

PUNJAB RELIEF INDEBTEDNESS ACT, 1934

1934 : P b, Act or 929 TRE PUNJAB RELIEF OF INDEBTEDNESS ACT, 1934. PUNJAB ACT NO. or 1934. TABLE or CONTENTS. PART r. Preliminary. Preamble. Short title, extent and commencement. 2, raterpretation clause (definitions)

PART 11. Insolvency Procedure

3. Amendment of section 10 of the Provincial Insolv• Act, 192m 4. Amendment of section 74 of the Provincial Innlvency Act, 1920, PART 111. Usurious 5. Amendment Of section 3 of the Usurious Loans Acti 6. Restrospective effect. 7. 8. 9

12. PART TV. Dei* Conciliation Boards. Interpretation clause '(definitions). Setting up Ot Debt Conciliation Boards, Application for settlement between a debtor and hig credi tors. Verification ot application. Particulars to be stated in application. Procedure on receipt of application. Notice calling upn creditors to submit statement. ot debts. 930 PUNJAB RELIEF OF INDET t 1934 : Ph Act Vn, FONS 14. Procedure on gubmigision Ot statement ot debts. 154 Board' to attempt amicable settlement. 15-A. Power of Board to adjudicate on genuinenesn or forcenbility of debts

16. Power of board to require attendance ot persona and production of documents nnd to receive evidence

17. Registration and effect of agreement

18. DismisMI ot application in default

19. Bar to successive applictionong

20. Grant of certificate by board in respex:t ot debtl 20-A. Decision of Board to be final. 21. 22 23, 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34, 35. 36

37. Bar of civil suits. Bar of appeal or revision. Power of board to review its order. Appearance of party before board by agent or legal praeâtioner. Bar to new suits and applications and suspension Ot pending suits and applications. Extension of limitation. Membex of boards deemed to be public servants. Power to make rules. for breach ot the rules

PART V. mmdupat. Damdupat

PART VI. Deposit in Court. Power 01 Central Government to make rules. PART Redemption Ot Mortgages Amendment of section I (3) (a) of the Redemption 01 Mortgages (Punjab) Act, 1013

PART Miscellaneous amendments of Civil Law. Immunity from arrest. Amendment of section 60 of the Code of Civil Proce dure, 1908, Amendment of Order XXI. Rule 2, of the Code of Civil Procedure, 1908. Penalty for false clann oi a principal gum, Penalty for use of documents containing false entriâ 1984 • Pb. Aet VILJ PUNJAB OF 93 t THE PtrN.JAB RELIEF OF INDEBTEDNESS ACT, PUNJAB ACT No. OF 1934. [Received the assent of His Excellency the Governor on the 4th February, 1935, and that of Hig Etccl!ency the Viveroy and Governor-Gencrat on the 5th April, 1935t and toas first published in the Punjab Gazette, Extra- ordinary, of the 8th April, 1935.1 Yen r '934 Short title ot Indebedness 1934 Whether repeakd or otherwise ureteted by legitlaion Amended by 081940' by or 042' Amended by the Adaptation •er Laws 1930 Amended py the Adaptation ot Laws (Third Alnu.lmcn0. Order, 1931. Extended 'to the rerritorEst which immedi- ate/y he 1st November, 1956. were compris:d in the State Of patiali an.] East Punjab States Union. by Pun- jab Act 440 of 1960.4 Amended the Punjab ion (Chandigarh) {Adapaiictn Of on and COib\$urre;it Subjeéß) Order

1968. An Ac t to pro or the Re ef tedness •n [Punjab]. PART PRELIMINARY. WHEREAS it is expedient to amend the law governing the relations between debtors and creditors And whereas the previous sanction of the Governor- General required undersection 80-A (3) ot the Govern. ment of India Aet and the previous sanction of the Governor — Gazettes vages 22- part prges 23—27, and for Proceedings in Council. see the Punjab at ive Council Debatesw Volume XXV. ge• 2480, 80—106. 184—213r 667—692, 1023—1137. 1155—2182, *For of Objectg ond Reagong, gee Punjab Gazette, 1039, E*tranrdinary, e 523' and for Proceedings in Aasembty see Punjab Legislative Assem{ly 1002—39 and 43. and 539—69. ooc—qt\$ 74 unci Volume xnn page, 48 . 161--04, mm 535-96, 48B 400—53'. *For Statement' or Objects and Reasons, gee Punjab Gazette, 1041. page and for Proceedings Assemhtyt see Legislative Ag- sembl Debateg, Volume XVIII, pages Cena Volume page 487-8 "For Statement of Obje--

and Reuwm. see Punjab Government Gazette Extraordinary 1900, page 190. substituted for the "Rag by the Adept" or (Third Order, 932 RELIEF OF (1934 : Act VII required under section 80.C of the said Act have been obtained It is hereby enacted as follows I. (1) This Act may be called the Punjab Relief of Short title. and amended name: w Indebtedness Act, 1934. (2) This Part and Parts 111, N, V, vii and viii shall extend to the whole of (Union territory of Chandigarh and Part 11 to such areas as the Central Government may from time to time, by notification, direct. (3) This Act shall come into force on Such dates as the State Government may, by notification, appoint in this 2. In this Act, unless there is anything repugnant in the subject or contexts— '1(1) 'Court' or 'Civil Court' includes a Court of insolvency, a receiver appointed under the Provincial Insolvency Act, 1920, and an arbitrator appointed with the consent of the parties or by an order of a Court.) "Interest" means rate of interest and includes the return to be made over and above what was actually lent whether the same is charged or sought to be recovered specifically by way of interest or otherwise • '(3) "Loan" means a loan whether of money or in kind, and includes any transaction which is, in the opinion of the court, in substance a loan. substituted for the word "Punjab" by the Punjab Reorganisation (Chandigarh) (Adaptation of Law on State Concurrent Objects) Order, 1988, *Substituted for the word "Provincial" by the Adaptation of LCWS Order. 1950. 15639 (Horne-Judicial), dated 18th by notification No •Inserted by Punjab Act, of section (b) . 'Existing clauses (I) and (2) renumbered as (2) and respectively, by Punjab Act, XII of 1940. section 1934 : Pb

PART INSOLVENCY Provisions, 933 9. In section 10 (1) of the Provincial Insolvency Act, 1920, after the existing clause (a) the following clause shall be inserted— 1920. "(aa) his debts amount to two hundred and fifty rupees, and he satisfies the Court that he is entitled to summary administration of his estate under section 74 of this Act ; or," 4. In Section 74 of the Provincial Insolvency Act Amendment of 1920, for the words "five hundred rupees" the words "two 74 Of the thousand rupees" shall be substituted. Provincial Insolvency Act, 1920

PART 111. USURIOUS Loans. x 5. in section 3 of the Usurious Loans Act, 1918— Amendment of (i) for the word "and" in clause (a) Of sub-section (I) the word "or" shall be substituted (ii) for the word "may" where it appears for the first time in sub-section (I) the word "shall" shall be substituted ; (iii) for the word "may" after the word "namely" in sub-section (1) the word "shall" shall be substituted 'I (it)' to sub-section (2) the following clause shall be added, namely (e) The Court shall deem interest to be excessive if it exceeds and-a-half per centum per annum simple interest or is more than two per centum over the Bank rate which ever is higher at the time of taking the loan, in the case of secured loans, or twelve and a-half per centum per annum simple interest in the case of unsecured loans Provided that the court shall not deem interest in excess of the above rates to be excessive if substituted for the old clause by XU of section 3 934 PUNJAB or INDEB- 11034 0b. Act INDEBTEDNESS the loans has been advanced by the Imperial Bank of India or any bank included in the Second Schedule to the Reserve Bank of India Act, 1934, or any banking company registered under the Indian Companies Act, of 1913, prior to the first day of April, 1937, or any co-operative society registered under the Co-operative Societies Act, 1912.] 1012

6. The provisions of this part of the Act shall apply to all suits pending on or instituted after the commencement of this Act.

PART IV. DEBT CONCILIATION BOARDS. 7. (1) "Debt" includes all liabilities of a debtor in cash or in kind, secured or unsecured, payable under a decree or order of a civil court or otherwise, whether mature or not, but shall not include debts incurred for the purposes of trade, arrears of wages, land revenue or anything recoverable as an arrear of land revenue, or any debt which is barred by the law of limitation, or debt due to co-operative banks or to co-operative societies or to the Imperial Bank of India or to any banking company registered under the Indian Companies Act, 1913, prior to the first day of April, 1937, or any bank included in the Second Schedule to the Reserve Bank of India Act 1934, other than debts transferred to such societies, banks or companies during the pendency of an application under section 9 in which such debts could be taken into consideration for the purposes of this Act, or debts transferred to such banks or banking companies on or after the 2nd day of September, 1938, if in the opinion of the board such transfer was effected with a view to avoid the operation of this Act.) (2) "Debtor" means a person who owes a debt and— (i) who both earns his livelihood mainly by agriculture, and is either a landowner, or tenant of agricultural land, or a servant of a landowner, or of a tenant of agricultural land, or the holder of land in British India" by Punjab section 4 1900 1034 : Punjab Act or 935 INDEBTEDNESS (ii) Who earns his livelihood as a village menial paid in cash or kind (or work connected with agriculture, whose total assets do not exceed five thousand

rupees I Provided that a member Of tnbe, notified ag agri- cultural under the 'Punjab Alienation ot Land Act, 1900, shall be presumed to be a debtor as defined in thig section until it ig proved that his income from other sources is greater than his income from agriculture. Eeplanatioti. (i) A debtor shall not loge his status as such through involuntary unemployment or on ac- count of incapacity, temporary or permanent, by bodily infirmity, or, if he is or has been in service of 4[Military, Naval or Air Forces the Union], only on account of his pay and allowances or pension exceed- ing his income from agricultural sources. (ii) A debtor shall not lose his status as such by reason of the fact that he makes income by using his plough cattle for purposes of transport. (iii) A debtor shall not lose his status as such only because he does not cultivate with his own hands. (3) "Agriculture" shall include horticulture and the use of land for any purpose of husbandry inclusive of the keeping or breeding of livestock, poultry, or bees, and the growth of fruit, vegetables and the like (4) 'iPrescribed" means prescribed by rules made under this part of the Act. JAdded by Punjab of section b Funiab Act. xn 1040, section 4(b) SR.epeaJed iy the Adaptation ot Laws (Third Amendment) Order ot WI. the Majesty's or Naval ror Air) Force?" by the Adeptætation ot Laws (Thira Amendment) Order of 1951. After the word "Novol". the words "or Air" had been by ot section 4 'The words "if any question nrj.«ea in nroceedings und•r thls Of the Aet whether a person is a debtor or not, the decision ot Debt conriliatioh Board be OncJ" emitted by Punjab VI ot secUon 936 PUNJAB OF INDEB- 11934 Ph. Act VII 8. (I) The tlCentral Governmentl may bcbt Cone:liauon the purpose of amicable settlement between debtors and their creditors establish debt conciliation boards. (b) The '[Central Governmentl shall denne the local limits of tho area in which a board shall have jurisdiction. (c) The i [Central Government] shall determine the pecuniary limits of the jurisdiction of the board, pro. vided that no board shall have jurisdiction to make a settlement between a debtor and his creditors if the total debts of the debtor exceed Rs. 10,000 or such larger amount as the '[Central Government] may prescribe for any area. (d) Such board shall consist of a chairman and or more members to be appointed by the i[Central Government] '[Provided that no act done or proceeding taken by a board under this Act shall be called into question on the ground merely ot the existence of any vacancy in any board]. (e) The chairman and every member of aioard so established shall be appointed for term not exceed ing three years, but shall be eligible for- re-appoint. ment on the expiry of his term. (f) The quorum of a board shall be prescribed by the J[Central Government]. (g) Where the chairman and members of a board are not unanimous, the opnion of the majority Shail prevail and. if theboard is equally divided, the chair man shall exercise a casting vote. (2) The i (Central Government) may cancel thu appointment of any member of a board or dissolve any board, for the words "State Government" by the Punjab Reorgan]ntion (Chandigarh) (Adaptation ot Law' on State and Con• Subjects) Order, 1068. *Substituted for the word "two* by Punjab VI Ot •ee• erne by Punjab vr or 'Cb). 1934 . Pb. Act VII.) OF INOEU• 937 TEDNESS (3) The a [Central Government] shall notify in the *10meial Gazettel— (a) the establishment of a board and the appointment of its members: and the board shall be deemed to have been established and its members appointed from the date specified in such notification or notifica- tions; (b) the cancellation of the appointment of any member of a board; and from the date speci- fied in such notification the member shall cease to be a member of the board; (c) the dissolution of a board; and from the date specified in such notification the board shall cease to exist. (4) When a board is dissolved or ceases to exist otherwise. the ICCentral Government] may at any time establish another board within the same local limits in which the former board and jurisdiction and may declare this board to be the Successor in office of the first board and may confer on it power to dispose of such applications under 13(2) and section 23 as the 41Central Governmentl may direct

9. A debtor or any of his creditors may apply to the board apointed for the area in which a debtor ween a debtor resides or holds any land* to effect a settlement betwe•n and his the debtor and his creditors Provided that no application shall be made if the debtor's debts exceed ten thousand rupees or such larger sum as the i (Central Government] may pres- cribe for any particular area

10. Every applicatfon to a board shall be in or writing and be signed by the applicant and verified in such mgnner as may be pi•escribed iSJbstiituted for the word' "Stnte Governntneut" by the Puniab Reorganisation (Chnndlgorhl ot Stat.eurre«t Order, 1068. *Substituted tor the word •eca*ette" by ih• Government ot 'Adaptation ot Indian 1937. 938 PUNJAB RELtEF OF [934 Pb, Act VII. (i) Every application presented by a debtor stated ap. to a board shall contain the following particulars, blication. namely,— (a) the place where he resides or holds land; (b) the particulars of all claims against him

together with names and residences Of his creditors; (c) the particulars of all his property, together With a specification of the value of such property and the place or places at which any such perty is to be found ; (d) statement that he is unable to pay his debts, and that they do not exceed the prescribed amount tt(e) a statement whether he has previously filed an application in respect of the same debt before the same or another board, and if so, with what result.] (2) Every application presented by a creditor shall contain the following particulars, namely— the place where . the debtor resides or holds land ; (b) the amount and particulars Of his claim •against such debtor ; (c) a statement that the debtor is unable to pay his debts. 12. (I) On receipt of an application under section 9 Of the board shall pass an order fixing a date and place for hearing thé application Provided that the board may at any time dismiss the application if, for reasons to be stated in writing, it does not consider it desirable to attempt to effect a settlement between the debtor and the creditors, (2) Notice of the order under sub-section (1) shall be sent to creditor by registered post, acknowledgement due, and where the debtor is not the applicant, notice Of the order undeg sub-section (1) shall be sent to him in similar manner. 'Added by Punjab Act. VI of 1042, section 1934 : Ply. Act VII,J PUNJAB RELIEF OF 939 TED,NESS 13. (1) On the date fixed the board shall publish Notice eatnng in such manner as may be proscribed, notice, calling upon to ,ubmlt State- upon creditors every creditor of the debtor to gubmit n statement of debts ments ot debts owed to such creditor by the debtor, Such statement shall be submitted to the board in writing within two months from •the date Of publication of the notice Provided that, if the board i; satisfled that any creditor was, for good and gumeient cause, unable to comply with such direction lor to produce the documents required under sub-section (1) ot section 141 within the time fixed, Lt may extend the period for the gubmiggion of his statement Of the debts owed to him 210r for the production of such docu- ments). 't(2) Every debt owed to a single creditor of which no such statement has been submitted to the board in come pliance with the provisions of sub-section (1) shall be deemed to be duly discharged for all purposes and all 00 casions against such creditor ; and every debt owed to two or more creditors jointly, of which such a statement or statements signed by all such creditors or their recognised agents has or have not been so submitted, shall be deemed to be so discharged against such creditors as have failed to submit the said statement or statements, but only to the extent Of their respective shares in the said debt : Provided that no such debts shall be deemed to be dise charged against any creditors Whose name:S have been included in the application made under section 9. (3) If the creditor or any of the joint creditors fails without suffcient cause to be present in person or by his recognised agent or legal practitioner in accordance with the provisions of section 24 at any of the hearings fixed by the board, or fails to produce full particulars and docu- ments as required under sub-section (i) of section 14, the debt due to him or to the joint creditors, as the ease may be, *ball be deemed for all purposes and all occasions to have been fully discharged. (4) If any creditor proves to the satisfaction of the board, or if no board ig vested with jurisdiction by the 'Inserted by Punjab Act ot 1940, •ectlon (g) *Added by *Ct. seeUon 'Subslitwed sub-section (2) ot 13 by 940 PUNJAB RELIEF OF 11934 • Ph Act VIJ TEDNESS Procedure statements debts ttCentral Governmentli to the satisfaction of a civil court, that the notice was not served on him and that he had no knowledge of its publication or that he was unavoidably absent at any of the hearings fixed by the board, the board or the court, as the casc may be, may revive that debt.) on 14. (1) Every creditor submitting in compliance Ot with a notice issued under sub-section (1) ot section 13 a statement of the debts owed to him shall furnish, along witli 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 he relies to support his claims, together with a true copy of every such docu- ment • Provided that a decree or order of a civil court shall be conclusive evidence as to the amount of the debt to which the decreé relates, but the amount may be reduced as the result of an agreement arrived at in accordance with section 17. (2) The board shall, after marking for the purpose of identification every original document so produced and verifying teh correctness of the copy, retain the copy and return the original to the creditor

15. The board shall call upon the debtor and each Board to amie.ueecreditor to explain his case regarding each debt, and shall use its best endeavours to induce them to arrive at an amicable settlement, 2115-A. (I) If a creditor or debtor, as the case may to adjudicate onbe, challenges the genuineness or enforceability of any debt genuineness or enforceability of included in an application, the board shall adjudicate upon the issue.) (2) Any person aggrieved by a decision ot the board under sub-section (1) may appeal therefrom to the Col- lector or such other omcer, not below the rank of an As- sistant Collector of the first grade. as the i[Central Govern- ment) may appoint in this behalf, (3) The period of limitation for

an appeal under this section shall run from the date of the order appealed against and shall be thirty days.

•Substituted for the words "State Government" by the Reorganisation (Chandigarh) (Adaptation of Laws on Stat. Cgo- current Subjectw Order, qnserted by Punjab Aet XII Ot iB40, geetlon 6 1934 Pb. Act VII.J or (4) An appeal shall not lie from an order refusing to review or confirming on review n previous order, (5) Notwithstnding anything hereinbefore contained, no appeal application for revision shall lie against a decisuon of the board under sub-section (1) unless the age gregai*' value of tho items in regard to which the appeal ig preterred exceeds two thousand rupees. (6) No order passed under this section shall be open to question in a civil court.) 16. Any board empowered under this Act may power B.m.rd cise all sueh powers connected with the summoning andto require at. examining of parties and witnesses •and with the produc-tendence Ot tion of documents as are conferred on civil courts by the docu- Code of Civil Procedure, and every proceeding before to V ot #09. board shall be deemed a judicial proceeding. eefve evidence. 17. (1) If the debtor and all or any of the creditors Registration come to an amicable settlement, the board shall forthwith and erect of reduce such settlement to writing in the form ot an agree- ment setting forth the amounts payable to each creditor and the manner in which and the times at which they are to be paid. Such agreemnt shall be read out and explain. ed to the parties concerned, and shall be signed or other- wise authenticated by the board and the parties : provided that if the board is of the opinion that the period fixed for payment is excessive, the board may refuse to authenti- cate the agreement. The board shall also pass an order dismissing the application so far as it relates to the creditors woh have not come to an amicable settlement. (2) An agreement thug made shall take effect as it it were a decree of a civil court having jurisdiction in the area of the jurisdiction of the board. 11(3) Notwithstanding anything contained in the Indian Registration Act, 1908, or in the rules made there- under an agreement made under Gub-section (1) shall not be liable to registration.) by Act. or 942 LPUNJAB RELIEF OF 11934 Pb. Act TEDNE.sg ot IS, It in the opinion of the board any applicant falla to conduct his application with due diligence, the board applications In may dismiss the application at any stage. default. to •ucce•• 19. It once an application has been made by a debtor and disposed of, no board shall entertain a second applica- tion within years of the date of disposal Of the first ap. plication. Grant ot 20. (1) Where, during the hearing of any applica- ot debts, tion made under section 9, any creditor refuses to agree to an amicable settlement, the board may, if it is of opinion that the debtor has made such creditor a fair offer which the creditor ought reasonably to accept, grant the debtor a certificate, in such form as may be prescribed, in respect ot the debts owed by him to such creditor. (2) Where any creditor sues '[or takes out execution to disanov• eost\$ proceedings) in a civil court for the recovery of a debt in respect of which a certificate has been granted under sub. section (1), the court notwithstanding the provisions of any law for the time being in force, shall not allow the plaintiff any costs in such suit '[or proceedings], or any interest on the debt after the date of certification under sub-section (1) (3) Where after the date Of an agreement made in accordance with section 17 or of certification any unsecur- ed creditor sues for the recovery of a debt in respect of which a certificate has been granted under sub-section (1) or any creditor sues for the recovery of a debt incurred after the date of such agreement, any decree passed in such suit notwithstanding anything contained in the Code 0! Civil Procedure, 1908, shall not be executed until six months after the expiry of the period fixed in the agree- ment authenticated under sub-section (I) of section 17. The proviso omitted by Punjab Act, XII ot section (g) 'Inserted b}_ Punjab Act, XII ot 1940, section 8 (b) *Jnscricd by Puniib Act. XII ot 1010, section g (by The words "in exeeqs of Simple interest at six per centum unnum on the ount due on the date ot such eertificate" omitted Punjab Act, ul section U (b) (iii) 1934 Pb. Act V 11.1 OF 943 Where after the date of an agreement made in accordance With section 17 or Of certification any unsecur- ed creditor applies for the execution of a decree in respect of which a certificate has been granted under sub-section the said decrec notwithstanding hnything contained in the Code of Civil Procedure, 1908, shall not be exæuted until sik months after the expiry of the period fixed in the agreement authenticated under sub-section (1) of sec- tion DecE10n If any question arises in any proceedings Board to under this part of the Act whether a loan or liability is a nnal. debt or not, or whether person is a debtor or not, the de- cisiõn Of the Debt Conciliation Board shall be final, and shall not be into question in any court.] 21. SISave as otherwise provided in this Act), no civil Of court shall entertain— (a) any suit 4!appeal or application {or revision!— (i) to question the validity of any procedure or the legality of any 'lorder or agreement made or certificate issued) under this Act, (ii) to recover any debt recorded as wholly or partly payable under an agreement made in accordance with section 17 from any per- son who, as a debtor, was party to such

agreement, or (iii) to recover any debt which has been deemed to have been duly discharged under the provisions of this Act] ; (b) any application to execute a decree, the execution of which is suspended under Section (3) or of section 20 of the Punjab Act. XII of 1940 section 20A inserted by Punjab Act. VI of 1942, section 4. of section 0 words substituted by Act, XII 'Substituted for section (b) (ii), 'Substituted for the word,' substituted for 'Substituted for "Substituted for Punjab Act. XII of 1944 PUNJAB RELIEF OF INDEBTEDNESS- 11934 : Pb, Act 'VII It(c) any suit for a declaration, or any suit or application for injunction, affecting any proceedings under this Act before a board.) Bar appeal 22. 2[Save as otherwise expressly provided in this or any other law, Act) no appeal or application for revision shall lie against any order passed by a board. Power of board 23. A board may, on the application from any person to review its order, review any order passed by it and pass such orders as it thinks fit Provided that it shall not under this section pass an order reversing or modifying any order affecting any person interested without giving such person an opportunity of being heard Provided further, that no application for review shall be entertained if presented more than twelve months after the date of the order which the person interested seeks to have reviewed

24. In any proceedings under this part of the Act, Appearance of party before be represented by board by agent or by legal practitioner- an agent authorised in writing or '(with the permission of the board) by a legal practitioner. Bar to new and application- 25. 5(1) When an application has been made to a court under section 9 or section no civil court shall entertain any new suit or other proceeding brought for the recovery of any debt (covered by such application) and (Udhar) or, 'Added by Punjab Act. XII of 1940, section 9 'Inserted by Punjab Act, XIII of 1940, section 10. words "with the permission of the board" omitted by Punjab Act. XIII of 1940, section 11 *Inserted by Punjab Act, XIII of 1940, section 11 bSection 25 renumbered as sub-section (1) of section 25 by Punjab Act XIII of 1910, section 12. inserted by Punjab Act. XIII Of 1940, section 12 (a) 'Substituted for the words "for the settlement of which application has been made to the court" by Punjab Act, XIII of section 12 (a) (ii). 1934 ; Pb. Act VII. RELIEF OF DEBTORS any suit or other proceeding pending before a civil court in respect of any such debt shall be suspended until the court has dismissed the application or an agreement has been made under section 17. It(2) When any execution/ proceeding pending before a civil court is suspended under sub-section (1), and any animal has been attached and made over to the creditor in connection with such proceeding, the judgment-debtor shall be entitled to the return of such animal but shall not be competent to sell or in any way part with the ownership of any animal so attached during the suspension of such proceeding and if the judgment-debtor has been committed to a civil prison in connection with such proceedings he shall be released forthwith.) 26, The time spent in proceedings before a conciliation board and time during which a person is debarred from suing or executing his decree under the provisions of this Part of this Act shall be excluded when counting the period of limitation for any application, suit or appeal

27. The members of a board shall be deemed to be Members of XLV public servants within the meaning Of the Indian Penal boards be public ger- Code.vant.g. 28. (1) The 2tCentral Governmentl may make any Power to make rules consistent Tith this Part of thig Act to carry out the purposes thereof, and in particular and without prejudice to the generality of the foregoing power may make rules— (a) prescribing the amount of debt for the purposes of section 8 (1) (c) (b) prescribing the quorum for and regulating the procedure before a board • (c) prescribing the charges to be made by a board for anything done under this Act and the per. sons by whom and the manner in which such charges shall be paid (d) prescribing the records to be kept and the re- turns to be made by a board i Added by Puojub net. 1040, section 12 the words "State Government* the Pun] (Chandigarh t of t.,uws on tate unu current Subæeets) Order, 1968. 946 PUNJAB RELIEF or INDEB- 11034 : Pb. Act VII TEDNEgg (e) prescribing the allowanceg to be paid to mem- bers of a board '[(ce) prescribing the particularg of debts under sub-section (I) ot section 14;) (f) prescribing the place at which and the manner in which an agreement shall be registered ; (g) prscribing the form of certificate to be grant- ed under sub-section (I) Of section 20 and (h) generally, for the purpose of carrying into effect the provisions of this Part of this Act. (2) The pover conferred by this section of making rules is subject to the conditions that the rules be made after previous publication. 29, In making any rule the 2(Central Governmentl ot the may direct that a breach thereof shall be punishable with fine which may extend to fifty rupees, where the breach is a continuing one, with further fine which may extend to ten rupees for every day after the fir\$ during which the breach continues.

PART MISCELLANEOUS AMENDMENTS OF THE CIVIL LAW Immunity from '[34. No debtor as defined in section 7 of this Act shall be arrested or in execution of a decree for money, whether passed before or after the commencement of this Act.] Amendment of Jn section 60 of the code of Civil Procedure, section 60 of the Code of Civil Procedure, 1908. (a) in sub-section (1) '(in the proviso),— (i) in clause (c), for the words "occupied by him" the following words shall be deemed to be substituted, namely "not proved by the decree-holder to have been let out on rent or lent to persons other than his father, mother, wife, son, daughter, daughter-in-law, brother, sister or other dependants or left vacant for a period of A year or more"; 'Substituted for the old section by Act Xtr Ot 15 *Substituted for the old section by Punjab Act XII of 1940, section by 1940 section 1934 ; Pb. Act Vli.j RELIEF OF 949 (it) after (c), the following clauses shall be deemed to be inserted, namely "(cc) Milch animals, whether in milk or in calf, kids, animals used for the purposes of transport or draught cart and open spaces or enclosures belonging to an agri- culturist and required for use in case of need for trying cattle, parking carts, or stacking fodder or manure • (ccc) one main residential house and other buildings attached to it (with the mate- rial and the sites thereof and the land immediately appurtenant thereto and necessary for their enjoyment) belong- ing to a judgment-debtor other than an agriculturist and occupied by him • t[Provided that the protection afforded by thiS clause shall not extend to any property specifically charged With the debt sought to be recovered.] (b) after sub-section the following Sub-sec- tions shall be deemed to be inserted, namely (3) Notwithstanding any Other law for the time being in force an agreement by which a debtor agrees to waive

any benefit of any exemption under this section shall be void. (4) For the purposes of this section the word "agriculturist" shall include every person whether as owner, tenant, partner agricultural labourer who depends for his livelihood mainly on income from agricultural land as defined in the Punjab Alienation of Land Act, 1900. (5) Every member of a tribe notified as agricultural under the Punjab Alienation of Land Act, 1900 substituted for the words "Provided that the protection afforded to property which has been mortgaged by Punjab Act of 1900 section 5" Repealed by the Adaptation of Laws (Third Amendment) Order 1951. 950 PUNJAB RELIEF OF INDEBTEDNESS Act, 1900 and every member of a scheduled caste shall be presumed to be an agriculturist until the contrary is proved. (6) No order for attachment shall be made unless the court is satisfied that the property sought to be attached is not exempt from attachment or sale. Amendment of Order XXI, Rule 2, of the Code of Civil Procedure. Order No. 2, of the Code of 1908 substituted sub-rule (3) shall be omitted. Civil Procedure Code. Section 37. Where, in a suit for the recovery of a loan, the court is satisfied that an entry relating to the loan has been principal made by the creditor or at his instance in any document showing the amount of the sum advanced to be in excess of that actually advanced plus legitimate expenses incurred, the court shall disallow the whole claim with costs, unless the creditor satisfies the court that the wrong entry was accidental or was the result of a bona fide mistake.) Penalty (38, (1) If any party to a suit for the recovery of a document containing false loan dishonestly uses in such suit any document in which he is aware that there is any statement or entry relating to such loan which is false in any material particular he shall on conviction be punished with imprisonment of either description which may extend to three months or with a fine not exceeding one thousand rupees or with both. (2) If the court is satisfied, after such preliminary enquiry, if any, as it thinks necessary that there is ground for enquiring into an offence under sub-section (i) the court may record a finding to that effect and prefer a complaint of the offence in writing to a magistrate of the first class having jurisdiction, and such magistrate shall deal with such complaint in the manner laid down in the Code of Criminal Procedure, 1898. Inserted by Punjab Act XII of 1940, section 10. Substituted for the words "may at discretion, disallow the whole or any part of the sum claimed by the plaintiff" by Punjab Act XL 1940, section 10 by Punjab Act XL 1940, section 10