IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO.1509 OF 2015
WITH
INTERIM APPLICATION (L) NO.5410 of 2020
IN
WRIT PETITION NO.1509 OF 2015

All India UTI AMC Officers' Association … Petitioner
Vs.
Union of India & Ors. … Respondents

Mr. Ramchandra Apte, Senior Advocate i/b. Ketan A. Dhavle for the Petitioner.
Mr. Parag Vyas a/w. Mr. Mohamedali Chunawala for the Respondent No. 1
Mr. Sudhir Talsania, Sr. Advocate a/w. Mr. Vishal Talsania & Arsh Misra i/b. M. V. Kini & Co. for the Respondent Nos. 2 to 3
Mr. Binjal Samani a/w. Mr. Pratric Fernandes i/b. Dave & Girish & Co. for the Respondent Nos. 4, 6 & 7.
Mr. O. Mohandas a/w. Mr. J. P. Kapadia i/b. Little & Co. for the Respondent No. 5
Mr. Zubin Behramkamdin a/w. Mr. Amogh Joshi i/b. Bharucha & Partners for the Respondent No. 10

CORAM : A. A. SAYED &
S. P. TAVADE, JJ

DATED : 1st DECEMBER, 2020

P.C.:

The Petitioner Association has filed this Writ Petition seeking the following reliefs:

> *a. That it be declared that stake sale of 6.5% of share capital by SBI, LIC, PNB and BOB to M/s. T. Rowe Price International in UTI Trustee Company Ltd. is null and void as the same does not satisfy the requirement of Section 2(h) which requires valid transfer only to*

financial institution / banks

b. That stake sale of 6.5% of share capital by SBI, LIC, PNB and BOB to M/s. T. Rowe price International in UTI Asset Management Company Ltd. having being notified as Specified Company for the purpose of Section 6 of Repeal Act 2002, be declared as null and void, as the same does not satisfy the requirement of clause 3.3 of Transfer Agreement dated 15/1/2003 and Section 2(h) of Repeal Act which requires valid transfer only to financial institution / banks.

2. In paragraph no. 10 of the Writ Petition, the Petitioner Association has averred as follows:

> *"10. Sometime during January 2010 the four subscribers have sold 6.50% of their stakes each and 26% collectively, in both Respondent No. 2 and 3, without prior intimation to Officers or employees of UTI and without any public invitation of bids to M/s. T. Rowe Price International, a Foreign Institutional Investor vide SEBI Registration No. INUKFD151907. The Petitioner states that till today M/s. T. Rowe Price is 26% Share Holders in both Respondent No. 2 and Respondent No. 3. The Petitioner states that to the knowledge of Petitioner the said transfer is illegal and bad in law as the criterias, as are mentioned in the UTI Repeal Act have not been followed before effecting the said transfer. It is submitted that the right to transfer the right to manage the assets shall be in subject to compliance of Section 2(h) and Section 6 of UTI Repeal Act 2002, since Respondent No. 3 has been notified as Specified Company. Hereto annexed and marked as Exhibit E is the copy of the publication declaring transfer of stake to M/s T. Rowe Price."*

3. It is thus seen that on the own showing of the Petitioner Association, the cause of action in respect of the transfer arose in

January, 2010. However, the present Writ Petition has been filed only on 14th May, 2015. In the Petition there is not a whisper explaining the delay in filing the Writ Petition. We find that the Petitioner Association had approached this Court earlier in the year 2011 by filing the Writ Petition being Writ Petition No. 1904 of 2011 raising some grievances relating to service conditions. The Petitioner Association, for reasons best known to them chose not to file any Writ Petition challenging the transfer at that point of time.

4. It is pointed out by learned Counsel on behalf of the Respondent No. 10 that a public offer of shares of Respondent No. 3 opened on 29th September, 2020 which closed on 1st October, 2020 and 3rd party rights have since been created on 12th October, 2020 and the shares are listed and are being freely traded on the stock exchange and the Petition is rendered infructuous.

5. Having considered the preliminary issue raised by learned Counsel for the Respondents, we find that the Writ Petition suffers from inordinate and unexplained delay and laches. The judgments of the Supreme Court in Samant and Another vs. Bombay Stock Exchange & Ors. (2001) 5 SCC 323 and Mohan Kumar Lal vs.

Vinoba Bhave University & Ors. (2002) 10 SCC 704 on the issue of delay and laches supports the case of the Respondent.

6. In the circumstance, we dismiss the Writ Petition only on the ground of delay and laches. The Interim Application does survive and to stand disposed of.

(S. P. TAVADE, J.) **(A. A. SAYED, J.)**