

THE HON'BLE SRI JUSTICE SANJAY KUMAR
AND
THE HON'BLE SRI JUSTICE T.AMARNATH GOUD

WRIT PETITION NO.7874 of 2017

ORDER: (per SK,J)

Challenge in this writ petition is to the order dated 21.02.2017 passed by the Debts Recovery Tribunal-I, Hyderabad, in I.A.No.3072 of 2016 in O.A.No.337 of 2001. The said O.A. was filed by the State Bank of Hyderabad, the first respondent herein, under Section 19 of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, presently renamed as the Recovery of Debts and Bankruptcy Act, 1993 (for short, 'the RDDB Act'). The subject I.A. was filed by respondents 5 and 10 in the said O.A. seeking to be transposed as applicants in the main O.A. in the place of the bank. By the order under challenge, the Tribunal held that the application was misconceived as the jurisdiction conferred under Section 17 of the RDDB Act was only to decide applications filed by banks and financial institutions for recovery of their debts.

Sri N.Chandradhar Rao, learned counsel for the petitioners, does not dispute the fact that Section 2(b) of the RDDB Act defines an 'application' to be the one made to the Tribunal under Section 19 and Section 19, in turn, delineates the scope of such application to be one made by a bank or a financial institution for recovery of its debts from any person.

Though the learned counsel would contend that the power of the Tribunal under Section 22(2)(h) of the RDDB Act would extend to any other matter which may be prescribed, there is no provision prescribing that the scope of an application filed under Section 19 thereof can be enlarged beyond what has been set out in Section 19. That apart, as

rightly pointed out by the Tribunal, the jurisdiction conferred upon it under Section 17 of the RDDB Act is only to entertain and decide applications from banks and financial institutions for recovery of their debts.

In the light of the statutory scheme of the RDDB Act, it is not open to a private respondent in an application filed by a bank or a financial institution to thereafter seek settlement of its disputes with other private respondents by claiming a right to be transposed as an applicant therein. The scheme does not support such transposition. The order of the Tribunal holding to this effect therefore warrants no interference.

The writ petition is devoid of merit and is accordingly dismissed. Pending miscellaneous petitions, if any, shall also stand dismissed. No order as to costs.



SANJAY KUMAR,J

T.AMARNATH GOUD,J

Date:02.07.2018

GJ