

(1995) 12 DEL CK 0023

In the Delhi High Court

Case No : Civil Writ Appeal No. 719 of 1995

K. Satyanarayanan and Others

APPELLANT

Vs

Union of India and Others

RESPONDENT

Date of Decision : 08-12-1995

Acts Referred:

Constitution of India, 1950 — Article 226

Citation : (1996) ILR Delhi 34

Hon'ble Judges : Dr. M.K. Sharma, J;Devinder Gupta, J

Bench : Division Bench

Advocate : Anil Nauriya, Sunita Hazarika, D.D. Thakur, H.S. Panikar, N.N. Bhat, K.S. Panikar, Altaf Ahmed and Sanjay Kapoor, for the Appellant;

Judgement

M.K. Sharma, J.

(1) The petitioners have preferred this writ petition under Article 226 of the Constitution of India for enforcement of due financial control and scrutiny by Comptroller and Auditor General of India over the transactions of the money in the custody of or in the control of the Reserve Bank of India and other public sector banks and financial institutions. The petitioners seek for a direction that the accounts of respondent No. 2 and 3 and all other public sector banking and public financial institutions be brought on the regulation and compulsory audit by the Comptroller and Auditor General of India as a matter of constitutional obligation. The petitioner also, in the alternative seek for a direction to the Ministry of Finance and the Comptroller and Auditor General of India to invoke the procedure of Section 20(2) of the Comptroller and Auditor General (duties, powers and conditions of services) Act, 1971, to bring under the financial and auditing scrutiny of the Parliament through the Comptroller and Auditor General of India, the audit of the accounts by the Reserve Bank of India, the State Bank of India and all other public sector banks and financial institutions.

(2) The grievances of the petitioners, as reflected from the contents of the writ petition, appear to be that since the nominal custody of the consolidated fund of

India is with the authorities named in Article 283 of the Constitution of India, the physical custody of this fund is with or under the control of the Reserve Bank of India, Therefore, audit of these accounts is a constitutional necessity. According to the petitioners the same reasoning applies also mutates mutants to the State Bank of India and other nationalised banks, which hold public funds and resources, Therefore, are liable to full financial public accounting and constitutional scrutiny.

(3) Mr. Anil Nauriya, counsel appearing for the petitioner submitted before us that he audit of the Reserve Bank of India, the State Bank of India and. the public sector banks should be compulsorily and regularly conducted by the Comptroller and Auditor General; but contrary to the basic structure of the Constitution and the powers and functions of the Parliament such audit is not being conducted by the Comptroller and Auditor General under the existing laws unless the Central Government so desires.

(4) He further submitted that the practice and procedure of the accounts of the Reserve Bank of India and all other public sector banks being not compulsorily audited by the Comptroller and Auditor General of India is against the principles of Public Financial Accountability and, Therefore, contrary to the rights and privileges of the Parliament as well as the rights of the citizens under Article 14 of the Constitution. It was submitted that only in case of survey institutions like the Reserve Bank of India and Industrial Reconstruction Bank of India, the audit is to be conducted by the Comptroller and Auditor General of India only when it is asked for by the Central Government. According to the learned counsel this discretion given to the Central Government, without any guideline is not in consonance with the Constitutional scheme or with the basic structure of the Constitution and that such audit by the Comptroller and Auditor General could not be made dependent upon the decision of the Central Government. The learned counsel further submitted that there is no compulsory audit and even there is no provision for discretionary audit of public sector banks by the Comptroller and Auditor General under the Banking Regulation Act and under the State Bank of India Act, 1959 and accordingly absence of such provisions for compulsory auditing by the Comptroller and Auditor General of the funds of such banks is contrary to the scheme of the Constitution and its basic structure. The learned counsel for the petitioners drew our attention to Articles 148 and 149 of the Constitution of India and to Section 50 of the Reserve Bank of India Act. He also referred to the provisions of Section 35 of the Banking Regulation Act and Section 41 of the State Bank of India Act. He further placed before us the provisions of Section 617 and 619 read with 619-A of the Companies Act and submitted that the provisions relating to audit is the case of government companies under the aforesaid provisions of the Companies Act are squarely and fully applicable to nationalised banks as they are Government companies and that the respondents have acted contrary to the law in not enforcing the aforesaid provisions of the Companies Act. The learned counsel also drew our attention to various reports of the different Parliamentary Committees

constituted for purpose of studying the prevailing practices of accounting and widespread mat-practices prevailing in the management of the public sector banks and submitted that compulsory audit of the fund of the Reserve Bank of India and the State Bank of India and all. other public sector banks and financial institutions by the Comptroller and Auditor General of India would also be in consonance with public policy as is underlined by the fact that various Parliamentary Committees have also stressed the need for such audit.

(5) Mr. Altaf Ahmad, the learned Additional Solicitor General appearing for the State Bank of India and Mr. D. D. Thakur, the learned counsel appearing for the Reserve Bank of India raised before us preliminary objections, with regard to the maintainability and locus of the petitioners in maintaining the writ petition. According to them the reliefs sought for in the writ petition are not based on any existing legal provisions but on what the petitioners consider ought to be done by the Parliament. This Court, according to them, is not competent to issue such directions to the Parliament to make laws to provide for compulsory audit of these institutions by Comptroller and Auditor General of India. The learned counsel further submitted that principal question raised in the writ petition exclusively falls within the domain and legislative wisdom of the Parliament and Therefore the petitioners are not entitled to invoke the writ jurisdiction for the purpose. The learned counsel further challenged the locus of the petitioners in maintaining the present writ petition and submitted that the subject matter and the reliefs prayed for in the present petition could not be the subject matter of a public interest litigation. The learned counsel also drew our attention to the prayers of the writ petition and on analysing each one of them they submitted that the said prayers are misconceived in law and on facts. The learned Additional Solicitor General, drawing our attention to various provisions of the Acts, submitted that an elaborate procedure has been laid down under the said provisions for a system of external statutory audit. He submitted that the said provisions with such external statutory audit are designed to ensure effective supervision and control of the resources and that in addition to such audit the Reserve Bank of India is also empowered to exercise all such powers through its own system of inspection and survey through scrutiny of various returns. According to him the existing procedure provides for effective and transparent system of statutory audit of bank institutions and Therefore further steps for incorporating further provisions in the various statutes as desired by the petitioners are neither necessary nor desirable.

(6) Mr. D. Ix Thakur, learned senior counsel appearing on behalf of Reserve Bank of India submitted that an elaborate procedure has been laid down for the scrutiny of the accounts of the Reserve Bank of India as also other public sector banks and financial institutions. He drew our attention to the provisions of Section 51 of the Reserve Bank of India Act which contains a special provision of vesting discretion in the Central Government for appointment of special auditors. He further submitted that although- the public sector banks are not under the compulsory audit procedure of Comptroller and Auditor General of India, the

procedure followed by the Reserve Bank of India in the selection and appointment of the statutory auditors for such public sector banks and financial institutions ensure that the benefits of the expertise of the Comptroller and Auditor General is extended to the banking institutions.

(7) In order to appreciate and analyze the submissions of the counsel for the rival parties it would be necessary to look into and consider the various provisions of the relevant act? having a bearing on the issues raised in the present writ petition. Before we deal with the other statutory provisions it is incumbent on us to ascertain about the duties, functions and powers of the Comptroller and Auditor General of India. Article 149 of the Constitution of India reads thus :-

"DUTIES and powers of the Comptroller and Auditor General- The Comptroller and Auditor General shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States and of any other authority or body as may be prescribed by or under any law made by Parliament and, until provision in that behalf is so made, shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States as were conferred on or exercisable by the Auditor-General of India immediately before the commencement of this Constitution in relation to the accounts of the Dominion of India and of the Provinces respectively."

Section 50 of the Reserve Bank of India Act, 1934 reads thus :-

"AUDITORS-(1)Not less than two auditors shall be appointed, and their remuneration fixed, by the Central Government. (2) The auditors shall hold office for such term not exceeding one year as the Central Government may fix while appointing them, and shall be eligible for reappointment."

(8) Section 35 of the Banking Regulation Act, 1949 reads thus :-

"INSPECTION.-(1)Notwithstanding anything to the contrary contained in Section 235 of the Companies Act, 1956, the Reserve Bank at any time may and on being directed so to do by the Central Government shall cause an inspection to be made by one or more of its officers of any banking company and its books and accounts; and the Reserve Bank shall supply to the banking company a copy of its report on such inspection. (1A) (a) Notwithstanding anything to the contrary contained in any law for the time being in force and without prejudice to the provisions of sub section (1), the Reserve Bank, at any time, may also cause a scrutiny to be made by any one or more of its officers of the affairs of any banking company and its books and accounts; and (b) a copy of the report of the scrutiny shall be furnished to the banking company if the banking company makes a request for the same or if any adverse action is contemplated against the banking company on the basis of the scrutiny. (2) It shall be the duty of every director or other officer or employee of the banking company to produce any officer making an inspection under sub section (1) or a scrutiny under sub section (1A) all such books, accounts and other documents in his custody or

power and to furnish him with any statements and information relating to the affairs of the banking company as the said officer may require of him within such time as the said officer may specify. (3) Any person making an inspection under sub section (1) or a scrutiny under sub section . (1A) may examine on oath any director or other officer or employee of the banking company in relation to its business, and may administer an oath accordingly. (4) The Reserve Bank shall, if it has been directed by the Central Government to cause an inspection to be made, and may, in any other case, report to the Central Government on any inspection or scrutiny made under, this section, "and the Central Government, if it is of opinion after considering the report that the affairs of the banking company are being conducted to the detriment of the interests of its depositors, may, after giving such opportunity to the banking company to make a representation in connection with the report as, in the opinion of the Central Government, seems" reasonable, by order in writing- (a) prohibit the banking company from receiving fresh deposits; (b) direct the Reserve Bank to apply u/s 38 for the winding up of the banking company: Provided that the Central Government may defer, for such period as it may think fit, the passing of an order under this sub section, or cancel or modify any such order, upon such terms and conditions as it may think fit to impose. (5) The Central Government may, after giving reasonable notice to the banking company, publish the report submitted by the Reserve Bank or such portion thereof as may appear necessary. Explanation. For the purposes of this section, the expression "banking company" shall include- (i) in the case of a banking company incorporated outside India, all its branches in India: and (ii) in the case of a banking company incorporated in India- (a) all its subsidiaries formed for the purpose of carrying on the business of banking exclusively outside India. and (b) all its branches whether situated in India or outside India. (6) The powers exercisable by the Reserve Bank under this section in relation to regional rural banks may (without prejudice to the exercise of such powers by the Reserve Bank in relation to any regional rural bank whenever it considers necessary so to do) be exercised by the National Bank in relation to the regional rural banks, and accordingly, sub section (1) to (5) shall apply in relation to regional rural banks as if every reference therein to the Reserve Bank included also a reference to the National Bank."

(9) Section 41 of the State Bank of India Act, 1955 reads thus:-

"AUDIT-(1)The affairs of the State Bank shall be audited by two or more auditors duly qualified to act as auditors of companies u/s 226 of the Companies Act, .1956 who shall be appointed by the Reserve Bank in consultation with the Central Government. C2) The auditors shall receive such remuneration as the Reserve Bank may fix in consultation with the Central Government. (3) An auditor may be a shareholder but no director or member of a Local Board or of a Local Committee or an officer of the State Bank shall be eligible to be an auditor during his continuance in office as such director, member or officer. (4) An auditor shall on relinquishing office be eligible for reappointment. (5) The auditors shall severally be, and continue to act as, auditors until the annual

general meeting after their respective appointment, and if any vacancy arises before the expiry of the term of office of an auditor, the vacancy may be filled by the Reserve Bank. (6) Every auditor shall be supplied with a copy of the annual balance sheet and profit and loss account, and a list of all books kept by the State Bank, and it shall be the duty of the auditor to examine the balance sheet and profit and loss account with the accounts and vouchers relating thereto, and in the performance of his duties, the auditor- (a) shall have, at all reasonable times, access to the books, accounts and other documents of the State Bank; (b) may, at the expense of the State Bank, or if he is appointed by the Central Government, at the expense of the Central Government, employ accountants or other persons to assist him in investigating such accounts, and (c) may, in relation to such accounts, examine any director or any member of a Local Board or of a Local Committee or any officer of the State Bank. (7) The auditors shall make a report to the Central Government upon the annual balance sheet and accounts, and in every such report they shall state- (a) Whether, in their opinion, the balance sheet is a full and fair balance sheet containing all the necessary particulars and properly drawn up so as to exhibit a true and fair view of the affairs of that State Bank, and in case they have called for any Explanation or information, whether it has been given and whether it is satisfactory. (b) Whether or not the transactions of the State Bank which have come to their notice have been within the powers of the State Bank; (c) Whether or not the returns received from the offices and branches of the State Bank have been found adequate for the purpose of their audit; (d) Whether the profit and loss account shows a true balance of profit or loss for the period covered by such account; and (e) any other matter which they consider should be brought to the notice of the shareholders or the Central Government, as the case may be. (a) the balance-sheet shall not be treated as not disclosing a true and fair view of the affairs of the State Bank, and (b) the profit and loss account shall not be treated as not showing a true balance of profit or loss for the period covered by such account, merely by reason of the fact that the balance-sheet on, as the case may be the profit and loss account, does not disclose any matters which are, by the provisions of the Banking Regulation Act, 1949 read with the relevant provisions to this Act, not required to be disclosed. Explanation 2.-For the purposes of this Act, the accounts of the State Bank shall not be deemed as having not been properly drawn up on the ground merely that they do not disclose certain matters if- (i) those matters are such as the State Bank is, by virtue of any provision contained in the Banking Regulation Act, 1949, read with the relevant provisions of this Act, or any other Act, not required to disclose; and (ii) the provisions referred to in clause (1) are specified in the balance-sheet and profit and loss account of the State Bank or in the auditors report. (8) The auditors shall also forward a copy of the audit report to the State Bank. (9) Without prejudice to anything contained in the foregoing provisions, the Central Government may appoint at any time such auditors as it thinks fit to examine and report on the accounts of the State Bank. Section 617 of the Companies Act reads thus:- "Definition of "Government Company"-For the purposes of this Act,

Government company means any company in which not less than fifty-one per cent of the paid-up share capital is held by the Central Government, or by any State -Government or Governments, or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government company as thus defined." "(1) In the case of a Government company, the following provisions shall apply, notwithstanding anything contained in section 224 to 233. (2) the auditor of a Government company shall be appointed or re-appointed by the Central Government on the advice of the Comptroller and Auditor-General of India. Provided that the limits specified in sub sections (1B) and (1C) of Section 224 shall apply in relation to the appointment or re-appointment of an auditor under this subsection. (3) The Comptroller and Auditor-General of India shall have power- (a) to direct the manner in which the company's accounts shall be audited by the auditor appointed in pursuance of sub section (2) and to give such auditor instructions in regard to any matter relating to the performance of his functions as such; (b) to conduct a supplementary on test audit of the company's accounts by such person or persons as he may authorise in this behalf; and for the purposes of such audit, to require information or additional information to be furnished to any person or persons, so authorised, on such matters, by such person or persons, and in such form, as the Comptroller and Auditor General may, by general or special order, direct". (4) The auditor aforesaid shall submit a copy of his audit report to the Comptroller and Auditor-General of India who shall have the right to comment upon, or supplement, the audit report in such manner as he may think fit. (5) Any such comments upon, or supplement to, the audit report shall be placed before the annual general meeting of the company at the same time and in the same matter as the audit report."

(10) Having quoted the provisions of law relevant to the facts of the present case we now propose to proceed to deal with the rival contentions of the parties so as to adjudge as to what relief, if any, could be granted to the petitioners in the present writ petition,

(11) Articles 148 and 149 the Constitution of India appear to be relevant for the purpose of deciding the issues raised in the present petition to which reference was also made by the counsel of the rival parties. Article 148 of the Constitution says that there shall be a Comptroller and Auditor-General of India, who shall be appointed by the President under his hand and seal and shall also be removed from office in the like manner as a Judge of the Supreme Court. We are, however, not concerned so far as the facts of the present case are concerned, with the rest of the provisions of the said Article. Article 149 of the Constitution of India requires the Comptroller and Auditor General of India to perform such duties and exercise such powers in relation to the accounts of the union and of the states and of any other authority or body as may be prescribed by or under any law made by Parliament and until provision in that behalf is so made, he is to perform such duties and exercise such powers in relation to the accounts of the Union and of (he states as were conferred on or exercisable by the Auditor

General of India, immediately before the commencement of the Constitution, in relation to the accounts of the dominion of India and provinces respectively.

(12) In pursuance to the provisions of the aforesaid two Articles Parliament enacted the Comptroller and Auditor General's (duties, powers and conditions of service) Act, 1971 (hereinafter referred to as the Act No. 56 of 1971), u/s 10 of the said Act, the Comptroller and Auditor General has been made responsible for compiling the accounts of Union and of each state and u/s 11, he is required to prepare the annual accounts separately for the union and each of the states and each of the Union territories, having a legislative assembly, showing under the respective heads the annual receipts and disbursement and submit to the President, Governor of State or Administrator of the Union Territory, as the case may be. Section 13 provides that he will audit all expenditure from the Consolidated Fund of India and of each state and of each Union territory having a Legislative Assembly, all transactions relating to the Contingency Funds and public accounts and of all trading, manufacturing, profit and loss accounts and balance sheets and other subsidiary accounts. Section 19 of the Act of 1971 also has relevance for the purpose of the present case which reads as under:--

"18: Audit of Government companies and corporations.- (1) The duties and powers of the Comptroller and Auditor-General in relation to the audit of the accounts of Government companies shall be performed and exercised by him in accordance with the provisions of the Companies Act, 1956. (2) The duties and powers of the Comptroller and Auditor-General in relation to the audit of the accounts of corporations (not being companies) established by or under law made by Parliament shall be performed and exercised by him in accordance with the provisions of the respective legislations. (3) The Governor of a State or the Administrator of a Union territory having a Legislative Assembly may, where he is of opinion that it is necessary in the public interest so to do, request the Comptroller and Auditor General to audit the accounts of a corporation established by law made by the Legislature of the State or of the Union territory, as the case may be, and where such request has been made, the Comptroller and Auditor-General shall audit the accounts of such corporation and shall have, for the purposes of such audit, right of access to the books and accounts of such corporation. Provided that no such request shall be made except after consultation with the Comptroller and Auditor-General and except after giving reasonable opportunity to the corporation to make representations with regard to the proposal for such audit."

(13) On a conjoint reading of the aforesaid provisions of Articles 148 and 149 of the Constitution of India and the provisions of Act No. 56 of 1971 it is crystal clear that it is for the Parliament to provide whether the accounts and affairs of any statutory Authority, Institution, corporation or other bodies should or should not be audited by the Comptroller and Auditor-General of India. Article 149 of the Constitution of India clearly envisages "that the Parliament may make laws in this regard, meaning thereby, that it is for the Parliament to decide generally or

in each case whether a statutory Authority, institution, Corporation or body should be subjected to compulsory Audit of Comptroller and Auditor-General. Admittedly, till late, the Parliament in its legislative wisdom has not thought it fit that the accounts and the affairs of the State Bank of India and other public sector banks and financial institutions should be audited by the Comptroller and Auditor General of India. So far as the Reserve Bank of India is concerned, the accounts and affairs of the said bank have been left to be audited by the Comptroller and Auditor General of India by the Parliament at the discretion of the Central Government. The Parliament, on the other hand, in its legislative wisdom has decided to provide a specific exclusive mechanism of auditing and to make it part arid parcel of regular instrumentality, of the banking system which, in our opinion, could not be said to be contrary to the basic structure of the Constitution on the powers and functions of the Parliament.

(14) Learned counsel for the petitioner relied on the provisions of Sections 617 and 619 A read with Sections 19 of the Act No. 56 of 1971 of the Companies Act and submitted that the said-provisions are also applicable to the accounts of the State Bank of India and other public sector banks. We have considered the provisions of Sections 617, 619 and 619A of the Compares Act carefully the Government company is a company under the Compares Act Government Companies are defined by the Compares Act itself and Section 617 to the Act not only defines it but also the subsequent provision like Sec 618, 619 and 620 make special provision with regard to them. When a company is registered under the Companies Act and is governed by the provision of the said Act such accompany is a separate entity. The provisions of Section 619 of the Companies Act make it clear that notwithstanding Section 224 to the said Act the appointment of an auditor of a "Government Company" rests with the Central Government on the advice of the Comptroller and Auditor General of India. However, the. State Bank of India and other nationalised public sector banks are net companies incorporated, pursuant to the provisions of the Companies Act. All these banks are bodies created by specific statutes. The general supervision, direction and management of the affairs and business of these banks are vested in a Board, appointed in accordance with the provisions of the specific Act, applicable to each of the banks. The audited reports of each of these banks are required to be submitted to Reserve Bank of India and also to the Central Government and the Central Government in its turn is under an obligation to lay the reports before both the Houses of Parliament. Upon analysing the scheme of the various Acts, under which these nationalised Public Sector Banks are created and also the provisions of the Companies Act, we arrive at an irresistible conclusion that neither the Reserve Bank of India nor the State Bank of India or its subsidiaries or any other public sector bank fall within the definition of Government company for the purpose of the provisions of Companies Act. In our opinion, Therefore, the said provision has no relevance to the facts and circumstances of the present case.

(15) The issue that has been raised by the consult for petitioners is that the

Comptroller and Auditor General should carry out audit of the accounts of the Reserve Bank of India and State Bank and other public sector banks and financial institutions. The Parliament has provided regulations of banking through various enactments such as Reserve Bank of India Act, which regulate the affairs of Reserve Bank of India and State Bank of India (Subsidiary Bank). State Bank of India Act regulates the affairs of State Bank and its subsidiary banks. Sections 50 to 52 of the Reserve Bank of India Act provide for appointment of auditors and define their powers and duties etc. Under these provisions the Central Government, in its discretion, is also empowered to appoint the Comptroller and Auditor General to examine and report all accounts of the Reserve Bank of India. In so far as the provisions of Banking Regulation Act are concerned, Section 29 to 32 deal with accounts of these banks and provide for external statutory audit and control and supervision by the Reserve Bank of India. State Bank of India is also subject to an audit in terms of Section 41 of the State Bank of India Act. The subsidiaries of the State Bank of India are also subject to audit as provided in the State Bank of India (Subsidiary Banks) Act, 1959.

(16) The aforesaid provisions of the various acts connected with the procedure for auditing the accounts of the said respective public sector banks and other financial institutions provide a well oiled machinery and regulatory system to ensure effective supervision and control so far as the finance of the said institutions are concerned. The Parliament in its legislative wisdom has not considered it necessary to prescribe compulsory auditing of the accounts by the Comptroller and Auditor General of India either of the Reserve Bank of India or State Bank of India or for that matter of any other public sector bank. We may also at this stage mention that with a view to streamline the procedure for appointment of auditors for the State Bank and other public sector banks, the Reserve Bank of India, in consultation with the Government of India, Ministry of Finance has constituted a Standing Advisory Committee to consider and advise the Reserve Bank of India and the Central Government, relating to all major issues pertaining to the annual audit arrangements of the public sector banks including regional and rural banks. The said Advisory Committee, as it appears from the record, consists of senior officials from the Ministry of Finance, office of the Comptroller and Auditor General of India and the Reserve Bank of India. The Standing . Advisory Committee has from time to time, as disclosed from the records, laid down norms and duties and prescribes the mode and manner of selection of statutory auditors. The aforesaid procedure prescribed, in our opinion, sufficiently ensure proper checks and balance with regard to the finance and accounts of the various public sector banks and the financial institutions.

(17) In the background of the aforesaid in depth study and critical analysis of the various provisions enumerated above we feel that it would not be appropriate for us in exercise of our writ jurisdiction under Article 226 of the Constitution of India to venture into and lay down norms and guidelines that in what manner the policy of auditing should be formulated and implemented since the Constitution itself has left the same to the legislative wisdom of the Parliament, as provided

for under Article 149 of the Constitution of India. In this regard we may appropriately refer to the decision of the Supreme Court in *Asif Hameed and others Vs. State of Jammu and Kashmir and Others*, wherein it was held that the Constitution does not permit the Court to direct or advise the executive in matters of policy or to sermonize on any matter which under the Constitution lies within the sphere of legislature or executive, provided these authorities do not transgress their constitutional limits or statutory powers. In the said decision the Supreme Court held as follows:-

"THE Constitution has laid down elaborate procedure for the legislature to act thereunder. The legislature is Supreme in its own sphere under the Constitution. It is solely for the legislature to consider as to when and in respect of what subject matter, the laws are to be enacted. No directions in this regard can be issued to the legislature by the courts." In *Peerless General Finance and Investment Co. Limited and Another Vs. Reserve Bank of India*, the Supreme Court observed thus : "Courts are not to interfere with economic policy which is the function of experts. It is not the function of the Courts to sit in judgment over matters of economic policy and it must necessarily be left to the expert bodies. In such matters even experts can seriously and doubtlessly differ Courts cannot be expected to decide them without even the aid of experts."

(18) The aforesaid words of the Supreme Court laid down in an emphatic manner that the court should not venture on issuing a direction to a legislature to enact a particular law and also the manner in which a particular legislation should be enacted. For it is also held by the Supreme Court in *Narinder Chand Hem Raj and Others Vs. Lt. Governor, Administrator, Union Territory, Himachal Pradesh and Others*, that :

"NO court can issue a mandate to legislature to enact a particular law. Similarly no court can direct a subordinate legislative body to enact or not to enact a law which it may be competent to enact,"

(19) In our considered opinion, the question as to whether the accounts of the Reserve Bank of India, State Bank of India and other public sector banks and financial institution should be under the compulsory audit jurisdiction of Comptroller and Auditor General or not is a matter which is not to be considered by us but exclusively falls within the domain and jurisdiction of the Legislature. It is not a matter which is within our sphere and reach and that it would not be appropriate for us to exercise our extraordinary jurisdiction to assume to ourselves a supervisory role over matters falling exclusively within the purview of legislative wisdom of the Parliament.

(20) On consideration of the entire facts and circumstances of the case and taking note of the totality of the circumstances, we do not find any merit in this petition and accordingly dismiss the same but leaving the parties to bear their own cost.