
Mr. Shiv Johar, Adv.  
Mr. Vinayak Chawla, Adv.  
Mr. S. S. Shroff, AOR

For Respondent(s)

Mr. Ankur Kashyap, AOR

Mr. Ajit S Ranganathan, Adv.  
Mr. Ramaswamy Meyappan, Adv.  
Mr. Rohit Rajershi, Adv.  
Mr. Aman Bajaj, Adv.

Mr. Ayush Agarwala, Adv.  
Ms. Aditi Mittal, Adv.  
Mr. Siddhant Tripathi, Adv.  
Mr. Aditya Narayan Mahajan, Adv.  
Ms. Arushi Kaulaskar, Adv.  
Mr. Arnav Narain, AOR

Mr. Rajesh Kumar Chaurasia, AOR

Ms. Apoorva Guruprasad, Adv.  
Mr. Kunal Verma, AOR  
Ms. Yugandhara Pawar Jha, Adv.  
Ms. Supriya Jain, Adv.  
Mr. Ashwin Nair, Adv.

Mr. Udit Singh, AOR

Mr. Senthil Jagadeesan, AOR  
Ms. Lakshmi Menon, Adv.

Mr. Salim A Inamdar, Adv.  
Mr. Modassir Husain Khan, Adv.  
Mr. Abhishek Thakral, Adv.  
Mrs. Pragya Baghel, AOR  
Mr. Sourabh Tandon, Adv.

Mr. Anup Jain, AOR  
Mr. Abhishek Baid, Adv.  
Mr. Praneet Das, Adv.

UPON hearing the counsel the Court made the following  
O R D E R

The present transfer petitions are disposed of in terms of the  
signed order.

Pending application (s), if any, also stand disposed of.

(ARUSHI SUNEJA)  
SENIOR PERSONAL ASSISTANT

(MALEKAR NAGARAJ)  
BRANCH OFFICER

(Signed order is placed on the file.)