

The Punjab Debt Conciliation Rules, 1935

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With reference to Punjab Government Notification No. 15943 Judicial, dated the 23rd April, 1935, and in exercise of the powers conferred by section 28 of the Punjab Relief of Indebtedness Act, 1934, the Governor in Council is pleased to make the following rules-

1. These rules may be called the Punjab Debt Conciliation Rules, 1935.

2. (i) In these rules :-

(a) "Act" means the Punjab Relief of Indebtedness Act, 1934;

(b) "Board" means a debt Conciliation Board established under the Act.

[**3.** The Chairman and members of the Board shall draw such salaries and travelling allowances as shall be from time to time prescribed by the Punjab Government].

4. A Board shall have its office at such place as may be fixed by the Local Government, and may hold its sittings at any place within its area of jurisdiction.

5. It may hold its sittings on all days except those which are allowed as local holidays or as holidays to all public offices in the province but nothing in this rule shall operate to invalidate proceedings taken by a Board on a sanctioned holiday.

6. Not less than two thirds of the total membership of a Board must be present to form a quorum. In calculating the total membership for the purpose of this rule the Chairman is to be counted, as well as the members.

7. An application for a settlement between a debtor and his creditors shall be signed by the applicant and his pleader (if any) and shall be verified at the foot by the applicant, who shall specify by reference to the numbered paragraphs of the application what he verifies of his own knowledge and he verifies upon information received and believed to be true. The verification shall be signed by the applicant and shall state the date on which and the place at which it was signed.

8. (1) Every application for settlement between a debtor and his creditors shall be presented by an applicant in person or sent by registered post to the Chairman or to a member of the Board or to any person authorised by the Deputy Commissioner in this behalf. On receipt of the application the Board

shall order the relevant details to be entered in the Register of applications for Settlement of Debts.

(2) Every application shall be accompanied by all such documents as will be necessary for the disposal of the proceedings before the Board.

(3) A further and better statement of the nature of the claim or defence, or further and better particulars of any matters stated in any application, may be admitted by the Board upon such terms as to costs and otherwise as may be just.

9. If the Board does not dismiss the application, it shall send to all persons concerned, at the expense of the applicant, a notice by registered post (acknowledgement due), issued under the provisions of section 12(2) of the Act of the date and place fixed for hearing of the application.

10. If the applicant is a debtor, and the Board does not dismiss the application the Board shall as soon as convenient cause to be posted in a prominent place at the office of the Board a notice in Form I attached to these rules. It shall similarly cause to be published, at the cost of the applicant, the same notice in some [-] vernacular newspaper, commonly read in the area in which the Board has jurisdiction, at least twice within one month.

11. If the applicant is a creditor :-

(i) the notice sent to the debtor under rule 8 may require him to submit the Board, at least twenty-five days before the date fixed for hearing the application, a written statement signed and verified by the debtor in the manner aforesaid containing :-

(a) the particulars of all debts owed by him, together with the names addresses of all his creditors;

(b) the particulars of all his property, together with a specification of the value of such property and the place or places at which such property is to be found.

(ii) On receiving the written statement the Board shall send by registered post (acknowledgement due) a notice of the date and place fixed for hearing the application to all creditors mentioned by the debtor in his statement.

The cost of issuing these notices shall be recovered by the Board from the applicant in advance.

12. On the date fixed for hearing the application, the Board after any other proceedings it may consider necessary, shall, unless it dismisses the

application publish in the manner prescribed in the next following rule a notice in accordance with section 13 of the Act calling upon every creditor of the debtor to submit within two months a statement to the Board of all debts owed to him by the debtor.

13. (i) The notice shall be in Form II attached to these rules and shall be published as follows :-

(a) It shall be read out and explained in open session by the Chairman of the Board to all creditors who are present, and a memorandum shall be made that this has been done. The names of the creditors present shall also be recorded.

(b) A copy of the notice shall be fixed in some conspicuous part of the place where the Board is sitting.

(c) A copy of the notice shall be sent by registered post (acknowledgement due) to those creditors who have been named by the applicant or debtor are not present before the Board. The cost shall be borne by the applicant, but shall be recoverable at the direction of the Board, from a creditor who has had previous notice of the date fixed.

(ii) If the Board has reason to believe that the applicant has not disclosed the names of all creditors, it shall further cause the notice Form II to be published at the cost of the applicant in some [-] vernacular newspaper commonly read in the area in which the Board has jurisdiction, at least twice within one month of the order.

14. A certificate granted under section 20(2) of the Act by a Board to a debtor in respect of debts due from him to any creditor shall be in Form III annexed to these rules, and shall be signed by the Chairman and members of the Board present and sealed with the seal of the Board. The certificate shall be prepared in triplicate, one copy shall be delivered to the debtor, one copy shall be sent to the Record Room of the district in which the Board is working to be filed in accordance with rules framed by the Punjab Government and the third copy shall be attached to the record of the proceedings.

15. Every application for settlement made under section 9 of the Act and every application for review made under section 23 of the Act shall be stamped by the applicant with a court-fee stamp of the value of eight annas.

[**15A.** Certified copies of all documents produced by creditors along with their statement of debts under sub-section (1) of the Section 14 of the Act shall not be charged with any fee either under the Court Fees Act or under the Stamp Act :

Provided that this rule shall not operate against any of the provisions of the Stamp Act with regard to the legal stamping of any original document.]

16. (i) For every registered notice to be sent by the Board under the Act and these rules the person at whose expense it has to be sent shall pay to the Board before the issue of the notice, the sum of six annas [or present a cover adequately stamped for the purpose of the despatch of the notice by registered post, acknowledgement due.]

(ii) If the applicant fails to pay the expense of a registered notice within a week his application shall be dismissed in default. But he may, within one month of the dismissal apply to have the dismissal set aside, and if he satisfies the Board that there was sufficient cause for his non-compliance with the order of payment, the Board shall set aside the dismissal upon such terms as to costs or otherwise as it thinks fit, and shall appoint a day for proceeding with the application.

17. The Chairman of the Board shall send quarterly returns of the work done by Board to Collector in Form IV annexed to these rules.

18. The costs of and incident to all proceedings before the Board, shall be in the discretion of the Board, and the Board shall at the time of every settlement under section 17 of the Act have full power to determine the amount to be paid as costs and the person by whom it is to be paid and to give all necessary direction for the purposes aforesaid.

19. Every Chairman of the Board [on receipt of an application stamped by the applicant with a court-fee stamp of the value of two annas] shall cause to be given a copy of any settlement made under section 17 of the Act [-] together with a certificate written at the foot of such copy that it is a true copy of such settlement, and such copies so certified shall be certified copies within the meaning of the Indian Evidence Act, 1872.

20. The following registers shall be kept by a Board and entered up under the supervision of the Chairman on every day that the Board holds its sitting :-

- (a) Register of applications for settlement of debts (Form V);
- (b) Register of miscellaneous applications (Form VI);
- (c) Register of receipts and disbursements (Form VII);
- (d) Pay roll register (Form VIII).

[**21.** Whenever an application for settlement under section 9 or for review under section 23 of the Punjab Relief of Indebtedness Act, 1934, has been made, the person making it may apply to the Debt Conciliation Board concerned, at any time up to the date of the final disposal of the proceedings, for the issue of an intimation to such Civil Court, as may be named in the application, and the Board shall thereupon issue such intimation.

[An application for the issue of an intimation under this rule shall not be chargeable with any fee under the Court Fees Act. The request for the issue of an intimation to Civil Court, may be included in the applications under sections 9 or 23 of the Act.]

22. The intimation shall be in the form of a statement that an application has been made to the Board on a particular date and shall be accompanied by a copy of the application for settlement or for review so far as it relates to the debt or debts with which the Civil Court is concerned.

23. On the termination of any proceedings before the Board, the Board shall, of its own motion, send an intimation of the termination of such proceedings to every Civil Court to which an intimation has been sent under the foregoing rules, stating the result of the proceedings and shall also send a similar intimation to any other Civil Court concerned, when so required by any of the parties.

24. No charge shall be made for the issue of an intimation, or for the preparation of any copies required in connection therewith.]

Form I

Form of Notice under section 12 of the Punjab Relief of Indebtedness Act, 1934

Rule 10 of the Punjab Debt conciliation Rules, 1935

Notice is hereby given that _____, son of _____ caste _____, of _____ tahsil _____ district _____, has filed an application under section 9 of the aforesaid Act, and that the Board has fixed the _____ day of _____ 19 _____ at _____ for hearing the application. All creditors of _____ aforesaid or other person interested should appear in person before the Board on the date fixed.

Dated _____ the _____ day of _____ 19 _____.

Chairman

Schedule Debt Conciliation Board

_____ District,

(Seal of the Board).

Form II

Form of Notice under sub-section (1) of section 13 of the Punjab Relief of Indebtedness Act, 1934

Rules 12 and 13 of the Punjab Debt Conciliation rules, 1935

Whereas _____, son of _____, caste _____ of _____ tahsil _____, district _____, debtor/creditor _____ has submitted an application under section 9 of the aforesaid Act for the settlement of the debts of _____, son of _____ caste _____ of _____, tahsil _____ district _____ and whereas the Board is of the opinion that it is desirable to attempt to effect a settlement between the said debtor and his creditor, you as one of the creditors/all the creditors _____ to whom the said debtor is indebted, are hereby required to submit to the Board within two months of the date of publication of this notice, a statement in writing at the Board's office at _____ on _____ of all debts owed to you/them _____ by the said debtor. The Board will scrutinize this statement at _____ on _____ day _____ when you should appear the Board.

2. You/All the creditors _____, are also required to furnish, along with such statement, full particulars of all such debts and shall at the same time produce all documents including entries in books of account on which you/they _____ reply to support your/their _____, together with a true copy of every such documents.

3. Further Proceedings in this case will take place at _____ on the _____ day of _____ 19 _____ when all creditors should appear before the Board.

Dated _____ the _____ day of _____ 19 _____

Chairman,

Debt Conciliation Board,

_____ District

(Seal of the Board).

Form III

Form of Certificate of debts under sub-section (1) of section 20 of the Punjab Relief of Indebtedness Act, 1934

Rule 14 of the Punjab Debt Conciliation Rules, 1935

Whereas _____, son of _____, caste _____ of _____, tahsil _____, district _____, a debtor, and _____ son of _____, caste _____, of _____ tahsil _____, district _____ his creditor parties to application for settlement of debts No. _____ of 19 _____ before this Board, have failed to come to any settlement of this dispute, and

whereas _____ debtor aforesaid has offered to pay _____ creditor aforesaid the sum of Rs. _____ in satisfaction of his claim of Rs. _____ in _____ monthly/quarterly/yearly instalments (with interest at _____ per cent, per mensem/annum _____ and whereas the Board having regard to all the circumstances of the case, is of the opinion that this is a fair offer on the part of _____ which _____ ought reasonable to accept, and whereas the Board is satisfied that other creditors of the debtor to whom at least forty per cent of his total debts are owing have come to an amicable settlement with the debtor, now, therefore, we the members of the Board at _____ hereby grant this certificate to _____ under our hand and seal this _____ day of ____ 19 ____ in exercise of the power conferred on us by section 20(1) of the aforesaid Act. Dated _____ the _____ day of _____ 19 ____.

 _____ Chairman,
 _____ (Members),
 Debt Conciliation Board,
 _____ District.

(Seal of the Board)

Form IV

Return to Collector under Rule 17 of the Punjab Debt Conciliation Rules, 1935

For quarter ending _____

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|--|--|--|---------------------------------------|
| Total number of applications made for settlement of debts | Total number of applications dismissed without settlement | Total number of cases in which complete settlement has been reached | Total number of cases in which partial settlement has been reached | Value of claims which have been compounded | Amount for which claims mentioned in column 5 have been compounded | Total number of certificates granted. |
| | | | | | | |

General remarks :-

(Sd.)

Dated _____ Chairman of Board at _____

Form V**Register of Applications for Settlement of Debts**

Debt Conciliation Board at _____

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|--------------------|---------------------|----------------------------|----------------------------------|---------------------------------|---|---|--|-----------------------------|
| No. of application | Date of application | Name and address of debtor | Names and addresses of creditors | Date of disposal of application | Resulting details of settlement, if any | Names of creditors against whom application have been granted | No. and date of review application, if any | Abstract of order on review |
| | | | | | | | | |

Form VI**Register of Miscellaneous Applications**

Debt Conciliation Board at _____

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|--------------------|---------------------|----------------------------|-------------------------------|------------------------------------|---------------------------------|----------------------|
| No. of application | Date of application | Description of application | Name and address of applicant | Name and address of opposite party | Date of disposal of application | Abstract of decision |
| | | | | | | |

Form VII**Register of Receipts and Disbursements***(Showing balance in hand each day)*

Debt Conciliation Board at _____

| 1 | 2 | 3 | 4 | 5 | 6 |
|------|-------------------------|--------|-----------------------------|--------|---------|
| Date | Particulars of Receipts | Amount | Particulars of disbursement | Amount | Balance |
| | | | | Rs. P. | Rs. P. |
| | | | | | |

Form VII

Establishment

Pay-Roll Register

Debt Conciliation Board at _____

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|------------|-------------------|---|--|---|--------------------|---------|-------------|
| Serial No. | Name of incumbent | Pay including special allowance, if any | Deduction for leave or absence, if any | Deduction for income-tax provident fund, etc. | Net amount payable | Remarks | Acquittance |
| | | | | | | | |