

A

SITA RAM SINGHANIA

v

BANK OF TOKYO-MITSUBISHI LTD. AND ORS.

MAY 11, 1999

B

[B.N. KIRPAL AND S. RAJENDRA BABU, JJ.]

*Recovery of Debts Due to Banks' and Financial Institutions Act. 1993;*

C *Debt Recovery Tribunal—Suit instituted by Bank—Grant of stay of recovery proceedings as a matter of course—Propriety of—Proceeding initiated in the State of Madhya Pradesh—Held Allahabad High Court has no jurisdiction.*

Petition(s) for Special Leave to Appeal (Civil) No. 6759/1999.

D

From the Judgment and order dated 09.04.1999 in CMWP 15012/99 of the High Court of Judicature at Allahabad.

Ravinder Sethi, Sanjay Gupta and Rajeev Sharma for the Petitioner.

The Court made the following Order :

E

We see no reason why the High Courts in such matters filed by the defendants in suits instituted by the banks before the Debt Recovery Tribunal should more or less as a matter of course grant stay of proceedings before the Tribunals. The very purpose of setting up the Tribunals will be lost by granting stay merely because there is challenge to the notification constituting the Tribunal. In the present case, the High Court has rightly come to the conclusion that as the proceedings were initiated in the State of Madhya Pradesh, the Allahabad High Court had no jurisdiction.

F

The special leave petition is dismissed.

T.N.A.

Petition dismissed.