

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

PUBLIC INTEREST LITIGATION NO. OF 2019

District: Mumbai

In the matter of Articles 226 of
the Constitution of India

And

In the matter of violation of Article
14, Article 19, Article 21 and
Article 300A of the Constitution of
India.

And

In the matter of Section 35(A) [As
Applicable to Co-operative

Societies] read with Section 56 of
Banking Regulation Act, 1949.

And

In the matter of irrational and
arbitrary restrictions on
withdrawal limit of not more than
Rs. 10,000/- (Rupees Ten
Thousand only) for the account
holders for the period of 6 months
in the matter of Punjab and
Maharashtra Co-operative Bank
Limited.

- 1. Consumer Action Network (CAN)** }
a society registered under the provisions }
of The Societies Registration Act, 1860, }
having its office address at 315, 3rd Floor, }
Yusuf Building, V. N. Road, Fort, }
Mumbai-400 001. }
Through its President Mr. Ashok Asthana }
}

- 2. Mehmood M. Abdi,** }
Age about Indian Inhabitant }
}

- 3. Anil Ramchandra Sonawane** }
Age about 55 years }

4. **Vinayak Ramchandra Pawar** }
 - Age about 39 Years, Indian cohabitant }

 5. **Pradip Ghosh** }
 - }

 6. **Ravi Kumar Singh** }

 7. **Sanjay Singh Chauhan** }

 8. **Prakash Baliram Yeole** }

 9. **Rammilan Duran Singh Paraste** }

 10. **Vasant Santosh Bhadane** }
- ... Petitioners

Versus

1. Union of India, }
- Through Ministry of Finance, }
- South Block, New Delhi-110001. }

2. Reserve Bank of India, }
- through its Executive Director, }
- Central Office Building, }
- Shahid Bharat Singh Marg, }
- Mumbai-400 001. }

3. Governor }
Reserve Bank of India }
Central Office Building, }
Shahid Bharat Singh Marg, }
Mumbai-400 001. }
4. Reserve Bank of India, }
Through Chief General Manager, }
Department of Communication, }
Central Office, S.B. Marg, }
Mumbai-400 001. }
5. Mr. J. B. Bhorla }
Administrator appointed by RBI }
Reserve Bank of India, }
Central Office, S.B. MARG, }
Mumbai- 400 001. }
6. Punjab And Maharashtra Co-operative }
Bank Limited, having its registered }
office at 240, Shankar Sadan, }
Opp. Mata Laxmi Hospital, Sion (East), }
Mumbai- 400 022. }
7. State of Maharashtra, }
Through Principal Secretary, }
Co-operative Department, }
Mantralaya, Mumbai-400 032. }

... Respondents

**TO,
THE HON'BLE THE CHIEF JUSTICE
AND THE OTHER HON'BLE JUDGES
OF THIS HON'BLE COURT**

HUMBLE PETITION OF THE
PETITIONERS ABOVE NAMED

MOST RESPECTFULLY SHEWETH:

1. That the Petitioner No. 1 is a Mumbai based NGO, registered under the Societies Registration Act, 1860 having its office as shown in the cause title. The Respondents are having their offices as shown in the cause title. All the Respondents are 'State' within the meaning of Article 12 of the Constitution.
2. That the Petitioner No. 1 is an organization of a group of public-spirited citizens from various walks of life including Lawyers, Chartered Accountants, Journalists, Activists etc. who have special concern for consumer welfare.
3. That the Petitioner No. 1 has so far, have taken up various issues ranging from environment to consumer education and protection. The Petitioner has the credit of getting amendment bill passed by the parliament which has amended the Cable TV Regulation Act. The said amendment has made possible introduction of Condition Access System (CAS) in Cable TV.
4. That the Petitioner No. 1 had filed another PIL that made Reserve Bank of India (RBI) bring out first ever guidelines on

credit card operations for appointment of recovery agents. That the Petitioner move the court against high handed manner methods adopted by banks to recover money from customers and went one step further to introduce a consumer privacy initiative, which can save consumers from unsolicited calls from advertisers.

5. That the Petitioner No. 1 also taken up issue of availability of test cricket matches or one day matches on 'Free to Air' channel of Door darshan despite assignment of copyright to private operators for 'Pay TV' channel. The Hon'ble Supreme Court acknowledged and enforced the right of views to watch matches on 'Free to Air' channel of Door darshan.
6. That the Petitioner No. 1 had also filed another PIL that made Life Insurance Corporation of India (LIC) to withdraw its investment of Rs. 2930 crore (Two thousand nine hundred & three crore only) which was kept invested in private company by violating Sec. 27 A of Insurance Act.
7. That the Petitioner No. 1 has campaigned against noise pollution and for celebrating noiseless Diwali has received massive public support. The Petitioner has taken up matter of environment protection as well.
8. That the Petitioner No. 2 is a public spirited Citizen of India and an advocate by profession. The Petitioner Nos. 2 to 10 are the account holders/ depositors of the Respondent No. 6 PMC Bank and is being aggrieved and affected by the directions of the

Respondent No. 2 RBI which imposed restrictions on withdrawal limit of not more than Rs. 10,000/- (Rupees Ten Thousand only) for the period of six months upon the account holders/depositors of the Respondent No. 6 PMC Bank.

9. That the Petitioner is filing this petition challenging the irrational and arbitrary directions dated 23 September 2019 issued against the account holders/ depositors of Respondent No. 6 bank, by the Respondent No.2 in exercise of power under Sec. 35(A) read with Sec. 56 of Banking Regulation Act, 1949, whereby in the said directions the Respondent No. 2 has imposed restriction on withdrawal of a Sum not exceeding Rs. 1000/- (One thousand Only) for the period of six months which has been later by modified order dated 26th September 2019, revised to Rs. 10,000/- (Rupees ten thousand only).
10. The Petitioners states and submits that Respondent No. 2 has initiated this arbitrary and irrational direction without disclosing any reason(s) to all depositors of Respondent No. 6 PMC Bank and that too without any prior intimation.
11. The Petitioners states that this six months restriction imposed by the Respondent No.2 on depositors of the Respondent No. 6 PMC Bank is detrimental to account holders/ depositors at large who have invested their own hard-earned money with Respondent No.6 and as such this petition may be treated as a Public Interest Litigation.

12. That the Respondent No. 6 Punjab and Maharashtra Co-operative Bank (hereinafter referred as PMC Bank) is a Multi-state Scheduled Urban Co-Operative Bank, started on February 13, 1984, and PMC bank was conferred with "Scheduled Status" by the Respondent No. 2 Reserve Bank of India in the Year 2000. The Respondent No. 6 PMC Bank currently has 137 Branches, within its area of operation in various states i.e. Maharashtra (103), Delhi (6), Karnataka (15), Goa (6), Gujarat (5), Andhra Pradesh and Madhya Pradesh (2). As per the Respondent No. 6 PMC banks 36th Annual Report 2018-2019, it has total 51,601 members, total deposit base of Rs. 11,617 crores till March 2019. The Respondent No. 6 PMC Bank has its income of Rs. 1297.98 crores, Net Profit of Rs. 99.69 crores, and Advances of Rs. 8383.33 crores till March 2019. The Petitioners further states that the Gross NPA (Non-performing Assets) is 3.76% affecting GDP (Twice of the 2017-2018 Annual Gross NPA-1.99) and Net NPA- 2.19% affecting GDP (Twice of Net NPA for the FY 2017-2018). These Figures in terms of Members, Deposit Base, Income, Net Profit, Advances and Percentage in terms of NPA may vary till date of filing of this Public Interest Litigation). **Annexed hereto and marked Exhibit-A is the copy of extract of Annual Report of the Respondent No. 6 PMC Bank.**
13. The Respondent No. 6 PMC Bank stands among top 10 Co-operative Banks of the Country. As being Co-operative Bank, the bank is jointly regulated by the State government and the Reserve Bank of India.

14. The Petitioner states and submits that as per news reports published in various newspapers, there are lakhs of account holders/depositors is being affected by the said arbitrary restrictions imposed by the Respondent No. 2 RBI.
15. The Petitioner States and Submits that on September 23, 2019 The Respondent No. 2 had issued various directions in the name of "public interest" by exercising of power under Sec. 35(A) [as applicable to Co-operative Societies] Read with Sec 56 of the Banking Regulation Act, 1949. The direction mentioned in para 'i' is as follows:
- i. A Sum Not Exceeding Rs.1000/-(Rupees One Thousand Only) of the total balance in every saving Bank or Current Account or any Other deposit Account by whatever name called ,may be allowed to be withdrawn by a depositors provided that wherever such depositors is having liability to the bank in any manner i.e. either as a borrower or surety, the amount may be adjusted first to the relevant borrowal account/s;*
16. That Respondent No. 2 has in its direction also allowed the Respondent No. 6 in setting off loans against deposits, if the terms and condition of the Loan agreement with borrower provide that amount in his specific deposit account (by whatever name called) may be appropriated/ adjusted by the Respondent No. 6 PMC Bank towards Loan Account, such appropriation /adjustment to the extent of outstanding balance in loan account may be done subject to following condition such as

- a) The account has to be KYC compliant on the date of adjustment;
 - b) Deposits held by third party including but Not limited to guarantor (s)/sureties will not be permitted to be adjusted;
 - c) This option should be exercised under due Notice to Depositor normally in cases where further delay in setting off may be result in the Loan account becoming NPA. For setting off Standard Loans (being Serviced regularly) and any divergence from the term and condition of loan agreement, prior written consent of the depositor-borrower would be necessary; and
 - d) The deposit or its set off should not be subject to any restrictions such as attachment order / prohibitory order of Court of Law or Statutory authority or other authority empowered under law, earnest money, deposits, obligation of trust, third party lien, under provision of the State Co-operative Societies Act etc.
17. The Petitioners states and submits that following the directions issued by the Respondent No. 2 and public intimidation by the Respondent No. 4, the Respondent No.2 has appointed the Respondent No. 5 a retired senior RBI official Mr. J. B. Bhoria as an Administrator (hereinafter called as an Administrator) to undertake the management of Respondent No. 6 PMC Bank. The Petitioners further states that the above direction issued by Respondent No. 2 also restricted the Respondent No. 6 PMC Bank to carry out few outward transaction/ business such as direct payment in cash on application of withdrawal by

depositors, without any prior approval of the Respondent No. 2 and/or further Notice/Instruction, and allowing Respondent No. 6 to undertake and carry on inward banking business such as renewal of existing terms of deposit on maturity, acceptance of contribution towards capital by existing members of the bank, and setting off loans against deposit after compliance with directions issued by Respondent No. 2. The administrator supersedes Respondent No. 6 Boards of Directors for temporary period and is currently supervising Respondent No. 6 Bank business with certain directive restrictions.

18. The Reserve Bank of India further directed the Respondent No. 6 PMC Bank to submit such statements relating to its operation as may be prescribed by Reserve Bank of India in this behalf to the Chief General Manager, Reserve bank of India, department of Co-operative Bank supervision, Mumbai Regional Office, Bandra (East)-400 051 such statement relating to its operation. **Annexed hereto and marked Exhibit "B" is the copy of said directions dated 23rd September 2019.**

19. The Petitioners states and submits that on 26th September 2019 the Respondent No. 2 has modified its earlier restriction on withdrawal from previous limit of Rs. 1000/- (Rupees one thousand) to Rs. 10,000/- (Rupees ten thousand only). The Petitioner further states that both the directions are arbitrary, irrational and without application of mind. **Hereto annexed and marked as Exhibit "C" is the copy of revised direction dated 26th September 2019.**

20. The Petitioner states and submits that as per a report published in newspaper dated 27th September 2019, by given reference of bank sources, the sources claims that 'even the cap of Rs. 10,000 will require Rs. 9,000/- crore in cash to be made immediately available to 60% of banks 17 lakh odd depositors, who may apparently get reliefs but arrangement of such huge amount will need uncertain time. Whereas the other section of depositors who has large amount of deposits with the Respondent No. 6 PMC Bank, is still in an uncertain situation. **Hereto annexed and marked as Exhibit "D" is the copy of said newspaper report published in Mumbai Mirror dated 27th September, 2019.**
21. The petitioner submits that after directions were issued to respondent No. 6 PMC Bank, The Managing Director of the Respondent No. 6 bank has tendered an unconditional public apology by sending personal messages to its members stating that they feel regret to inform that the said Respondent No. 6 has been put up under regulatory restrictions under Sec 35(A) of the Banking Regulation Act by the Respondent No. 2 RBI for the Period of 6 months due to irregularities disclosed by the Respondent No. 6 PMC Bank to the Respondent No. 2 RBI". The Petitioner further states that in the said apologetic messages to members, it also undertook the responsibility for the irregularities and assured the depositors that the Respondent No. 6 PMC Bank will make all efforts to rectify the irregularities committed by them and to remove this restrictions imposed by Respondent No. 2. The said message is later on circulated by one account holder of the Respondent No. 6 PMC

Bank, by name Amruta Lokhande on her tweeter account.

Hereto annexed and as Marked "E" is Copy of screenshot of the said message shared on tweeter account by Amruta Lokhande.

22. The Petitioner states and submit that the Respondent No. 2 has disclosed the reasons for the above mentioned restrictive directions which are so ambiguous and not providing detail information and nature of irregularities committed by the Respondent No. 6. The Petitioner further states that it is the right of lakhs of account holders/ depositors to know the details of irregularities committed by the Respondent No. 6 and it is also in the larger interest of the public to disclose the same.
23. The Petitioner states and submits that, on one hand the Respondents are keeping the account holders/ depositors/ members of the Respondent No. 6 in dark, and on the other hand penalising to them only by not allowing them to withdraw their own deposited money with the Respondent No. 6 PMC Bank which is only causing hardship and inconvenience to the public at large.
24. The Petitioner states that Sec 35(A) of the Banking Regulation Act, 1949 confers power to Reserve Bank of India to give certain directions. Sec 56 of Banking Regulation Act, 1949 provides that provisions of the Banking regulation Act, 1949 applies to Co-operative Societies subject to modification. Relevant portions of Sec 35 (A) and Sec 56 of the said Act are reproduced herein:

Sec. 35 A. Power of Reserve Bank to give directions

(1) Where the Reserve Bank is Satisfied that-

(a) In the public Interest or;

(aa) In the interest of Banking policy ; or

(b) To prevent the affairs of any banking company being conducted in a manner detrimental to the interest of the depositors or in a manner prejudicial to the interest of the banking company, or

(c) To secure the proper management of any banking company generally, it is necessary to issue directions to banking companies generally or to any banking company in particular, it may, from time to time, issue such directions as it deems fit, and the banking companies or the banking company, as the case may be, shall be bound to comply with such directions.

(2) The Reserve Bank may, on representation made to it or on its own motion, modify, cancel any direction issued under sub section (1), and in so modifying or cancelling any direction may impose such conditions as it thinks fit, subject to modification or cancellation shall effect .

(“in the Public Interest” expression had been replaced by the Banking Companies (Amendment) Act of 1961, with “for national Interest”)

25. The Petitioner states and submits that the abovesaid provision of the act is very clear in terms of public interest. It cannot be

interpreted as to penalise the public in general in any way and in any situation. The Petitioner further states that under guise of such so called public interest, the act of the Respondent No. 2 is instead of protecting public interest, penalise the public at large as account holders of the Respondent No. 6 PMC Bank by depriving their rights to have access of their own property, which is itself contradictory with the above mentioned provision of law.

26. The Petitioner states and submits that the Respondent No. 6 PMC Bank is Multi state Co-operative bank, primary functions to secure public money and be accountable to its public members. The Respondent No. 2 RBI being apex statutory body having superintendence functioning over all registered territorial bank within India so as to monitor that all banks are complying with banking laws legislative enacted by respective legislature so as to have control in economic flow, credit system and stability to be maintained in national economic development. The Petitioner submits that the Respondent No. 2 has failed to perform its above said duty to monitor the functions of the Respondent No. 6 on time. The Petitioner states that it is alleged in a newspaper report that the Respondent No. 6 is violating the RBI rules since past 6 to 7 years. It is pertinent to note that the Respondent No. 2 RBI has failed to monitor the functioning of the Respondent No. 6 PMC Bank in respect to its compliance with RBI rules from past 6 to 7 years. **Annexed hereto and marked Exhibit "F" is the copy of newspaper report published in The Times of India dated 28th September 2019.**

- 27.** The Petitioners states and submits that it is also reportedly alleged in the newspaper report that the Respondent No. 2 RBI has also failed to assess veracity of claims in respect to NPA's declared by the Respondent No. 6 from past 3 years. It is also stated in the report that one of the borrowers (HDIL) who had received loan of Rs. 2,500 crore was in default in repayment of loan for past 2 to 3 year. In spite of that the Respondent No. 2 has neglected the very fact of said default in repayment and never initiated any action for the recovery of said loan. **Annexed hereto and marked Exhibit G is the copy of newspaper report published online copy of Live Mint dated 27th September 2019.**
- 28.** The Petitioners states that as per the news reports the Respondent No. 6 PMC Bank has advanced Loan of Rs. 2,500 crore to HDIL Real Estate firm, who has defaulted on repayment from past 2 years and is currently undergoing insolvency proceeding. It is also reported that besides defaulting to repayment of Rs. 2,500 crore loan, personal loan of Rs. 96.5 crore was also granted by Respondent No. 6 PMC Bank to HDIL Vice Chairman and Managing Director of Real Estate Firm HDIL. **Annexed hereto and marked as Exhibit H is the copy of newspaper report published in Mumbai Mirror dated 27th September 2019.**
- 29.** The Petitioners states and submits that as per latest news report published Times of India, it is materially been disclosed by the suspended Managing Director of Respondent No. 6 PMC

Bank that the Respondent No. 6 has over Rs. 6,500 crore of exposure to HDIL which is four times the regulatory cap of 73% of its entire assets of Rs. 8,880 crore. **Annexed hereto and marked Exhibit I is the copy of said report published in Times or India dated 30th September 2019.**

30. The Petitioners states and submits that while restrictions imposed by the Respondent No. 2 under section 35(A) of Banking Regulation Act, are aimed at safeguarding depositors, but did not take into consideration that many depositors who have their account with the Respondent No. 6 PMC Bank are also under various obligations, some classified employers may be restricted to give salaries to their employees employed in their workplace entity. Also some may be subject to serious medical unfitness, who may require instant medical treatment for their speedy recovery and fitness, some depositors who may discharge obligations in terms of public outgoing charges such as taxes, rents, electricity bills and many other necessary expenses. All such payments or discharge of obligations by account holders/ depositors of Respondent No. 6 PMC Bank require prior approval of Respondent No. 2 as per the directions issued by the Respondent No. 2. Considering the numbers of unclassified lakhs of members who require such approval before their own discharge of obligations or necessary payment in terms of medical treatment or any necessary and urgent requisite, imposing such restriction is arbitrary, irrational and contradictory to provision of law and public interest as it penalising the account holders/ depositors and cause great hardship, inconvenience to them. The Petitioner submits that it

is the depositors who deposited their money in sole bonafide faith that their monies in custodies of Respondent No.6 will be safe. In the above said circumstances and considering this greater aspect, the directions issued by the Respondent No. 2 thereby imposing restriction in withdrawal is violation of Article 14, Article 19, Article 21, and Article 300 A of the Constitution of India.

31. That Petitioners states that this action is arbitrary in extents to the direction restricting withdrawal of money by account holders/ depositors of Respondent No. 6 PMC Bank, whereby on the other side, as per the directions of Respondent No.2, Respondent No.6 employees are been given liberty to draw their salary whereas the account holders/depositors of Respondent No.6 are been restricted with limitation of Rs. 10,000/- from their saving bank account or Current bank account or any other depository account by whatever name called. In view of the said liberty granted to employee of the Respondent No. 6, the restrictions imposed on other members/ account holders/ depositors is itself contradictory to principle of equality before law and as such is a clear violation of Article 14 of the Constitution of India by unclassified restrictions.
32. The Petitioners states that instead of holding the amount of account holders/depositors of Respondent No. 6 PMC Bank, the Respondent No. 2 RBI shall assess the recovery of advanced amount by Respondent No. 6 to HDIL a real estate firm, liquidity and/or secured assets provided by HDIL at the time of availing loans from Respondent No. 6. Instead of causing

hardship and inconvenience caused to lakhs of Account holders of Respondent No.6, the defaulting and sole account which has been the only reason for this Regulating direction i.e. HDIL account be assessed by the Respondent No.2 as regulatory body. Restricting thousands of crores of rupees of account holders will not be fruitful and there being no nexus why account holders deposit should be restricted in default of HDIL default of paying loans.

33. That the Petitioners states that in the circumstances above, if such violation of Article 14, Article 19 and Article 21 continues on account holders/depositors, It will only dent public confidence in registered financial institution. It is to note that allowing public to access their own property will not affect in any ways on the on-going financial auditing or assessment conducted by Respondent No. 5 an Administrator. The Petitioners states that there is no reasonable nexus that withholding public money will serve fruitful to on-going crisis. Instead Respondent No. 6 shall assess the Books of Accounts, whether there were adequate securities provided by HDIL at time of availing loans rather than causing inconvenience to Lakhs of Account holders.
34. Hence it is in the public interest, "that this section of the public who are the account holders/depositors of the Respondent No. 6 PMC Bank to be allowed and granted liberty to withdraw their own money without any restriction and such withdrawal shall be reported by Respondent No. 6 PMC Bank to the Respondent

No. 2 RBI in its every monthly financial report till period this regulating direction is in force."

35. This petition is being filed on the following grounds:
- a. Because the restrictive direction issued by the Respondent No. 2 is discriminatory as it deprives public at large to access their own property which is in custody of Respondent No. 6 PMC Bank.
 - b. Because the restrictive direction issued by the Respondent No. 2 in terms of limiting withdrawal of amount by the account holders/depositors violates Article 14, Article 19, Article 21 and Article 300 A of the Constitution of India.
 - c. Because the Respondent No. 2 have not accounted of the detail reasons for their regulatory direction.
 - d. Because Public at large are suffering due to default committed by Respondents, public have the right to know the details of the whole facts, genuineness and merits of irregularities as claimed.
 - e. Because the Respondent Nos. 2, 3 & 4 as regulatory authority have failed to monitor the financial activities of the Respondent No. 6 PMC Bank which leads the scam reported herein.
 - f. Because the Respondent Nos. 2, 3 & 4 as regulatory authority have failed to constitute the separate

mechanism by use of technology and experts to immediately indicate the fraud going to be happened.

g. Because the Respondent Nos. 2, 3 & 4 as regulatory authority have failed to take prompt action against the Respondent No. 6 PMC Bank.

36. The Petitioners intends to draw this Hon'ble Courts attention that it is not the first time such cooperative banks have been regulated by Respondent No.2, there are several instances where other Co-Operative banks also came under regulating direction by Respondent No. 2. Such Co-operative Banks, namely Vasant Dada Nagari Sahakari Bank, Maharashtra (Regulating Restriction from Nov. 14, 2017 to October 13, 2019), Padmashri Dr. Vitthal Rao Vikhe Patil Co-operative Bank, Maharashtra (May 20, 2018 to March17,2020), Karad Janata Sahakari Bank, Maharashtra (November 17, 2017 to March 9,2020), Bidar Mahila Urban Co-Op Bank (Feb 21,2019 to 29 feb,2019). This reflects that there is dire need of strict banking regulations and rules to be framed by the Respondent Nos. 1, 3 & 4 so as to avoid any such situation whereby economic stability of nation can be maintained and there shall be strict rules to be made so that Regulatory Body such as Respondent No. 2 (RBI) can take immediate action against such banking companies who fail to comply with banking laws or commit wrong in any aspect whether in terms of financial accounting and over loans given for the benefit of few, whereby it is the depositors who have to ultimately suffer.

37. That Petitioners state and submit that in such critical Circumstances and considering the adverse impact or inconvenience caused to the public at large, such critical situation shall be redressed by this Hon'ble Court of law through judicial intervention by providing relief to lakhs of account holders/ depositors of Respondent No. 6 PMC Bank, and hereby cease such continuous violation of fundamental rights by granting appropriate reliefs.

38. The Petitioners states that after considering numerous occasion whereby Co-operative Banks are been under regulating directions, this Hon'ble High Court direct the Respondents to frame strict Banking Regulations so as to avoid any such upcoming events and prevent it from occurring again and again so that national economy cannot be unsterilized due to default or wrong /irregularities committed by any banks and such regulation must be taken in time bound by regulatory body with due consideration that no inconvenience can be caused to public at large due to default committed by banks.

39. That it is appropriate and proper that this Hon'ble Court may be pleased to issue directions or order to the Respondents to formulate a regulatory framework which stringent actions to be initiated against defaulting banks after finding default in compliance to any bank laws, Regulations or Rules and regulatory body be bound to undertake and initiate precautionary action in time bound manner.

- a. That it is appropriate and proper that this Hon'ble Court may be please to direct the Respondent to constitute an RBI Committee of Experts comprising of Finance, Audit, Account and Technology any other finance branch so that the situations of misappropriation of public fund will immediately be indicated and prompt action can be taken immediately. The primary function of this Committee will be to assess such State Banks, Co-Operative Banks etc. and such RBI Expert Committee will have supervisory role and to hold power if thousands of crore of loans is to be advanced and they could be assessing the recovery performance of banks who granted thousand crore rupees loans. This Committee will ensure that there is no misappropriation of public money by few corrupt bank employees and also ensure that recovery performance of banks is appropriate. This will have two fold advantage: 1) public confidence in banking institution will increase and not get diminished. And 2) maintain stability in economic development of the country, reducing NPAs affecting National GDP.

40. That it is appropriate and proper that this Hon'ble Court may be pleased to quash arbitrary and irrational direction issued on dated 23 September 2019 & 26th September 2019 by the Respondent No. 2 in respect of limiting withdrawal of money by respective account holders from their own account by whatever name called.

41. That it is appropriate and proper that this Hon'ble Court may be pleased to direct the Respondent No. 2 and/ or Respondent No. 5 to file detailed report of on-going investigation and its

findings on the whole irregularities on monthly basis before this Hon'ble Court.

42. That it is appropriate and proper that this Hon'ble Court may be pleased to direct any concerned authority to take strict action if the Respondent No. 6 PMC Bank or any of its employees or managerial persons is being found guilty of misappropriation of public funds.
43. That it is appropriate and proper that this Hon'ble Court may be pleased to issue an appropriate writ, direction or order to Respondent No. 2 to withdraw the directions limiting withdrawal of money and granting liberty to account holder to access their own money.
44. That in the facts and circumstances of the case, it would be just, necessary and proper and in the interest of justice that interim and ad-interim reliefs as prayed for be granted as the same would serve larger public interest.
45. That the present petition is being filed by way of Public Interest litigation and the petitioner does not have any personal interest or any ulterior motive to cause any hindrance in any on-going financial auditing/assessment by the Respondent No. 6.
46. That the entire litigation Costs and other charges of this petition is being borne by petitioners itself.

47. That the Petitioners has understood that during the hearing of this petition the Court may require any security to be furnished towards Costs or any other Charges and the petitioner shall have to comply with such requirements.
48. That the Petitioners has not filed any other petition in any High Court in India or in the Hon'ble Supreme Court in respect of the Subject Matter of this petition.
49. That In the Circumstances, the petitioner has no efficacious remedies except approaching this Hon'ble Court in its writ jurisdiction. The relief prayed for if granted will suffice to meet the ends of justice.
50. The Petitioner is having its office in Mumbai. The Registered office of Respondents falls within the jurisdiction of this Hon'ble Court. Therefore, This Hon'ble Court has Jurisdiction to entertain, hear and decide this petition.
51. The Petitioner has paid fix Court fees of Rs.250/-
52. The petitioner will rely upon documents a list whereof is annexed hereto.

THE PETITIONER THEREFORE PRAYS AS UNDER:

- a. That this Hon'ble Court may be pleased to quash the directions dated 23rd & 26th of September 2019 issued by the Respondent No. 2 thereby imposing restriction on withdrawal limits of Rs. 10,000/- for six month.

- b. That this Hon'ble Court may be pleased to issue an appropriate writ, direction or order to Respondent No.1 and Respondent 3 to strengthen banking regulatory laws by framing stringent rules and regulation so as to avoid similar instances whereby public money cannot be misappropriated and to strengthen and stabilize economic development.
- c. This Hon'ble Court may be please to direct the Respondents to constitute an RBI Committee of Experts comprising of Finance, Audit, Account and Technology any other finance branch so that the situations of misappropriation of public fund will immediately be indicated and prompt action can be taken immediately.
- d. That this Hon'ble Court may be pleased to issue appropriate, writ, direction or order to Respondent No. 2 so as to direct them to give (i) to give detailed reason(s) for their action against public, account holders of Respondent No. 6 PMC Bank, (ii) to update by its report in sealed cover to this Hon'ble Court about on-going financial audit of Books of Account of Respondent No. 6
- e. that this Hon'ble Court may be pleased to issue writ, direction or order to Respondent No. 2 to make special arrangements in nature of relief measures to grant relief to lakhs of account holder/depositors of Respondent No. 6 PMC Bank.

f. Interim or ad-Interim relief may be granted in terms of prayer referred to in clause (d) & (e).

g. For such other and further relief this Hon'ble Court thinks fit and proper considering the fact and circumstances of the case.

Petitioner No. 1

Petitioner No. 2

Petitioner No. 3

Petitioner No. 4

Petitioner No. 5

Petitioner No. 6

Petitioner No. 7

Petitioner No. 8

Petitioner No. 9

Petitioner No. 10

Advocate for the Petitioners

VERIFICATION

I, Ashok Asthana, the Governing Council Member of the Petitioner No.1 and authorised representative for all the Petitioners above named do hereby solemnly state and declare for myself and on behalf of all other Petitioners that what is stated in paragraphs to in forgoing petition is true to my own knowledge and, what is stated in paragraphs to is based on information and belief, and I believe the same to be true.

Solemnly declared at Mumbai }

On this 30th September 2019 }

Petitioner No. 1

Identified by me,

Before me,

Advocate for the Petitioners.