



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06-02-2026

CORAM

THE HON'BLE DR.JUSTICE ANITA SUMANTH

AND

THE HON'BLE MR.JUSTICE MUMMINENI SUDHEER KUMAR

WP No. 3353 of 2021

AND WMP NO. 3821 OF 2021

D.K.Ravichandran

S/o. D. R. Krishnaswamy,

Old No. 11, New No. 5/1, Poosari Street,

Near Surampatti Nal Road,

Erode - 638 009.

..Petitioner(s)

Vs

1. Union of India

Rep by the Additional Secretary to

Government,

Ministry of Finance,

Department of Financial Service (Banking
Division)

3rd Floor, Jeevan Deep Building,

Sansad Marg,

New Delhi - 110 001.

2. Reserve Bank of India

rep by its Chair man and Managing Director,



6, Parliament Street,
New Delhi - 110 001.

WEB COPY

3. Lakshmi Vilas Bank Limited,
Salem Road,
Kathaparaí,
Karur - 639 006.
Karur District.

4. DBS Bank India Limited,
Ground Floor Nos. 11 and 12 ,
Capital Point,
Baba Kharak Singh Marg,
Connaught Place,
New Delhi - 110 001.

..Respondent(s)

PETITION filed under Article 226 of the Constitution of India praying for the issuance of Writ of Certiorarified Mandamus to call for the records relating to the Scheme called the Lakshmi Vilas Bank Limited (Amalgamation with DBS Bank India Limited) Scheme, 2020, on the file of the 1st Respondent published in the Gazette of India Extraordinary Part II - Section III Sub Section(i), dated 25.11.2020, and quash the same as illegal and ultra vires in so far as Clause 7 of the said Scheme is concerned, and direct the Respondents to pay compensation for 15, 346 shares held by the Petitioner, in Lakshmi Vilas Bank, the 3rd Respondent herein, as on 27.11.2020 at the rate of Rs. 150/- per share together with interest at 12 percent per annum from 27.11.2020 till date of payment



WEB COPY

For Petitioner(s):

K.Ramanraj

For Respondent(s):

Ms. P.J. Anitha, CGSC for R1

Mr.Thiagarajan

for Mr. P. Giridharan, for R2

No appearance – R3 & R4

ORDER

(Order of the Court was made by Dr.Anita Sumanth J.)

Mr.Ramanraj, learned counsel for the petitioner, Ms.P.J.Anitha, learned Central Government Standing Counsel for R1 and Mr.Thiagarajan, learned counsel appearing for Mr.P.Giridharan, learned counsel for R2 furnish a copy of order dated 26.04.2024 passed by the first Bench of this Court in W.P.No.17521 of 2020 and connected batch on an identical issue, which they say is applicable on all fours to the present matter.

2. The petitioners in the aforesaid batch of Writ Petitions were also shareholders and bond holders of Lakshmi Vilas Bank (LVB) as the present petitioner. The challenge was to the action of the Reserve Bank of India (RBI) amalgamating LVB with DBS Bank India Limited purportedly under Section 45 of the Banking Regulation Act, 1949 and writing off of the Tier II bonds and shares.

3. The result in the aforesaid batch is at paragraph 14 of the order which



we extract below:

The Result:

14. In view of the above;

(i) The decision to amalgamate LVB with DBIL is not interfered with;

(ii) For the findings and observations made supra and taking recourse to Covenant 5(3)(ii) and Covenant 5(3)(iii) of the impugned scheme, we direct RBI to carry out the exercise of valuing the shares and assets of both DBIL and LVB as on the date before the amalgamation and on that basis, take a decision afresh on (a) reduction of the value of shares and (b) writing off the Tier – II Bonds;

(iii) We trust that the same would be done keeping in mind the grievances of the shareholders and the bondholders and the hardship faced on account of the scheme of compulsory amalgamation and amelioration of the same to the extent possible;

(iv) The above exercise shall be carried out preferably within a period of four months.

15. These writ petitions, accordingly, stand disposed of with the aforesaid observations and directions. There shall be no orders as to costs.

4. As against the aforesaid order, RBI filed an appeal before the Supreme Court in SLP (c) Diary No.23542 of 2024, wherein, vide order dated 24.07.2024, notice has been issued to the respondents and the directions set out under sub-paragraphs (ii) and (iv) of paragraph 14 of order dated 26.04.2024 have been stayed.

5. We have recorded the trajectory that the matter has taken thus far. In light of the identity of facts and legal position, the ratio of order dated 26.04.2024 and the result as extracted supra will apply to the present case as well.



6. In fine, this Writ Petition stands disposed of in terms of order dated 26.04.2024 passed in W.P.Nos.17521 of 2020 and connected batch. No costs. Connected Miscellaneous Petition is closed.

(A.S.M.,J.) (M.S.K.,J.)
06-02-2026

Index: Yes/No

Speaking order

Neutral Citation: Yes

SL

To

1. Union of India
Rep by the Additional Secretary to Government,
Ministry of Finance,
Department of Financial Service (Banking Division)
3rd Floor, Jeevan Deep Building,
Sansad Marg,
New Delhi - 110 001.
2. Reserve Bank of India
rep by its Chair man and Managing Director,
6, Parliament Street,
New Delhi - 110 001.
3. Lakshmi Vilas Bank Limited,
Salem Road,
Kathapara,ai,
Karur - 639 006.
Karur District.
4. DBS Bank India Limited,
Ground Floor Nos. 11 and 12 ,
Capital Point,
Baba Kharak Singh Marg,
Connaught Place,
New Delhi - 110 001.



WEB COPY

WP No. 3353 of 2



**DR.ANITA SUMANTH J.
AND
MUMMINENI SUDHEER KUMAR J.**

SL

**WP No. 3353 of 2021
AND
WMP NO. 3821 OF 2021**

06-02-2026