

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Knight Consulting Group, LLC, et al. v. Sean Arora, et al.

Knight Consulting Group · No. 25-cv-07672-NC · Decided September 10, 2025

SUMMARY

The United States District Court for the Northern District of California ordered defendant Sean Arora to show cause why the case should not be remanded to state court for lack of subject matter jurisdiction. The court concluded that Arora had not adequately established complete diversity because he did not provide the citizenship of the members of plaintiff Knight Consulting Group, LLC, although the amount-in-controversy requirement appeared satisfied.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Nathanael M. Cousins
JURISDICTION	United States District Court for the Northern District of California
DECIDED	September 10, 2025
DOCKET	25-cv-07672-NC
DISPOSITION	other
PROCEDURAL POSTURE	Defendant removed the action from Santa Clara County Superior Court to federal court. The district court issued an order to show cause requiring defendant to explain why the case should not be remanded for lack of subject matter jurisdiction.
STANDARD OF REVIEW	Federal courts independently assess whether subject matter jurisdiction exists and construe their jurisdiction narrowly because they are courts of limited jurisdiction.
PRECEDENTIAL VALUE	Unpublished district court order; precedential status unknown.

TOPICS

- subject matter jurisdiction
- civil procedure
- commercial litigation

PRACTICE AREAS

- civil procedure
- commercial litigation
- federal jurisdiction

QUESTIONS PRESENTED

1. Whether the notice of removal established federal diversity subject matter jurisdiction.
2. Whether the citizenship of Knight Consulting Group, LLC could be determined without information about the citizenship of its owners or members.
3. Whether the defendant should be required to show cause why the action should not be remanded for lack of subject matter jurisdiction.

HOLDINGS

1. For purposes of diversity jurisdiction, an LLC is a citizen of every state of which its owners or members are citizens; a party relying on diversity jurisdiction must provide sufficient facts to apply that test.
2. Because the removing defendant had not established that federal subject matter jurisdiction was satisfied, the court required him to show cause in writing why the case should not be remanded to state court.

KEY QUOTATIONS

“Federal courts are courts of limited jurisdiction.” (at 1)

“In conclusion, Arora has not established that federal subject matter jurisdiction is satisfied because he provides the incorrect test for citizenship of an LLC and does not provide sufficient facts.” (at 2)

FACTUAL BACKGROUND

Defendant Sean Arora, M.D., removed the case from Santa Clara County Superior Court based on diversity jurisdiction. Arora asserted that he was a Washington resident and identified the organizational jurisdictions of certain corporate defendants, but he did not provide the citizenship of the owners or members of Knight Consulting Group, LLC. The district court concluded that the amount-in-controversy threshold was sufficiently established but that the available facts were inadequate to determine complete diversity.

PROCEDURAL HISTORY

Sean Arora removed the case to the Northern District of California on September 9, 2025. The court found that the notice of removal adequately established the amount-in-controversy requirement but did not provide sufficient information to determine the citizenship of the members of plaintiff LLC, and therefore ordered Arora to show cause why the case should not be remanded.

DISPOSITION

other

REMAND INSTRUCTIONS

Defendant Sean Arora must file a written response by September 24, 2025, explaining why the case should not be remanded for lack of subject matter jurisdiction. Plaintiffs may respond by October 1, 2025. The order does

not itself remand the case.

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- Johnson v. Columbia Props. Anchorage, LP, 437 F.3d 894, 899 (9th Cir. 2006)

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