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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 11543/2019 & CM APPLs. 15820/2020, 28587/2020, 15713/2021**

BEJON KUMAR MISRA

..... Petitioner

Through: **Mr. Arun Prakash, Advocate (through VC)**

versus

UNION OF INDIA & ORS.

..... Respondents

Through: **Mr. Ripu Daman Bhardwaj, CGSC with Mr. Kushagra Kumar and Mr. K. Manaswini, Advocates for UOI**
Mr. Aman Singh, Advocate for Mr. Sameer Vashisht, ASC (Civil) for GNCTD
Mr. Jayant Bhushan, Sr. Advocate with Mr. H.S. Parihar, Mr. Kuldeep S. Parihar and Ms. Ikshita Parihar, Advocates for R-8/RBI
Mr. Ramesh Babu M.R., Ms. Manisha Singh, Ms. Nisha Sharma, Ms. Tanya Chowdhary and Mr. Rohan Srivastava, Advocates for R-9.

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Date of Decision: 27th March, 2024

CORAM:

HON'BLE THE ACTING CHIEF JUSTICE

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

JUDGMENT

MANMOHAN, ACJ: (ORAL)



1. Present Public Interest Litigation ('PIL') filed under Articles 226 and 227 of the Constitution of India, on 21st October, 2019 seeks the following reliefs:

- (i) *Direction to the Respondents for issuance of an interim protective measures for the consumers whose money deposited in the Punjab and Maharashtra Co-operative Bank Limited, Mumbai (PMC Bank) is blocked.*
- (ii) *Issuance of an exhaustive and comprehensive guidelines to ensure safe keeping of deposits in case of emergency financial crisis.*
- (iii) *Direction to the Respondent No.1 i.e., Union of India (UOI) and Respondent No.8, i.e., Reserve Bank of India (RBI) to ensure complete insurance of the money deposited in various co-operative banks including the nationalized banks by enacting a policy for the same.*
- (iv) *Direction to constitute a High-Powered Committee for looking into the complete affairs of all the co-operative banks.*
- (v) *Quashing and setting aside of the notifications issued by the Respondent No.8 dated 24th September, 2016, 26th September, 2016, 03rd October, 2016, 11th October, 2019.*
- (vi) *Direction to the Respondent No. 8 to exercise their power under the Deposit Insurance and Credit Guarantee Corporation Act, 1961 (DICGC Act) to provide 100% insurance cover in place of existing insurance cover of Rs. 1,00,000/-.*

2. Learned senior counsel appearing for the RBI states that the issues raised in the present PIL have been already decided by the learned Single Judge of this Court in W.P. (C) 2225 of 2020 by a detailed judgment dated 30th November, 2022 on a petition filed by the affected deposit holders. He



states that since the affected persons have already approached the Court, the present PIL is not maintainable.

2.1. He states that the relief prayed for at prayer (e) in this PIL was the exact same relief raised in W.P.(C) 2225 of 2020 by the petitioners therein, who were the deposit holders with the PMC Bank. He states that the learned Single Judge after due consideration dismissed the said petition

2.2. He further states that the learned Single Judge in its judgment dated 30th November, 2022 has referred to the judgment of the High Court of Bombay passed in WP(L) No. 3030 of 2019 dated 05th December, 2019, wherein as well identical issues were under consideration before the said Court. He states that the Supreme Court vide order dated 31st July, 2020 in the SLP(C) No. 13047/2020 filed against the judgment of the High Court of Bombay, has upheld the said judgment.

2.3. He states that therefore, in view of the judgments passed by the learned Single Judge, the High Court of Bombay and the liberty granted by Supreme Court to the depositors vide order dated 31st July 2020, the prayers in the present PIL does not survive for consideration.

3. In reply, learned Counsel for the Petitioner states that initially WP(C) 1280 of 2019 was filed before the Supreme Court and the same was disposed of with liberty to the Petitioner to approach this Court. He states that this PIL has been filed before the WP(C) 2225 of 2020 came to be filed. He states that the Petitioner herein is seeking additional directions to RBI for providing 100% insurance to the deposit holders for their money deposited in various Cooperative Banks including nationalized banks by enacting an appropriate policy.



3.1. He states that the main reason behind the impropriety in the management of these banks is that the Co-operative banks are under dual control of RBI and Registrar of Co-operative Societies (RCS). He states that such dual regulation leads to lack of coordination between the regulating entities which in turn provides an escape to the banks to do acts as per their whims and fancies in violation of the rules and regulations.

3.2. He states that as per the recent notification the depositors PMC Bank will get back the money deposited after a time span of ten years.

3.3. He states that due to the directions issued by this Court, the insurance for each account has been enhanced from Rs. 1 lakh to Rs. 5 lakhs. He states that the pendency of these petitions is necessary for pending relief of 100% insurance cover to each account holder in this petition.

4. Having heard the learned counsel for the parties and after perusing the record, the judgment dated 30th November, 2022 passed in W.P.(C) No. 2225 of 2020, the judgment dated 05th December, 2019 passed by High Court of Bombay and order dated 31st July 2020 passed by the Supreme Court as well as the affidavit dated 13th March, 2024 filed by RBI, we are of the opinion that the prayers (a) and (e) made in the PIL for and on behalf of the account holders in the PMC Bank have become infructuous.

5. Further, in the affidavit dated 13th March, 2024, RBI has placed on record Gazette notification dated 25th January, 2022 with respect to the scheme of amalgamation of PMC Bank with Unity Bank, after its sanction by the Central Government. It is stated that in view of amalgamation the directives issued by RBI on 23rd September, 2019, as modified from time to time have cease to exist. The said scheme has been prepared by RBI as per its statutory mandate under Section 45 of the Banking Regulation Act, 1949 to



protect the interest of depositors of PMC Bank. The Petitioner has not disputed the contents of the said affidavit. Therefore, the present petition seeking reliefs for the depositors of the PMC Bank does not survive for consideration.

6. With respect to prayers (c) and (f) pertaining to directions for providing 100% insurance cover for deposit holders, we take note that at the time of filing of this petition, the insurance cover was Rs. 1 lakh per account which has since been enhanced by Respondent No. 9 to Rs. 5 lakhs per bank account with effect from 04th February, 2020 with the approval of Government of India. No further directions as prayed for can be issued in the present petition as we are of the considered opinion that the issue of the costs of bearing the premium said insurance is a policy matter which has to be decided by the concerned Respondents.

7. With respect to prayers (b) and (d) sought in the present petition, the same fall in the domain of policy making by the Executive and Legislature; and therefore, we are not inclined to issue any further directions in this regard.

8. In view of the findings recorded above, the prayer sought in the present petition do not survive for consideration and the same is accordingly disposed of.

ACTING CHIEF JUSTICE

MANMEET PRITAM SINGH ARORA, J

MARCH 27, 2024/hp/sk