

The Provincial Insolvency (Punjab Amendment) Act, 1939
Punjab Act 3 of 1939

h1549

Received the assent of His Excellency the Governor on the 18th April, 1930 and was first published in the Punjab Government Gazette Extraordinary, dated 20th April, 1939.

An Act to amend the Provincial Insolvency Act, 1920, in its application to Punjab.

LEGISLATIVE HISTORY 6

□ Amended by Adaptation of law Order 1950

It is hereby enacted as follows :-

1. Short title and extent. - (1) This Act may be called the Provincial Insolvency (Punjab Amendment) Act, 1939.

(2) It extends to [Haryana].

Object & Reasons6

Statement of Objects and Reasons. - It has been held by the High Court at Lahore that sections 4 and 5 of the Punjab Debtors' Protection Act, 1936, are not applicable to alienations of property made by a receiver in insolvency, since a receiver is not a Court. The two judgments in which the view has been taken contains no reference to sub-section (2) of section 60 the Provincial Insolvency Act, 1920, and it is not clear whether the effect of that sub-section has been taken into account, but in order to remove doubts as to the intention of the Act of 1936 it has been decided to introduce this amending measure.

Punjab Gazette 1938, Part I, Page 160.

2. Amendment of section 60 of Act V of 1920. - After sub-section (2) of section 60 of the Provincial Insolvency Act, 1920, the following new sub-section shall be added :

"(3) In particular, and without prejudice to the generality of sub-section (2), when the whole or any part of the estate of an insolvent consists of land as defined in the Punjab Tenancy Act, 1887, no such land shall be temporarily alienated by the receiver; but after the other property of the insolvent has been realised the court shall proceed in the manner provided in sub-section (1), and the Collector shall thereupon proceed to raise the amount required by means of temporary alienation in such form and for such period as may be legally permissible and as he thinks fit; and shall hold at the disposal of the court all sums which may thereby come to his hands :

Provided that such portion of the land shall be exempted from alienation as in the opinion of the Collector, having regard to the income of the judgment debtor from all sources except such income as is dependent on the will of another person, is sufficient to provide for the maintenance of the insolvent and the members of his family who are dependent on him, and such portion shall be deemed not to form part of the estate under administration."