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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 15039/2024 & CM APPLs. 63093-94/2024**

ANITA SETHI

.....Petitioner

Through: Mr. Maroof Ahmad, Advocate for
Mr. Bahar U. Barqi, Advocate

versus

UNION OF INDIA & ORS.

.....Respondents

Through: Mr. Ramesh Babu, Ms. Manisha
Singh and Ms. Tanya Chowdhary,
Advs. for RBI/R-3
Mr. Jayant Mehta, Senior Advocate
with Shaurya Singh, Ms. Diva Saigal
and Mr. Rohit Kumar, Advocates for
R-5.
Mr. Joel Carlos, Advocate for R-7.

CORAM:

HON'BLE THE CHIEF JUSTICE

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

ORDER

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29.11.2024

1. Present petition has been filed seeking issuance of directions to Respondent no. 3/Reserve Bank of India ("RBI") to initiate appropriate legal proceedings against Respondents No. 6 & 7 pursuant to its enquiries referred in letters dated 5th June, 2017 and 2nd April, 2018.
2. Learned counsel for the Petitioner states that on 5th June, 2017, RBI conducted a thorough enquiry against Respondent No. 7 (Former Chairman of Respondent no. 5 Bank) and reported that Respondent No. 7 has embezzled huge money from the Bank. He states that RBI specifically reported to Respondent No. 4/Central Registrar Cooperative Societies ("CRCS") that any connection of Respondent No. 7 with the Bank would be detrimental to the interest of depositors and corporate governance of the



bank.

3. He states that another enquiry was conducted by RBI and on 2nd April, 2018, it was reported that Respondent No. 6 and 7 have engaged in embezzlement of crores of rupees. He states that despite the aforementioned enquiry reports, Respondent Nos. 6 and 7 have been holding the post of Managing Director and Chairman of the Bank since 2017.

4. He states that vide order dated 5th February, 2019 passed in W.P. 2367/2018, the Bombay High Court had directed Respondents No. 1 to 4 to bring the aforesaid enquiries to its logical conclusion but no action has been taken.

5. He states that the Petitioner has made multiple representations to the Respondent authorities against Respondent no. 6 and 7, however, no action has been taken till date.

6. Mr. Joel Carlos, Advocate, appears on behalf of Respondent No. 7. He states that the present petition is not maintainable within the territorial jurisdiction of this Court as Respondent Nos. 5, 6 and 7 are all residing and/or carrying on business at Mumbai.

7. This Court has perused the writ petition and finds that there are no averments in the writ petition qua the facts determining the territorial jurisdiction of this Court.

8. In this petition, the Petitioner has sought a direction to Respondent No. 3/RBI to initiate appropriate legal proceedings against Respondent Nos. 6 and 7 in pursuance to Respondent Nos. 3's letter dated 05th June, 2017 and 02nd April, 2018.

9. A perusal of the said letters shows that the same have been issued by Respondent No. 3 from its office at Mumbai. Respondent Nos. 6 and 7



against whom inquiry is sought to be initiated are residents of Mumbai. Respondent No. 5, i.e., the cooperative bank whose affairs are sought to be investigated also carries on business at Mumbai as it evidenced from the contents of the letter dated 05th June, 2017.

10. The Petitioner has also placed on record order dated 05th February, 2019 passed by Bombay High Court in W.P.(C) 2367/2018 directing Respondent No. 3/RBI to bring the aforesaid inquiries to its logical conclusion.

11. The Petitioner herself is a resident of Gurugram, State of Haryana.

12. In this overall conspectus of facts, it is evident that the cause of action has arisen at Mumbai; and thus, the Courts at Mumbai would have the territorial jurisdiction to decide the subject matter of the present writ petition. Moreover, the Respondents against whom relief is sought in this petition, are also carrying on business and/or are residents of Mumbai. Thus, applying the principle of forum conveniens, this court is of the opinion that it would be most appropriate that the Petitioner approaches the Courts in Mumbai. Thus, this Court finds merit in the submissions of the counsel for Respondent No. 7 and accordingly the present petition and applications are dismissed for want of territorial jurisdiction.

13. It is made clear that this Court has not expressed any opinion on the merits of the case and rights and contentions of all the parties are left open.

MANMOHAN, CJ

MANMEET PRITAM SINGH ARORA, J

NOVEMBER 29, 2024/hp/AKT