

The Punjab Insolvency Rules

PUNJAB

India

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Rule THE-PUNJAB-INSOLVENCY-RULES of 1936

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The Punjab Insolvency Rules General Rules made by the High Court with the Previous Sanction of the State Government under Section 79 of the Provincial Insolvency Act

1. Title and application

- These rules may be cited as "The Punjab Insolvency Rules" and shall apply to all proceedings under the Provincial Insolvency Act, 1920.

2. Adaptation of forms prescribed.

- The forms annexed to these rules (printed at the end of this Chapter), with such variations as circumstances may require, shall be used for the matters to which they severally relate.

3. Definitions.

- (i) In these rules, unless there is anything repugnant in the subject or context - "The Act" means the Provincial Insolvency Act, 1920. "Receiver" means a Receiver appointed by the Court under section 56 (1) of the Act. "Interim Receiver" means a Receiver appointed by the Court under section 20 of the Act. "Proved debt" means the claim of a creditor so far as it has been admitted by the Court, or by the Official Receiver empowered under section 80(1)(b) of the Act. (ii) Unless there is anything repugnant in the context, words and expressions used in these rules shall have the same meanings as those assigned to them in the Act, and references to sections shall be taken to be references to sections of the Act.

4. Persons by or against whom a petition for insolvency may be filed.

- A petition for insolvency under the Provincial Insolvency Act may be filed by or against any individual or firm but not against any association, corporation or company registered under any

enactment for the time being in force.

4A. Insolvency Notice. - (1) A creditor, desirous that an insolvency notice under sub-section (2) of section 6 of the Act may be issued, shall produce a certified copy of the decree or order on which the notice is found and file the notice together with a request to the Court for issue. The creditor shall at the same time lodge with the Court two copies of the insolvency notice to be sealed and issued for service :

Provided that the notice if required to be served upon a debtor residing, whether permanently or temporarily, outside India, shall not be issued unless prior leave of the Court is obtained for the service thereof by making an application in that behalf. (2) The insolvency notice to be given under sub-section (2) of section 6 of the Act shall be in Form 2-A.

4B. Service. - (1) The insolvency notice shall be served on the debtor personally or by registered post acknowledgement due.

(2) If the notice is refused or unserved for any other reason, it shall be published in the daily newspaper circulating in the locality in which the debtor is last known to have resided, carried on business or personally worked for gain.

5. Registers prescribed for entry of insolvency petitions and other applications.

(a) Every insolvency petition shall on institution be entered in Civil Register of Miscellaneous cases (Register No. II) in all Courts exercising insolvency jurisdiction and shall be given serial number in that register. If the petition results in adjudication, the case should be entered in the Register of persons adjudicated insolvents to be maintained in Form No. 15 attached at the end to these rules and all entries relating to proceedings subsequent to adjudication should be made in this register. (b) Miscellaneous applications under sections 4, 53, 54 and 69 of the Provincial Insolvency Act should be entered in Civil Register No. VI (Register of Miscellaneous Petitions) which is the proper register for entering such applications. A separate register should be maintained in this form for insolvency cases.

6. Persons entitled to inspect proceedings and fees for inspection.

- All insolvency proceedings may be inspected by the Receiver, the debtor, and any creditor, who has proved, or any legal representative on their behalf at such times and subject to the same rules as other court records (vide Volume IV, Chapter 16 - Records) provided that no fee shall be charged for inspection made by the Receiver. Notices

7. Memorandum of publication in Gazette to be kept on record.

- Whenever publication of any notice or other matter is required by the Act to be made in an official gazette, a memorandum referring to, and giving the date of, such advertisement shall be filed with the record and noted in the order-sheet.

8. Manner of notifying dates of hearing.

- (i) Notices of order fixing the date of the hearing of petition under section 19(2) may, in addition to the publication thereof in the official gazette, be also advertised in such newspaper or newspapers as the Court may direct. A copy of the notice shall also be forwarded by registered post to each creditor, at the address given in the petition, or served on the creditor in the manner prescribed for the service of summonses, as the Court thinks fit. The same procedure shall be followed in respect of notices of the date for the consideration of the proposal for composition or scheme of arrangement under section 38(1).(ii) Where the petition is by a creditor a notice shall be served on the debtor in the manner prescribed for the service of summonses.

9. Manner of notifying, order of adjudication and orders cancelling adjudication.

- Notices of order of adjudication under section 30 shall be published in the official gazette and may also be published in such newspaper or newspapers as the court may think fit. When the debtor is a Government servant, a copy of the order shall be sent to the head of the office in which he is employed. The same procedure shall be followed in regard to notice of orders, annulling adjudication under section 37(ii).

10. Persons on whom notices under Section 33(3) are to be served.

- The notices to be given under section 33(3) of the Act shall be served only on the Receiver and on the creditors who have proved their debts and may, if the Court so direct, be served on any or all such creditors by registered post.

11. Service of notice under section 50.

- The notice to be given by the Court under section 50 shall be served on the creditor or his pleader, or shall be sent through the post by registered letter.

12. Service of notice under section 64.

- The notice to be issued by the Receiver under section 64 before the declaration of a final dividend to the person whose claims to be creditors have been notified, but not proved, shall be sent through the post by registered letter.

13. Creditors to file address for service.

- When the creditors appear in Court in answer to the notice issued under section 19(2) of the Act or appear to prove their debts, they shall be required to give their addresses for service by post.

14. Manner of notifying date of hearing of discharge applications.

- Notices of the date of hearing of applications for discharge under section 4(1) shall be published in the official gazette and may also be published in such newspapers as the Judge may direct, and copies shall be sent by Registered post to all creditors, whether they have proved or not, or served on them in the manner prescribed for service of summons, as the Court thinks fit.

15. Proof of Service by Post.

- A certificate of an officer of the Court or of the Official Receiver or an affidavit by a Receiver that any of the notices referred to in the preceding rule has been duly posted, accompanied by the post-office receipt, shall be sufficient evidence of such notice having been duly sent to the person to whom the same was addressed.

16. Court's discretion to adopt any other mode of service.

- In addition to the methods of publication prescribed in these rules, the notices issued thereunder may be served in the discretion of the Court in such other manner as the Court may direct, for instance, by affixing copies on the Court house or by beat of drum in the village where the insolvent resides.

17. Notices should be issued or published a fortnight before date.

- Every notice issued under rules 7, 8, 11 and 12 shall be published or issued at least 14 days before the doing of the act of which warning is given in such notice. Mode of recovery of cost of service stamps. - Note. - Every notice is to be sent by registered post with acknowledgement due. Service stamps should ordinarily be used and the cost thereof drawn from the deposit made under Rule 55 of this Chapter or from the funds of the Estate concerned and credited to "065 - Other Administrative Services - Administration of Justice - Other Receipts" with full details of recoveries entered in the Treasury Challan or repayment voucher, as the case may be. Receivers and Interim Receivers

18. Order for appointment of a Receiver to be served on the debtor.

- Every appointment of a Receiver shall be by order in writing signed by the Court. Copies of this Order, sealed with the seal of the Court, shall be served on the debtors and forwarded to the person appointed.

19.

Every Receiver or Interim Receiver, other than an Official Receiver, shall be required to give such security as the Court thinks fit. (As regards security to be taken from Official Receivers, See Chapter 4-D of this Volume).

20. Schedule of creditors & all subsequent entries in it to be notified to Receiver.

- As soon as the Schedule of creditors has been framed, a copy thereof shall be supplied to the Receiver or Interim Receiver, as the case may be, and all subsequent entries and alterations made therein, shall be communicated to the Receiver or the Interim Receiver.

21. Remuneration of Receiver.

- (i) A Court when fixing the remuneration of Receiver should, as a rule, direct it to be in the nature of a commission of percentage not exceeding 7½ per cent of the amount of the dividends, of which one part should be payable on the amount realized, after deducting any sums paid to secured creditors out of the proceeds of their securities and the other part on the amount distributed in dividends. This commission is intended to cover all office expenditures including cost of establishment, if any, to be maintained by the Receiver for the discharge of his duties, and contingencies such as purchase of account books and forms and issue of notices, etc., incurred by the Receiver in connection with the administration of the Insolvents' estates. (ii) Where a Receiver realizes the security of a secured creditor, the Court may direct additional remuneration to be paid to him with reference to the amount of the work which he has done and the benefit resulting to the creditors. (iii) If a Receiver has been appointed in an insolvency proceedings in which the Court makes an order approving a proposal under section 39, the remuneration to be paid to the Receiver shall be fixed by the Court, and the order approving the proposal shall make provisions for payment of the remuneration and shall be subject to the payment thereof. (iv) When the office of an Official Receiver falls vacant on account of his death, suspension, dismissal or proceeding on leave, a particular person shall be appointed as ad hoc Receiver by the Court in each case under section 56 of the Provincial Insolvency Act, the person being nominated by the High Court. The Receiver so appointed shall draw commission and administration charges at the rates admissible to an Official Receiver under Rule 1 of Chapter 4-B, Rules and Orders, Volume II.

22. Remuneration of Interim Receiver.

- If a person is specially appointed an Interim Receiver and is afterwards appointed Receiver in the case, his realizations in both the capacities can be treated alike and the ordinary commission charged. Other cases, in which an Interim Receiver does work, but there is no adjudication or substantive receiverships, are few, but in them if any real work is done beyond the taking charge of such insignificant movable as the debtor produces voluntarily, it will probably have to be done quickly and be of a definite character and if any remuneration has to be fixed separately in those

cases, it should be such sum as the Insolvency Judge may decide on the Receiver's appointment, subject to a maximum of one per cent on the estimated value of the property.

23. Receivers should give security, amount and form of security bonds.

- The Court should be careful to take adequate security from the Receiver with due regard to the value of the assets likely to pass through his hands. The Court should use due discretion in fixing the amount of security to be taken in such cases. It is suggested as a principle which might usefully be adopted that the amount should roughly be equal to half the average annual realizations calculated on the realizations of the last five years. The forms of security and security bonds should be the same as those prescribed for Official Receivers in Chapter 4-E, of this Volume, the word "General" being substituted for the word "Official" wherever it occurs in the Bond.

24. Books to be kept by the Receiver. Submission of accounts and their audit.

- The Receiver shall keep a Cash Book, a Dividend Register, and such other books as may be required to give a correct view of his administration of the Estate, and shall submit his accounts at such times and in such forms as the Court may direct. In the absence of any such directions, the Receiver shall submit to the Court for each quarter, not later than the 10th day of the month next following, an account showing all the receipts and disbursements in cases in which he is a Receiver. The Receiver's accounts shall be audited by the Local Audit Department of the Accountant General, Punjab, Haryana, Chandigarh Administration, as the case may be. The cost of the Audit shall be paid out of the estate at the rate of 1¼ per cent of the total realizations. A receiver, appointed under Rule 21, clause (iv), above shall continue to keep all registers and accounts in the same form and on the same system as are prescribed for Official Receivers in Part E of this Chapter.

25. Transactions of interim proceedings should be kept separate.

- Receivers should not amalgamate their transactions relating to interim proceedings with those of Insolvent Estates.

26. Cash realized by Interim Receiver not to be mixed up with insolvents' Estates Fund.

- The cash which is realized or collected by an Interim Receiver should be deposited in the State Bank of India or some other approved Bank and not mixed up with the Insolvent Estates Fund of which an account is kept in the treasury.

27. Books kept by Interim Receiver.

- An Interim Receiver shall be required to maintain only the following books and forms:- (i) A Cash Book in Form No. 15 of Official Receiver (appended at the end of Ch. 4-E). (ii) A Receipt Book in

Form No. 9 of Official Receiver (appended at the end of Ch. 4-E).(iii)A Property Register in Form No. 16 (given at the end of this Chapter).

28. No audit of Interim Receiver's accounts required.

- A separate audit of interim accounts is unnecessary because if the interim appointment leads to full receivership after adjudication the Interim Accounts will be incorporated in the Receiver's accounts which will then be audited as such in the usual way. If, however, the petition for insolvency is dismissed, no audit is required because the debtor would, under the circumstances, himself take back the estate from the Interim Receiver.

29. Proved creditor entitled to a copy of Receiver's accounts.

- Any creditor who has proved his debt may apply to the Court for a copy of the Receiver's accounts, or any part thereof, relating to the Estate as shown by the Cash Book up to date and shall be entitled to such copy on payment of the charges laid down in the rules of this Court regarding the grant of copies.

30. Directions as to safe custody of valuable securities and cash secured by Receiver and as to the investment of sums exceeding Rs. 500.

- The Receiver shall deposit all valuable securities and cash for safe custody with the Nazir (who shall enter the same in the Malkhana Register to be maintained in form 22 and paste a label thereon in form 23 as prescribed for Official Receivers at the end of Part E of this Chapter or in the State Bank of India, or any other approved Bank, as the Court may direct and whenever a sum exceeding Rs. 500 shall stand to the credit of any one Estate, the Receiver shall give notice thereof to the Court; and, unless it shall appear that a dividend is about to be shortly declared, he shall obtain the Court's order as to investment of the same in a suitable manner, e.g., in securities or as a fixed deposit with a Bank, etc.

31. Duty of Receiver to deliver up assets and books, etc., on being removed, or on annulment of adjudication.

- (i) The Court may remove or discharge any Receiver or Interim Receiver, and any Receiver or Interim Receiver so removed or discharged shall, unless the Court otherwise orders, deliver up any assets of the debtor in his hands and any books, accounts or other documents relating to the debtor's property which are in his possession or under his control, to such person as the Court may direct. (ii) If an order of adjudication is annulled, the Receiver, if any, shall unless the Court otherwise orders, deliver up any assets of the debtor in his hands and any books, accounts or other documents, relating to the debtor's property, which are in his possession or under his control, to the debtor, or to such other person as the Court may direct.

32. Receiver shall submit an early report as to conduct of the debtor and other matters.

- (i) Unless the Court otherwise directs, the Receiver or Interim Receiver shall, as soon as may be, after his appointment, and in any case before the hearing of the debtor's application for discharge, draw up a report upon the cause of the debtor's insolvency, the conduct of debtor so far as it may have contributed to his insolvency and also his conduct during the insolvency proceedings, and in particular such report shall state specifically whether any of the facts mentioned in each of the clauses of sub-section (1) of section 42 exist or do not exist.(ii)If the debtor submits a proposal under section 38(1) of the Act, the Receiver shall state in his report whether in his opinion the proposal is reasonable and is likely to benefit the general body of the creditors and shall state the reasons for his opinion.

33. Receiver to be deemed an Officer of the Court.

- Every Receiver or Interim Receiver shall be deemed for the purposes of the Act and of these rules to be an officer of the Court.Proof of Debts

34. Proof of debt by affidavit.

- A creditor's proof may be by an affidavit in Form No. 6 with such variations as circumstances may require.

35. Proof of wages of workmen etc., employed by the debtor.

- In any case in which it appears from the debtor's statement that there are numerous claims for wages by workmen and others employed by the debtor, it shall be sufficient if one proof for all such claims is made either by the debtor or by some other person on behalf of all such creditors. Such proofs should be in Form No. 7.Dividends

36. Provisions as to declaration of dividend notifying its distribution and remission and other connected matters.

- (i) A dividend should be declared in each estate ordinarily every six months, i.e., on the 1st July and the 1st January, each year.(ii)If sufficient funds are not available for a particular dividend in any particular estate a report to this effect should be made to the Court for orders on these dates.(iii)No dividend shall be distributed by a Receiver without the previous sanction of the Court.(iv)Notice that the distribution of a dividend has been sanctioned shall be sent by the Receiver, or, if there is no Receiver by the Court, to every creditor, who has proved a debt, by registered post within one month from the date of the order sanctioning the distribution.(v)An order shall not be made under section 65 of the Act without giving the Receiver an opportunity to show cause why the order should not be made.(vi)The amount of the dividend may, at the request, expense and risk of the creditor, be transmitted to him by post.But if the amount is under rupees twenty, the Official Receiver may, after

due notice, remit the sum by post to the creditors concerned at their expense and risk even when no formal request has been made by them.(vii)Where the assets in the hands of the Official Receiver are too small for distribution as dividend, e.g., a rupee or so, these sums may be treated, with the permission of the court in each case, as "unclaimed" by creditors and eventually lapsed to Government.Procedure where the Debtor is a Firm

37. Mode of signing on behalf of the firm.

- Where any notice, declaration, petition or other document requiring attestation is signed by a firm of creditors or debtors in the firm's name, the partner signing for the firm shall also add his own signature, e.g., "Brown & Co., by James Green, a partner in the said firm".

38. Mode of personal service on a firm.

- Any notice or petition for which personal service is necessary, shall be deemed to be duly served on all the members of a firm if it is served at the principal place of business of the firm within the jurisdiction of the Court, on any one of the partners or upon any person having at the time of service the control or management of the partnership business there.

39. The preceding rule to apply to persons not carrying on business in their own name.

- The provisions of the last preceding rule shall, so far as the nature of the case will admit, apply in the case of any person carrying on business within the jurisdiction in name or style other than his own.

40. Insolvency petition by a firm should show names of all the Partners and an affidavit that all partners concur in the filing of the petition.

- Where a firm of debtors files an insolvency petition, the same shall contain the names in full of the individual partners, and if such petition is signed in the firm's name the petition shall be accompanied by an affidavit made by the partner who signs the petition showing that all the partners concur in the filing of the same.

41. Adjudication order against a debtor firm shall operate against all individual partners.

- An adjudication order made against a firm shall operate as if it were an adjudication order made against each of the persons who at the date of the order are partners in that firm.

42. Each partner shall submit a schedule of his separate affairs.

- In cases of partnership, the debtors shall submit a schedule of their partnership affairs, and each debtor shall submit a schedule of his separate affairs.

43.

The joint creditors and each set of separate creditors, may severally accept composition or schemes of arrangement. So far as circumstances will allow, a proposal accepted by joint creditors may be approved in the prescribed manner, notwithstanding that the proposals or proposal of some or one of the debtors made to their or his separate creditors may not be accepted.

44. Composition with a firm. Annulment of adjudication where a composition or scheme is approved.

- Where proposals for compositions or schemes are made by a firm and by the partners therein individually, the proposals made to the joint creditors shall be considered and voted upon by them apart from every set of separate creditors and the proposal made to each separate set of creditors shall be considered and voted upon by such separate set of creditors apart from all other creditors. Such proposals may vary in character and amount. Where a composition or scheme is approved, the adjudication order shall be annulled only so far as it relates to the estate, the creditors of which have confirmed the composition or scheme.

45. Disposal of assets of a separate firm formed by some members of a partnership.

- If any two or more of the members of a partnership constitute a separate and independent firm the creditors of such last mentioned firm shall be deemed to be a separate set of creditors and to be on the same footing as the separate creditors of any individual member of the firm. And when any surplus shall arise upon the administration of the assets of such separate or independent firm, the same shall be carried over to the separate estates of the partners in such separate and independent firm according to their respective rights therein.

46. Special procedure in case of summary administration.

- When an estate is ordered to be administered in a summary manner under section 74 of the Act, the provisions of the Act and Rules shall, subject to any special direction of the Court, be modified as follows, namely :-(i)There shall be no advertisement of any proceedings in the local official gazette or any newspaper;(ii)the petition and all subsequent proceedings shall be endorsed "summary case";(iii)the notice of the hearing of the petition to the creditors shall be in Form No. 14;(iv)the court shall examine the debtor as to his affairs, but shall not be bound to call a meeting of creditors but the creditors shall be entitled to be heard and to cross-examine the debtor;(v)the appointment of a Receiver will often not be necessary and the Court may act under section 58 of the Act in order to

reduce the cost of the proceedings. The administration charges, however, shall be levied at the same rates as in ordinary cases. These charges should be credited into the treasury under Head XXI - Administration of Justice - Misc. Fees and Fines - Insolvency Court Receipts, except those representing the cost of audit, which should be credited under Head XLVI - Miscellaneous Fees for Government Audit;(vi)the ordinary Nazarat staff should be employed for conducting sales;(vii)the only registers which need be kept are the Cash Book, the Dividend Register, the Register of Property and such other Registers as may be required to give a correct view of the administration of the estate.Prosecutions

47. Notice shall be given to debtor before lodging a complaint.

- Before passing an order for making a complaint of any offence referred to in section 69, the Court shall issue a notice to the debtor calling upon him to show cause why such an order should not be passed against him.Discharge

48. Application to be heard only after submission of creditor's schedule and Receiver's report.

- An application for discharge shall not ordinarily be heard until after the schedule of creditors has been framed and the Receiver has submitted his report (vide Rule 32). The Receiver, if he is in a position to make it and has not already done so, shall file his report in Court not less than fourteen days before the date fixed for the hearing of the application.

49. Proved creditors only may oppose discharge.

- Every creditor who has proved shall be entitled in person or by pleader to appear at the hearing and oppose the discharge.

50. In the matter of discharge court shall examine the debtor and may hear the Receiver, the debtor and creditors.

- At the hearing of the application the Court may hear any evidence which may be tendered by a creditor and also any evidence which may be tendered on behalf of the debtor and shall examine the debtor, if necessary, for the purpose of explaining any evidence tendered and may hear the Receiver, the debtor, in person or by pleader, and any creditor in person or by pleader.

51. Procedure where debtor fails to apply for discharge within the fixed period or where no period has been fixed.

- Any case in which the debtor fails to apply for his discharge within the period allowed by the Court under section 27 shall be brought up for orders under section 43. If the Court has omitted to specify a period under section 27(1), and the debtor has not already applied for discharge, the Court upon receipt of the Receiver's report shall fix a period within which the debtor shall apply for an order of

discharge. Notice of such period shall be given to the Receiver and the debtor, and if on its expiry the debtor has not applied accordingly, the case shall be brought up for orders under section 43. Sale of Immovable Property

52. Sale by Court and preparation of sale deed where no Receiver is appointed.

- If no Receiver is appointed and the Court, in exercise of its powers under section 58 of the Act, sells any immovable property of the Insolvent, the deed of sale of the said property shall be prepared by the purchaser at its own cost and shall be signed by the Presiding Officer of the Court. The cost of registration (if any) will also be borne by the purchaser.

53. Sale shall ordinarily be by public auction.

- As a rule property should be sold by public auction at the spot. Full particulars of the property and encumbrances, if any, should be made known by customary methods, such as proclamation, beat of drum, hand bills, etc., sales in any other manner and at any other place should only be made with the sanction of the Court. Costs

54. Cost up to order of adjudication shall be borne by petitioner but subsequent costs shall be met out of the estate.

- All proceedings under the Act, down to and including the making of an order of adjudication, shall be at the cost of the party prosecuting the same, but when an order of adjudication has been made on the petition of a creditor the cost of the petitioning creditor including the costs of the publication of all notices required by the Act or Rules shall be taxed and be payable out of the Estate. Note. - All expenses including the expenses of any travelling done by an Interim Receiver with the permission of the Court granted after hearing the applicant have to be met by the party prosecuting the application according to this rule, and if these expenses are not furnished the application for insolvency should be filed.

55. Initial deposits by debtor to cover costs. This deposit shall cover postal charges but not process fees.

- A person applying to be adjudicated an insolvent shall deposit a fee of at least Rs. 20 or such further sums, if any, as the Court may, from time to time, direct to cover the cost of the issue of the prescribed notices, of their publication in the Official Gazette and of all other proceedings under the Act, down to and including the making of an order of adjudication. Each such deposit shall be treated as Revenue Deposit and entered in the Register of Receipts prescribed in Chapter 8-E of this Volume. Process fee shall be paid in court fee stamps. - Note No. 1. - This deposit does not cover process fees, which shall be realized as usual, in Court fee stamps according to the rules. Initial deposit to cover all costs up to order of adjudication. - Note No. 2. - This deposit is meant not only for paying the expenses of publication of certain notices in the official gazette, but also to cover the

postage costs of issue of the prescribed notices and all other proceedings under the Act down to and including the making of the order adjudication. Disposal of balance of initial deposit. - Note No. 3. - The amount of undisbursed balance of these deposits should be transferred to the insolvent's assets after adjudication. Except as otherwise provided for, all expenses incurred after the order of adjudication can be met out of these assets.

56. Cost of a debtor about composition or scheme when to be allowed out of the estate.

- No cost incurred by a debtor in connection with an application to approve of a composition or scheme shall be allowed out of the estate if the Court refuses to approve the composition or scheme.

57. Cases when creditors shall supply funds for administration of the estate re-payment of small funds.

- If the assets available are not sufficient in any case for taking proceedings necessary for the administration of the estate, the Receiver or Interim Receiver or Official Receiver, as the case may be, may call upon the creditors or any of them to advance the necessary funds or to indemnify him against the cost of such proceedings. Any assets realized by such proceedings, shall be applied, in the first place, towards the repayment of such advances with interest thereon at 6 per cent per annum. Appointment and Procedure of the Committees of Inspection under Section 67-A of the Provincial Insolvency Act

58. Appointment and procedure of Committees of Inspection.

- The following rules have been framed with respect to the appointment and procedure of Committees of Inspection :-(1)In any case in which the Court authorises the creditors to appoint a Committee of Inspection pursuant to the provisions of section 67-A of the Act, the Court shall, by the order of adjudication, fix a date for the holding of a meeting of the persons qualified to vote for the purpose of selecting the members of the Committee. A notice mentioning the date fixed shall be put up on the Notice Boards of the Court and the Official Receiver.(2)Number of members. - A Committee of Inspection shall consist of not more than five, not less than three persons.(3)A Committee of Inspection shall meet at such time as they shall, from time to time, appoint, and failing such appointment at least once a month, and the Official Receiver or any two members of the Committee may call a meeting as and when necessary.(4)Committee shall act only by a majority. - A Committee of Inspection may act by a majority of members present at a meeting, but shall not act unless a majority of the Committee is present at the meeting.(5)Mode of resignation by a member. - Any member of the Committee may resign his office by notice in writing signed by him and delivered to the Official Receiver.(6)When a member vacates his office. - If a member of a Committee becomes insolvent or is absent from five consecutive meetings of the Committee, his office shall thereupon become vacant.(7)Removal of a member. - Any member of a Committee may be removed by a resolution at any meeting of the creditors of which seven days notice has been given stating the object of the meeting.(8)Filling up a vacancy. - On a vacancy occurring in the Office of a

member of a Committee, the Official Receiver shall forthwith summon a meeting of creditors for the purpose of filling the vacancy and the meeting may, by resolution, appoint another creditor or other person eligible as above to fill the vacancy.(9)Committee may act notwithstanding vacancy. - The continuing members of the Committee of Inspection, provided there be not less than two such continuing members, may act notwithstanding any vacancy in their body and when the number of members of a Committee is for the time being less than five, the creditors may increase their number so that it does not exceed five.(10)Receiver to obtain orders of Court when he does not agree with the suggestions of the committee. - When a Committee has been appointed, the Official Receiver shall, in the administration of the property of the insolvent and in the distribution thereof amongst his creditors, have regard to any suggestions that the Committee may give by resolution. If the Official Receiver thinks that any suggestion of the Committee is not in the interests of the general body of creditors, he may report the matter to the Court which will give such instructions as it may consider just and necessary.(11)The Committee shall be heard before court passes order in the above case. - The Court shall afford an opportunity to the Committee of inspection for being heard before orders are passed on any such report submitted by the Official Receiver.(12)Court may call a meeting of the general body of creditors. - The Court may, in order to decide the matter in dispute, call a meeting of the general body of creditors and consider their views before arriving at a conclusion.(13)Official Receiver shall be Secretary of the Committee. - The Official Receiver shall ordinarily act as the Secretary of the Committee and maintain a record of its proceedings in a bound register.(14)Action of a member not to be vitiated by defect in his appointment. - No defect or irregularity in the appointment or selection of a member of the Committee of Inspection shall vitiate any act done by him in good faith.(15)Receiver shall allow inspection of records to members and give other information and assistance. - The Official Receiver shall afford all the members of the Committee both individually and collectively, reasonable facilities to examine at his office any of his records and registers during the working hours of the Court. The Official Receiver shall also give the Committee and its members any information which they require and give them every assistance and facility in the discharge of their functions.

Forms in Insolvency Proceedings

Form No. 1General TitleIn the Court of _____ Insolvency Petition No. _____ of 19_____.In the matter of _____.Ex parte (here insert "the Debtor" of "A.B. of Creditor", "the Official Receiver" or "the Receiver").Form No. 2Debtor's Petition(Section 13)In the Court of _____ Insolvency Petition No. _____ of 19_____.

<p>(1)(a) _____ (a) Insert name and address and description of debtor.(b) State name of Court and particulars of decree, in respect of which the order of detention has been made only whereas an order of attachment has been made against debtor's property.(c) State whether and how many of the debts are secured.</p>	<p>ordinarily residing at (or "carrying on business at" or "personally working for gain at", or "in custody at") in consequence of the order of (b) being unable to pay my debts, hereby petition that I may be adjudged an insolvent. The total amount of all pecuniary claims against me is Rs. _____ (c) as set out in detail in Schedule A annexed hereunto which contains the names and residences of all my creditors so far as they are known to or can be ascertained by me. The amount and particulars of all my property are set out in Schedule B annexed hereunto together with a specification of all my property not consisting</p>
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of money and the place or places at which such property is to be found and I hereby declare that I am willing to place all such property at the disposal of the Court save in so far as it includes such particulars (not being my books of account) as are exempted by law from attachment and sale in execution of a decree.

I have not on any previous occasion filed a petition to be adjudged an insolvent or I set out in Schedule C particulars relating to my previous petition/petitions to be adjudged an insolvent. Signature. Form No. 2-A Insolvency Notice (See Rule 4-A (2) read with Section 6 of Provincial Insolvency Act, 1920, as amended). In the Court of _____ In the matter of _____ To A.B. or (A.B. & Co.) _____ of _____. Take notice that within 30 (Thirty) days after service of this notice on you (excluding the day of such service), you must pay to (full name and description of the creditor) or his duly authorised agent _____, the sum of Rs. _____ (state the exact amount due), claimed by the aforesaid creditor, against you in the _____ Court, dated _____, which has become final and execution whereof has not been stayed, or you must furnish security for the payment of the said sum to the satisfaction of the aforesaid creditor or his agent, within the above prescribed period. You are specially to note that the consequences of not complying with the requisitions of this notice are that you will have committed an act of insolvency on which insolvency proceedings may be taken against you unless you make an application within the period prescribed for compliance thereof for setting it aside under sub-section (5) of Section 6 of the Provincial Insolvency Act, 1920 and in that event you will be deemed to have committed an act of insolvency as from the date stipulated in clause (b) of proviso to sub-section (2) of Section 6 *ibid*. Name and address of the person/Advocate suing out the notice. Dated this _____ day of _____ 19 _____. Judge. Verification Clause as in Plaints

A (Debts)

Name of Creditor	Residence of creditor	Amount of debt	Nature of debt	Security		Remarks
				Nature	Amount	
1	2	3	4	5	6	7

Column 4. - In this column enter whether the debt is a judgment debt, amount due on promissory note, mortgage debt, verbal loan, balance for goods, security for another, etc. In the case of judgement-debt, state the name of the Court and the number of the case. Column 5. - In this column state the nature of property whether land, house, gold, etc., and the nature of the security, whether deposit, pledge with possession, mortgage, deposit of title deeds, etc.

B (Assets)

(1) Movable and Immovable Property

	Place where situated		In the case of land	Value of property	If mortgaged state	Remarks
Description of property	In whose possession	Name of estate and holding No.	Area	Name and residence of mortgagee	Amount of mortgage	
1	2	3	4	5	6	7 8 9

Column 9. - In the remarks column, state if petitioner is only part owner of the property and, if so, who the other owners are, and what his share in the property is.

					(2) Debts owing to petitioner				
Name of debtor	Residence of debtor	Nature of debt	Amount of debt	When contracted	Good, bad or doubtful	Security	Nature	Amount	Remarks
1	2	3	4	5	6	7	8	9	

Column 3. - In this column, enter particulars as in Column 4 of Schedule A.

C

Former Petitions for Insolvency by the Petitioner

Serial No.	Date of Petition	Date of adjudication, if any	Date and description of final order on the former petition	(a) Remarks
1	2	3	4	5

(a) If the petition was dismissed, state the reasons for dismissal. If the debtor has previously been adjudged an insolvent, give concise particulars of his insolvency, including a statement, whether any previous adjudication has been annulled, and, if so, the grounds therefor.

Form No. 3 Notice to Creditors of the Date of Hearing of an Insolvency Petition (Section 19) Insolvency Petition No. _____ of _____ 19 ____ In the Court of _____ Whereas A.B. has applied to this Court by a petition, dated _____ to be declared an insolvent under the Provincial Insolvency Act, 1920, and your name appears in the list of creditors filed by the aforesaid debtor, this is to give you notice that the Court has fixed the _____ day of _____ 19 __, for the hearing of the aforesaid petition and the examination of the debtor. If you desire to be represented in the matter, you should attend in person or by duly instructed pleader. The particulars of the debt alleged in the petition to be due to you are as follows :-

Judge. Form No. 4 Order of

Adjudication(Section 27)In the Court of _____Insolvency Petition No. _____ of _____ 19 _____ Pursuant to a petition, dated, _____ against _____ (here insert name, description and address of debtor) and on the application of _____ (here insert "the Official Receiver" or "the debtor himself" or "A.B. of a creditor") and on reading and hearing it is ordered that the debtor be and the said debtor is hereby adjudged insolvent. It is further ordered that the debtor do apply for his discharge within _____ (a) on or before _____ Dated this _____ day _____ of _____ 19 _____. Judge. (a) Here state the period or the date on or before which the insolvent must apply for his discharge. Form No. 5 Order Appointing Receiver (Section 56) In the Court of _____ Insolvency Petition No. _____ of _____ 19 _____. Whereas A.B. was adjudicated an insolvent by order of this Court dated _____ and it appears to the Court that the appointment of a Receiver for the property of the insolvent is necessary. It is ordered that receiving order be made against the insolvent and a receiving order is hereby made against the insolvent and A.B. of (or the Official Receiver) is hereby constituted Receiver of the property of the said insolvent. And it is further ordered that the said Receiver (not being the Official Receiver) do give security to the extent of _____ and _____ that his remuneration be fixed at _____. Dated _____ Judge. Form No. 6 Proof of Debts General Form (Section 49) (Title) { | - | (a) Here insert number given in the notice. (b) Address in full. 1. That the said (c) State consideration and specify the vouchers (if any) in support of the claim. (d) Here enter details of securities bills or the like. Admitted to vote for Rs. (_____) Judge or Official Receiver | | In a matter of _____ No. (a) of _____ 19 _____. I, _____ of (b) _____ make oath and say (or solemnly and sincerely affirm and declare) was/were at the date of the petition. viz., the day of _____ 19 _____ and still is/are justly and truly indebted to me in the sum of Rs. _____ for (c) as shown by the account endorsed hereon (or the following account). viz., for which sum or any part thereof, I say that I have not, nor hath or any person by order to my knowledge or belief for use had or received any manner of satisfaction of security whatsoever save and except the following (d) Sworn at _____ this day _____ before me. } Deponent's Signature Commissioner. Form No. 7 Proof of Debt of Workmen (Title) 1. (a) of _____ (b) make oath and say (or solemnly and sincerely affirm and declare) -

(i) That (c) was/were

at the date of the adjudication, viz., the day of 19 _____, and still is/are justly and truly indebted to these several persons whose names, addresses and descriptions appear in the schedule endorsed hereon in sums severally set against their names in the sixth column of such schedule for wages due to them respectively as workmen or others in (d) in respect of services rendered by them respectively to (e) during such periods before the date of receiving order as are set out against their respective names in the fifth column of such schedule for which said sums or any part thereof. I say that they have not, nor hath any of them, had or received any manner of satisfaction or security whatsoever. Sworn at _____ this _____ day of _____ before me.

(a) Fill in full name, address and occupation of deponent. (b) The above named debtor or the foremen of the above-named debtor on behalf of the workmen and others employed by the above-named-debtor (c) "I" or "the said". (d) "My employ" or "the employ of the above-named debtor". (e) "Me" or "the above-named the debtor." Admitted to vote for Rs. Judge or Official Receiver.

Deponent's Signature Commissioner. Form No. 8 Notice to Creditors of the Date of Consideration of a Composition or Scheme of Arrangement (Section 38) (Title) Take notice that the Court has fixed the day of _____ 19 ____ for the consideration of a composition (or Scheme of arrangement) submitted by A.B. the debtor in the above insolvency petition. No creditor who has not proved his debt before the aforesaid date will be permitted to vote on the consideration of the above matter. If you desire to be represented at the above-mentioned hearing, you should be present in person or by duly instructed pleader with your proofs. Judge. Form No. 9 For Under Section 38 List of Creditors For use at Meeting Held for Consideration Of Composition or Scheme (Title) Meeting held at _____ this _____ day of _____ 19 ____.

Names of all creditors whose proofs have been admitted	Here state as to each creditor whether he voted and if so, whether personally or by pleader	Amount of assets Total	Amount of admitted proof
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Required number of majority. Required value _____ Rs. Form No. 10 Form of Notice Under Section 64 Notice to Persons Claiming to be Creditors of Intention to Declare Final Dividend (Title) Take notice that a final dividend is intended to be declared in the above matter, and that if you do not establish your claim to the satisfaction of the Court on or before the _____ day of 19 ____ or such later day as the Court may fix, your claim will be expunged, and I shall proceed to make final dividend without regard to such claim. Dated this _____ day of _____ 19 ____ . G.H. Receiver (Address) Form No. 11 Order Annuling Adjudication Under Section 35 (Title) On the application of R.S. of _____ and on reading and hearing it is ordered that the order of adjudication, dated against A.B. of _____ be and the same is hereby annulled. Dated this _____ day of _____ 19 ____ . Judge. Form No. 12 Notice To Creditors of Application for Discharge (Section 41) (Title) Take notice that the above-named insolvent has applied to the Court for his discharge, and that the Court has fixed the day of _____ 19 ____ at _____ o'clock for hearing the application. Dated this _____ day of _____ 19 ____ . Judge. Note - On the back of this notice the provisions of Section 42 (1) of the Insolvency Act V of 1920, should be printed. Form No. 13 Order of Discharge Subject to Condition as to Earnings after-acquired Property and Income [Section 41 (c)] (Title) On the application of _____, adjudged insolvent on the _____, day of _____ 19 _____, and upon taking into consideration the report of the Official Receiver (or Receiver) as to the insolvent's conduct and affairs and hearing A.B. and C.D. creditors : It is ordered that the insolvent -(a) be discharged forthwith or (b) be discharged on the _____ or (c) be discharged subject to the following conditions as to his future

earnings, after-acquired property and income :-After setting aside out of the insolvent's earnings, after-acquired property and income, the yearly sum of Rs. _____ for the support of himself and his family the insolvent shall pay the surplus, if any (or such portion of such surplus as the Court may determine), of such earnings, after acquired property and income to the Court or Official Receiver (or Receiver) for distribution among the Creditors in the insolvency. An account shall on the first day of January in every year or within fourteen days thereafter, be filed in these proceedings by the insolvent setting forth a statement of his receipt from earnings, after-acquired property and during the year immediately preceding the said date and the surplus payable under this order shall be paid by the insolvent into Court or to the Official Receiver (or Receiver) within fourteen days of the filing of the said account. Dated this _____ day of _____ 19 _____. Judge Form No. 14 Summary Administration Section 74 (Title) Notice to Creditors Take notice that on the day of _____ 19 _____, the above-named debtor presented a petition to this Court praying to be adjudicated an insolvent and that on the _____ day of 19 ____, the Court being satisfied that the property of the debtor is not likely to exceed Rs. 500/- in value directed that the debtor's estate be administered in summary manner and appointed the _____ day of _____ 19 _____, for the further hearing of the said petition and the examination of the said debtor. Also take notice that the Court may on the aforesaid date then and there proceed to adjudication and distribution of the assets of the aforesaid debtor. It will be open to you to appear and give evidence on that date. Proof of any claim you desire to make must be lodged in the Court on or before that date. Given under my hand and the seal of this Court, the day of _____ 19 _____. Judge Form No. 15 Register of Persons Adjudicated Insolvent

S.No	Name of insolvent	Date of adjudication	Date or period fixed for application for discharge	Name of Receiver	Security taken from the Receiver (if any)	Assets with estimated value	Liabilities with estimated value (secured or unsecured debts to be shown separately)	Remarks
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Abstract of Receiver's Reports Showing Progress of Realizations of Assets and Distribution of Dividends And Abstract of all Important Orders of the Court after Adjudication

Date	Receiver's report (give brief purport)	Orders of the Court on the Receiver's Report	Other important orders passed by the Court after adjudication with dates thereof
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Form No. 16 Property Register for Interim Receiver Serial No. Date of adjudication Number of Case (if any) Name of Case Date of interim appointment

Immovable Property	Movable Property other than Cash	Cash	Debts due to the Debtor	Documents and Title Deeds	Remarks
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Particulars of property	How disposed of	Date of possession	Particulars	In what condition	Who disposed of	Date of receipt	Who disposed of	Date of loan	Name of Debtor	Action taken, if any
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Note. 1. One or more pages should be devoted to each estate according to the requirements of the case.

2. Entries to be made in the register in chronological order but an alphabetical index should be maintained in the beginning for facility of reference.

Rules Under Section 79 in respect of Official Receivers Security

1. Security from amount and reduction, verification and exemption from stamp duty. - Every Official Receiver in the Punjab/Haryana/Chandigarh is required to give security of Rs. 10,000/- in cash, Government Promissory Notes, or Stock Notes of Government of India or Fidelity Bonds of such Insurance Companies as are approved by the High Court. The mortgage of immovable property to Government will also be allowed.

Whenever an Official Receiver is in charge of more than one revenue district, he shall furnish security to the above extent in each district separately. The High Court may sanction the reduction of the security demanded from an Official Receiver if it is found that the average amount realised in his district over a period of five years is less than Rs. 10,000/- per annum. The reduced security shall be not less than such average amount realised annually. The forms in which different kinds of security bonds should be executed by the Official Receivers are printed in Part E of this Chapter. Where securities other than Government Promissory or Stock Notes, have been or may be accepted, the following rules should be observed for the verification of such securities :- (i) They should be verified through the Tehsildar. (ii) In addition to ascertaining that the property really exists and that it is of the assorted value, enquiries should be made as to whether there are any prior liens on the property, and a proclamation should be issued in every case inviting claimants to appear within one month. (iii) Should no claimant appear within the period the fact should be noted at the foot of the bond. Note. - Security bonds and mortgage deeds executed by the Official Receiver under these rules are exempt from stamp duty under exemption (e) of Article 57, Schedule I of the Indian Stamp Act II of 1899. I. Leave of Absence

2. Vacation allowed. - An Official Receiver will be entitled to remain on leave during the period when the Insolvency Court is closed for the summer vacation unless, for reasons to be recorded, the Judge of the Court otherwise directs.

3. Grant of leave. - (i) It has been decided by the Punjab Government in consultation with the Hon'ble Judges that District Judges should be allowed, subject to a report to the High Court, to grant leave of absence to the Official Receivers in their districts up to one month in a year. In the case of leave for longer periods, upto three months at any one time, the sanctioning authority will be the High Court. It is not contemplated that any Official Receiver should be given leave in excess of three months, except in altogether unusual circumstances but in a case of this kind does arise, it will be reported to Government.

(ii) In the case of short-term vacancies, it will nearly always be possible for local arrangements to be made (under the orders of the Hon'ble Judges) to carry on the work, and it will not be necessary for a substitute Official Receiver to be appointed. In the case of long vacancies (that is vacancies exceeding three months), it has been decided that when the Hon'ble Judges report the case to Government they will add their views whether the appointment of a substitute Official Receiver under Section 57 of the Act is necessary. If so, proceedings to make an appointment will be taken in accordance with the procedure laid in Punjab Government letter No. 802-J- 36/18370, dated the 4th June, 1936. Otherwise, if the Hon'ble Judges think that satisfactory arrangements can be made without a fresh appointment under Section 57, they will issue the appropriate instructions.

II. Casual Leave

(i) The maximum amount of casual leave which an Official Receiver may enjoy in a period of 12 months commencing with the 15th April, in any year shall not ordinarily be more than twenty days. This is subject to the condition that more than ten days casual leave should not be allowed at a time and that no extra expense is thereby imposed on the Insolvents Estates Fund. Only one spell of ten days casual leave can be taken during this period and the balance of the leave should be enjoyed in dribblets, spread over the year. Leave exceeding four days cannot be granted except in special circumstances on more than two occasions during the year.

(ii) Leave not exceeding four days at a time may be sanctioned by the Insolvency Judge. Leave exceeding four days is to be sanctioned by the District Judge.

(iii) If casual leave is not taken during any period of twelve months commencing from the 15th April, it cannot be accumulated and taken during a subsequent "casual leave" year.

(iv) The privilege of casual leave must not be abused and leave must not be granted when too much latitude in the grant of leave to an Official Receiver disturbs the arrangements of his work as Official Receiver and Court Auctioneer.

(v) Holidays may not be prefixed or affixed to casual leave but one Sunday, either at the beginning or end of the leave, may be combined with it. All other holidays shall be included in the period of leave taken, but such holidays will not be counted as casual leave enjoyed. Last Saturdays of each month may be observed as holidays where they are so observed by the Insolvency Court. Casual leave may not be combined with the annual vacation of Subordinate Courts and ordinarily casual leave will not be granted so as to end or begin less than one week before or after the vacation.

Travelling Allowance

4. Grant of Travelling Allowance. - "Official Receiver may, on previous sanction in writing granted in each case by the Insolvency Judge, charge against assets of a particular Estate or Estates concerned, actual travelling expenses incurred by them on journeys undertaken in the interest of any particular Estate or Estates".

5. Definition of "actual travelling allowance". Daily Allowance not permissible. - The term "actual travelling expenses" should be interpreted as defined in Rule 2.4 of Civil Services Rules (Punjab), Volume I, Part I. No daily allowance can be allowed to the Official Receiver.

6. The journeys to be performed by the cheapest route. - The journeys must be performed by the cheapest route.

Audit

7. Cost of audit to be met out of estate. - In order to meet the cost of audit of the Insolvents Estates by Government, the Insolvency Judge shall deduct from realizations made by the Official Receiver a sum equal to 1¼% of realization and credit it to Government as provided under Rule 6 of Chapter 4-E.

Postage

8. Expenditure on account of postage, after adjudication shall be met from the funds of the estate concerned.

Official Receivers' Records

9. A separate record for each case to be kept. - The Official Receivers should maintain a separate record for each case showing in detail what action was taken on each day so as to provide a continuous history of the whole administration.

10. The Receiver to record all orders and depositions. - All orders on these records should be written out by the Official Receiver in his own handwriting and the practice of leaving it to clerks to examine the parties or witnesses or to fix dates and to record any orders must be given up.

11. Parts A and B of the record. - The record should be maintained in two parts - Part A for proceedings under Section 80 of the Provincial Insolvency Act, Part B for all other proceedings.

12. Records and registers to be made over to the Court on completion. - The records and registers of the Official Receivers when complete should be made over to the Court for being made a part of the Court Records and being consigned to the Record Room along with them.

13. Index of papers to be maintained. - An index of papers in form No. 242, as given at page 2 of Part A-III Rules and Orders, Volume VI-A, should be maintained for all records.

Destruction of Records

14. List of records and registers to be preserved in perpetuity. - The following Registers and Records shall be preserved in perpetuity :-

Form No. 1 - Index Register. Form No. 2 - Register of Immovable Property. Form No. 7 - Demand and Collection Register. Form No. 8 - Sale List of Property. Form No. 9 - Counterfoils of Receipts. Form No. 14 - Register of Receipts and Administration charges. Form No. 15 - Cash Book. Form No. 17 - Ledger Account. Form No. 18 - Deposit Register. Form No. 19 - Dividend Register. Form No. 20 - List of Office Furniture and Counterfoils of all cheques. All audit objections and replies thereto.

15. List of registers to be preserved for 50 years. - The following Registers shall be preserved fifty years from the date of the last entry:-

Form No. 4 - Register of Movable Property. Form No. 5 - Register of Debts due to the Insolvent. Form No. 6 - Register of Title deeds.

16. List of records to be preserved for 20 years. - The following shall be preserved for twenty years from the date of the last entry and shall then be destroyed :-

Form No. 10 - Pay Sheet of establishment. Form No. 11 - Contingent Bills. Form No. 12 - Permanent Account Register. Form No. 13 - Stamp Register. Form No. 16 - Register showing closing balances. Procedure regarding sale of Land in another District

17. Procedure regarding sale of land in another district. - (i) When the property of an Insolvent is situated in a District other than that in which the adjudication takes place, the Insolvency Judge has the discretion to decide whether the Official Receiver should sell the property himself or ask the Insolvency Judge of the other District in which the property is situated, to do so. In the latter case, the normal procedure should be for the Insolvency Judge to make a request to the Insolvency Judge of the other district under Section 77 of the Provincial Insolvency Act, and for the latter Officer to appoint the Official Receiver of his district, as Receiver of the property in question for the purpose of selling it.

(ii) When the property of an insolvent is sold through the Insolvency Judge of another District and the sale proceeds have been realised, the Official Receiver after charging his commission shall remit the balance to the Insolvency Judge of the original district together with a statement of accounts duly attested by the Insolvency Judge. The detailed account of the transactions and the records relating to the sale shall remain with the Insolvency Court of the other district and shall be audited there. (iii) When money belonging to an Insolvent's Estate in the State of Punjab, Haryana, U.T. Chandigarh and Delhi State is realized at the request of the Insolvency Judge in another State and vice versa, the procedure for keeping the records and accounts shall be the same as given in sub-paragraph (ii) above, except that the copies of the records shall be sent to the Insolvency Court of the other State. Rules Under Section 79 of the Provincial Insolvency Act in Respect of Maintenance of Accounts

1. Insolvent Estate Fund. - All sums realised from the Insolvent's Estates shall, in the first instance, be credited in the District Treasury without delay, to the personal ledger account in the name of the District Judge or the Insolvency Judge to be styled as "Insolvent Estate Fund" for recording the transactions of Insolvent Estates dealt with by the Official Receivers.

Official Receiver's Remuneration Fund. - Sums ordered to be paid under clause (b) of sub-section (2) of Section 56 of the Provincial Insolvency Act in respect of the remuneration of Official Receivers shall be taken out of the above fund and credited into the District Treasury (or a Sub-Treasury), in the name of the Insolvency Judge under the heading "Official Receiver's Remuneration Fund".

2. Amount realised to be deposited by the Official Receiver by the next morning. Receipt to be given to the depositor. - The amount received each day by the Official Receiver shall be paid into the Treasury on the morning of the next working day if not on the day of receipt. All remittances to the Treasury should be accompanied by a challan in triplicate and the Treasury Receipts for the amount paid in shall be filed in a Guard File. The Pass Books

will be supplied by the Treasury free of cost. The Official Receiver shall prepare a receipt in foil and counter-foil for the money received by him from each depositor, the foil being issued to the depositor as a receipt for the money deposited.

3. Payment shall be by cheques. - All payments from the Treasury shall be made by means of cheques signed by the District Judge or Insolvency Judge.

Note - The cheques shall be prepared by the Reader of the Insolvency Judge and written with registration ink obtainable from the Controller of Printing and Stationery.

4. Remuneration of Receiver payable by cheque. - At the close of each month the amount available for the remuneration of the Official Receiver shall be drawn from the Treasury by means of a cheque on presentation of a regular bill by the Official Receiver through the District Judge or Insolvency Judge.

5. Office and other charges and payment to creditors payable by cheques. - Amounts payable to creditors and miscellaneous charges shall similarly be drawn by cheques on presentation of regular bills by the Official Receivers through the District Judge or Insolvency Judge.

6. Audit expenses to be credited monthly in the treasury as distinct item. - At the close of each month the amount at credit of the audit expenses account shall be drawn from the Treasury by the District Judge or Insolvency Judge and credited to Government by transfer as a distinct item in the cash account. The Treasury Officer will intimate the amount so drawn to the Official Receiver at the close of each month.

7. Disposal of money unclaimed by creditors. - Money unclaimed by creditors should not be kept in deposit indefinitely but should be dealt with in accordance with the provisions of Rule 4.59 of the Subsidiary Treasury Rules (Financial Hand Book No. 1). Items which have remained undisbursed and laid in deposit for over a year should lapse to Government. Should the claimants subsequently appear and claim the items, these should be re-drawn for payment in the manner prescribed by Rule 4.130 and 4.140 of the Subsidiary Treasury Rules. Amounts of less than two annas due for refund should be credited direct to Government.

8. Index Register to be kept. - An Index Register giving reference to pages of the several registers in which the transactions of Insolvent estates are recorded from time to time should be kept in Form No. 1 in which the names of insolvents should be entered in chronological order. An alphabetical index giving reference to the pages of the register should be maintained in the beginning for facility of reference.

9. Assets and liabilities of the debtor to be entered in registers specified. - When an order of adjudication is passed, the assets and liabilities of the insolvent, as shown in the petition or otherwise known, should be brought on to the registers noted below :-

No. 2 Register of immovable property. No. 3 Register of movable property. No. 4 Register of debts due to insolvents. No. 5 Register of debts due from insolvents.

10. Insolvents account book and other documents to be entered in a special register. - Accounts books, title, deeds, etc., taken possession of by the Official Receiver should be entered in a register to be kept in Form No. 6.

11. Details of disposal of property to be entered in registers specified. - When any property is disposed of by sale or in any other manner the details of the disposal should be entered in the appropriate columns of the above registers.

12. Entry of proved debts in registers. - Debts proved from time to time should be recorded in columns 6 to 10 of Register No. 5.

13. Demand and Collection register watch recovery of rents and unrecovered balances. - Rents and other income which may accrue from any property as well as the unrecovered balance due, if any, on account of its sale proceeds, when sold, should be watched by means of a Demand and Collection Register to be kept in Form No. 7, in columns 1 to 8 of which the demands should be posted as they occur. When a payment is received on account of any such demand the necessary entries should be made in the appropriate columns and the money should then be brought to account in the cash book in the usual way.

The Demand and Collection Register shall be balanced and closed at the end of each year and the outstanding balance struck, shown in columns 13 and carried forward to the next year's register and

a certificate to this effect furnished by the Official Receiver.

14. Bills of sale to be recorded in sale list register. - When a property is sold by public auction the bids should be recorded in a Register of sale list to be kept in Form No. 8.

Note - The intermediate bids for movable property other than livestock likely to fetch not more than Rs. 20/- need not, however, be recorded in detail in this register.

15. Receiver to issue receipts for sums received. - Any sum received by the Official Receiver should be acknowledged on a receipt in Form No. 9 (foil and counterfoil) the foil of which should be handed over to the person paying the money and the counterfoil retained for audit purposes.

16. Receipt book, Number of forms, etc. - The receipt books should have an equal number of forms and bear the printed book and serial numbers.

Note 1. - Receipt need not issue on sale of movable goods. - No receipt need be issued ordinarily in cases of movable goods of insolvents sold by public auction unless one is especially desired by the purchaser. The sale list mentioned in Rule 15 above shall be considered as sufficient ordinarily for audit purposes; provided it is signed or thumb-impressed by each and every purchaser against the article or articles sold to him and attested by the Official Receiver and insolvents concerned. Note 2. - Only printed prescribed receipts forms to be used. - All receipts must be issued invariably on the printed form prescribed by these rules. The practice of issuing "Kacha" or manuscript receipts on plain paper is dangerous and must never be resorted to. Note 3. - One printed receipt to be prepared for all amounts received by money order during the days. Money order coupons to be retained for audit. - In order to avoid any risk of defalcation the Official Receiver must prepare a receipt in the prescribed form for all the amounts received by him by money order. There is, however, no need of sending the foils to the different payees as each of them gets the postal acknowledgment. The Official Receiver can prepare one consolidated receipt for all the amounts received by money order during the day and attach the foil of this receipt to the money order coupons to show that the money has been accounted for in the cash book and credited to the Insolvents Estates Fund. The money order coupons should be retained for audit purposes. Note 4. - Printed receipts to be issued for sums received from Court. - Receipts must be issued for amounts received by the Official Receiver from the Insolvency Court itself, e.g., on account of unspent balance of the initial deposit received under Rule 55, Chapter 4-C, Rules and Orders, Volume II. Note 5. - Number of forms of receipt books to be certified before use. - All the receipt books should be counted and a certificate to the effect that the book contains so many pages recorded on the first page under the signatures of the Official Receiver before they are actually brought into use. Note 6. - Date of receipt should be noted on money order coupons. - The dates of receipt of money should be endorsed by the Official Receiver on the money order coupons. Note 7. - Receipts for sums in excess of Rs. 20 to be stamped. - Receipts issued by Official Receivers for sums in excess of Rs. 20 shall be duly stamped and the cost thereof borne by

the Official Receivers out of their own commission.

17. Commission how to be drawn. - The Official Receiver shall draw half the remuneration due to him at the time of realisation and half at the time of distribution of assets. Register No. 14 will have columns 5 and 6 :-

Commission at the time of realisation. Commission at the time of distribution of assets.

18. Contingent charges how to be drawn. - Contingent expenditure includes all charges other than those of establishment. All contingent charges should be drawn on a bill in Form No. 11.

19. Permanent advance to Receiver. - The Official Receiver may be allowed a permanent advance of such sum as may be fixed by the Insolvency Court from time to time to meet expenses, for which, in the opinion of the Official Receiver, the money cannot conveniently be otherwise obtained.

20. Permanent advance not to be spent without sanction of the Court. - The Official Receiver may incur such expenditure out of his permanent advance without obtaining the previous sanction of the Insolvency Court : Provided that a limit of Rs. 20/- in the case of each item of expenditure shall not be exceeded, except in the case of purchase of stationery, where such limit shall be Rs. 5/-. When it is necessary to exceed such limits, the previous sanction of the Court shall be obtained.

21. Permanent advance account to be kept. - The Official Receiver should keep a permanent advance account in Form No. 12 in columns 1 to 6 of which should be entered the items of expenditure as they occur.

22. Permanent advance how to be recouped. - When the cash in hand is running low and in any case on the last working day of each month, the permanent advance should be recouped as follows :-

A line should be ruled across the page of the permanent advance account and the totals debit to each estate or other head of account should be posted in a contingent bills in form No. 11. The Bill supported by vouchers and signed by the Official Receiver should then be laid before the Court for payment.

23. Entry of receipt by cheque to be made in books. - When a cheque in payment is received, the details should be entered in the cash book and the amount drawn classified in the various ledger accounts concerned.

24. Annual certificate of permanent advance. - On the 1st April of each year the Official Receiver should submit to the Insolvency Judge a certificate to the effect that the permanent advance is held by him, and that he is responsible for it. The Insolvency Judge will preserve these certificates in his office.

25. Postage stamp charges to be met from permanent advance. Stamp Register. - Stamps and the postage charges should ordinarily be met from the permanent advance, but in order to enable a check to be kept upon the number of stamps expended and debited to the estate concerned, a stamp register should be maintained in Form 13.

26. Remuneration of Official Receiver how drawn. - Soon after the close of a month, the amount of remuneration drawn by the Official Receiver, and the audit fee, are to be abstracted in a contingent bill and laid before the Court for order of payment in the following manner :-

(1) Pay Rs. _____ by transfer credit to the "Official Receiver's Remuneration Fund". (2) Pay Rs. _____ by transfer credit to the Government (being the amount of Audit Fee).

27. Remuneration of Official Receiver how drawn. - Separate cheques will then be drawn in favour of the Official Receiver and the Treasury Officer. The former will be on account of commission fee for credit to the Official Receiver's Remuneration Fund and the latter on account of audit fee to be credited to Government.

28. Remuneration of Official Receiver how drawn. - The whole amount of the bill and fees should then be shown on the expenditure side of the cash book and that representing "Official Receivers Commission" should be shown by a per contra entry on the receipt side.

29. Adjustment to be made where administration charges are levied on total sum agreed to be paid in cases of compromise of settlement. - An Official Receiver is entitled to draw administration charges on the total sum agreed

to be paid by an Insolvent to his creditors by compromise or settlement. Any administration charges drawn in previous months on account of such estates should be adjusted against the sum finally to be drawn on this account. Any amount received in cash as administration charges in such cases, should first be accounted for in the cash-book and then drawn in the usual way. In such cases the amount agreed on in the compromise should be shown in column No. 4 of register No. 14.

30. Entries in cash-book to be made by Receiver in his own hand. - The cash-book entries should ordinarily be made by the Official Receiver himself. But when the Official Receiver is away from the station or if it is not possible for him to write the cash-book personally without detriment to his other duties the work of making the entries in the cash-book may be entrusted on the responsibility of the Official Receiver, to his clerk, provided the Official Receiver initials each entry in the cash-book in token of having checked it.

31. Payment to secured creditors not to be held over till dividend is declared. Entry of payment. - Amounts payable to secured creditors should, after deducting the administration charges, be paid as soon as they are claimed. Such payments need not be held over till a dividend is declared. The number, date and amount of the cheques drawn for such payments should be noted in the remarks column of register No. 5 against the entry concerned.

Note. - Crediting of administration charges on sales where secured creditor is himself purchaser. - When the purchaser of any property held under security is the secured creditor himself he may retain the amount of his secured debt less administration charges and tender for credit only the amount of administration charges and the difference between the sale-proceeds and the secured debt. This difference should be accounted for in the ordinary way. The amount of administration charges on such secured debts should also be brought to account in the cash-book and then drawn in the usual way. In such cases also columns 4 and 5 of Register No. 14 will remain blank while the amount of secured debt should be shown in column No. 6 of the register. If the property held under security has been sold on a written application of the creditor, the administration charges shall be credited into the Treasury by the purchaser (if he is the secured creditor, irrespective of the fact that the sale price of the security is less than the debt, and an intimation sent to the Official Receiver that this has been done.)

32. Annual certificate of amounts credited to Government for audit charges. - The Official Receiver shall early in April each year, forward to the Accountant-General, Punjab, a statement certified by him showing all

amounts credited to Government on account of audit charges in the preceding financial year.

33. Money pertaining to Insolvent Estates Fund should not be kept apart from the general balance. - Moneys pertaining to Insolvent Estates Fund with the exception of authorised advances should not be kept apart from the general balance at the credit of the fund, but should at once be credited to the appropriate head of account, the adjustment of such an advance to be watched through the Demand and Collection Register.

34. All receipts for money should be duly accounted for. - When any money is received the Official Receiver should bring the amount to account in the cash-book kept in Form 15 and sign a receipt in Form No. 9 for it, the foil of which he should give to the person paying the money.

35. Mode of entry in cash-books of remittances to treasury. - Money remitted to the Treasury in accordance with the procedure laid down in Rule 2 should be entered in columns 8 and 9 of the cash-book under the initials of the Official Receiver.

36. Payment on a bill should be by a cheque. - After an order for payment has been passed on a bill, a cheque should be drawn in the name of the actual payee and the necessary entry made in the cash-book. The bill should then be stamped "paid by cheque No._____" and filed for purposes of audit.

37. Comparison of cash-book with Treasury Pass-book. - The cash-book should be totalled and balanced at the end of each month and signed by the Official Receiver. It should at the same time be compared and agreed with the Treasury Passbooks in the manner prescribed in Rule 54 below and any differences should be explained and accounted for in a foot-note in the following manner :-

	Rs.
Balance as per Passbook
Add amount of permanent advance
Money received too late for remittance to treasury	
Total

Deduct. -

Outstanding cheques as per details below :-

Balance as per cash-book

Cheques outstanding on

No. _____ dated _____ Amount _____

Note. - The balance appearing at the end of the month in the Passbook pertaining to the accounts of the "Official Receiver Remuneration Fund" should be noted separately in the cash-book and the same should be compared and agreed with the balance in the ledger account of the Fund concerned. Any difference should be explained.

38. Closing balance in cash-book must agree with the total of closing balance of ledger accounts. - The closing balance in cash-book must agree with the total of closing balance shown in the various ledger accounts. In order to ascertain that they agree with each other, the closing balance in the various ledger accounts should be abstracted in a register to be kept in Form 16.

Note - This register may, however, be dispensed with in place where the number of ledger does not exceed 25. In places where the register is dispensed with the closing balance in the various ledgers should be shown at the foot of the cash-book for facility of comparison.

39. Separate ledger accounts. - For the purposes of classifying the income and expenditure posted in the cash-book, a ledger account should be maintained in Form 17.

Several pages of the ledger should be set apart for each estate and for the heads of account, viz., "Official Receiver Remuneration Fund" and "Deposits". The ledger accounts should be balanced monthly. Every receipt and disbursement shown in the cash-book should be posted in the ledger concerned on the date of transaction.

40. Cheque Books how obtained and kept. - Cheque Books are obtainable direct from the Treasury Officer on payment, the cost being met from office charges. Every book should be kept under lock and key of the Insolvency Judge.

41. Cheques to be counted before use. - When a cheque book is received the drawing officer should cause the cheques to be counted and a note to be recorded on the back of each cheque book, that "this cheque book contains _____ cheques".

42. Cheque book how to be dealt with when drawing officer relinquished charge. - When the drawing officer is relieved of his office he should take a receipt for the correct number of cheques made over to the relieving officer, a specimen of whose signature should be forwarded to the treasury concerned by the relieved officer.

43. Drawing Officer responsible for safe custody of cheque books. - The drawing officer should be personally responsible for the safe custody of the cheque-books.

44. Cheque to be signed only when required for immediate delivery. - No cheques should be signed unless required for delivery without delay to the person to whom the money is to be paid.

45. Directions for filling in cheques. - When a cheque is drawn an amount a little in excess of the sum for which the cheque is drawn should be written across it, and its counterfoil, in red ink against any entry of "Under Rupees" as a preventive against fraud.

46. Cheques remain current for three months. - Cheques issued remain current for three months from the date of issue.

47. Undelivered cheques to remain in personal custody of Receiver. - If for any special reason signed cheque is not immediately delivered to the payee it should remain in the personal custody of the Official Receiver until it is delivered to the person for whom it was prepared and a receipt obtained.

48. Cheques not encashed within three months. - When a signed cheque delivered to a person for whom it is drawn, is not presented at the treasury for encashment within three months of the date of its issue, it may be returned to the Court issuing; which will destroy it and draw a new cheque in lieu of it. The fact of the destruction and number and date of the new cheque shall be entered in the cash-book against the original transaction and the number and date of the old cheque upon the counterfoil of the new one.

49. Disposal of undelivered cheques or money orders returned. - When a signed cheque (vide Rule 47) is not delivered to the person in whose favour it is drawn within the period the cheque is current, it should be cancelled under

the initials of the District or Insolvency Judge and the amount thereof should be entered in the cash-book on the day of the cancellation as a receipt under the head "Deposit" and the amount should at the same time be entered in the appropriate column of the Deposit Register in Form 18.

Note. - The same procedure should be followed when any money orders addressed to a creditor come back as "returned" or "refused" for any reason. The amount should be entered in the cash-book as a receipt under the head "Deposit" and at the same time entered in the appropriate columns of the Deposit register.

50. Disposal of cancelled cheques. - Cancelled cheques should be carefully retained until the accounts for the period to which they relate have been audited. They should then be destroyed by or in the presence of the audit officer, who should certify upon the counterfoil that the cheque has been destroyed and the amount thereof transferred to "Deposit Account".

51. Entries in treasury pass-book to be made only by the treasury. - The Official Receiver should have a treasury pass-book which is obtainable free of cost from the treasury. No entry or mark of any kind should be made in the pass-book by any official of the Official Receiver's establishment. All entries in the pass-book should be made in the treasury only.

52. Treasury pass-book to be kept in personal custody of the Receiver. - The pass-book should be kept under lock and key in the personal custody of the Official Receiver.

53. Pass book to be sent to treasury from time to time to be written up. Monthly total and balance. - All sums paid into the treasury for credit to Insolvent Estate Fund, and all payments made on cheques should be shown in the passbook which should be periodically sent to the treasury to be written up. At the close of each month the entries on each side of the pass-book should be totalled and a balance struck under the signatures of the Treasury Officer.

54. Comparison of pass-book with the cash-book. - At the end of each month the receipts and expenditure shown in the pass-book should be checked item by item with the cash-book and cheques outstanding should be noted in detail at the foot of the cash-book in accordance with Rule 37.

If any delivered cheque appears to be outstanding for more than three months from the date of issue, it should be shown as cancelled in the manner laid down in Rule 49 and the amount thereof transferred to the Deposit Account.

55. Stock of all movable property etc., to be checked yearly. - The necessary particulars of the amounts transferred to "Deposit Account" under Rules 49 and 54 should be posted in a Deposit Register to be kept in Form No. 18.

56. Accounts to be maintained according to financial year. - Deposits, when claimed, will be drawn on contingent bill, Form 11, and disbursed in the ordinary way.

57. Accounts to be audited once a year. - Deposits outstanding at the end of a year will be carried into the next year's register, in the first two columns of which should be shown the date of original credit and the annual number originally assigned to the deposit.

58. Disposal of deposits not claimed within one account year. - Deposits not claimed within one account year should be drawn on a contingent bill and the money remitted to the Government Treasury for transfer credit under the head "XXI - Administration of Justice", Sub-head "Unclaimed Property".

Note - Accounts of summary Administration also to be audited. - In addition to individual accounts of each deposit to be kept in Form 18 the daily total of the receipt and expenditure on account of above deposits should be posted in the ledger account, Form No. 17, in which a few pages should be set apart for the purpose of showing deposit transactions. Note 2 - The deposits mentioned in this rule which have remained unclaimed for atleast one year should be lapsed at the close of March in each year.

59. Refund of assets when no debts are proved. - Realized assets of an insolvent none of whose creditors has proved his debt should, on his absolute discharge or the annulment of the insolvency proceedings, be refunded to him in the following manner :-

The Court should issue a notice in such cases to the insolvent or his heirs, as the case may be, calling upon him or them to appear within a certain period, to be fixed by the court from the date of the despatch of the notice, to obtain the refund, failing which such assets should be transferred to the deposit account in the manner prescribed in Rule 49 of this Chapter and ultimately lapsed to Government.

60. Amount of dividend declared to be drawn on contingent bill and to be disbursed in cash or by post. - (i) The amount declared to be paid as dividend shall be drawn on a contingent bill in Form 11. Details of names and the amounts payable to each person shall be shown before the bill is presented to the Court for order of payment. The requisite particulars shall at the same time be posted in the Dividend Register to be kept in Form 19.

(ii) After the order of payment has been made, the Official Receiver shall forthwith issue notice to all creditors calling upon them to appear within twenty days of the despatch of the notice to take payment in cash, failing which the money due will be remitted by post at their expense and risk. (iii) On the expiry of the period allowed by the notice, the Official Receiver shall remit by money order, at their own risk and expense, the dividend due to all creditors who have not taken payment in cash. If the amount is too large to be remitted by a single money order, it should be spread over the requisite number of money orders. The Insolvency Judge shall cancel any cheques in favour of persons who have not taken payment in cash. (iv) Notwithstanding any of the foregoing provisions, the Official Receiver may remit by post without previous notice and at the risk and expense of the creditor the dividend due to any creditor who has consented in writing to this being done. Note. - Small payments of sums less than Rs. 10/- may be made in cash out of the permanent advance granted to the Official Receiver under Rule 19.

61. Bills should be kept with sub-vouchers in guard files. - Bills should be numbered serially for each month and should be filed with sub-vouchers in support of them in the Official Receiver's Office in guard files and separate from puals.

Note - All sub-vouchers shall be cancelled at the time when the relevant contingent bill is actually signed by the drawing officer.

62. Furniture list to be kept. - Articles of office furniture purchased from time to time for the office of the Official Receiver, should be shown in a list to be kept in Form 20, and to be hung up in the Official Receiver's office.

63. Accounts to be maintained according to financial year. - The accounts of Official Receivers shall be maintained according to the financial year.

64. Accounts to be audited once a year. - The accounts maintained by the Official Receiver should be audited as far as possible, once a year under the orders of the Accountant-General, Punjab/Haryana/H.P. and Chandigarh by the Examiner, Local Fund Accounts, and a staff of peripatetic auditors, provided that a Judge of the High Court may, in special cases pending in the

High Court, direct audit inspection by an agency other than the Accountant-General, Punjab/Haryana/H.P. and Chandigarh.

65. Accounts of summary administration also to be audited. - The accounts maintained in cases dealt with summarily by the Insolvency Courts under Section 74 of the Act shall also be audited.

66. All necessary material to be supplied for audit. - The Insolvency Judge should cause to be placed at the disposal of the auditors all accounts registers, documents, etc., which may be required by the Audit Officers.

67. Audit result to be sent to Insolvency Judge and High Court. - The result of the audit will be communicated in audit and inspection notes to the Insolvency Judge and High Court of Punjab and Haryana, Chandigarh.

68. Audit and Inspection notes how to be dealt with. - The Insolvency Judge should deal promptly with the audit and inspection notes.

The Official Receiver's report on these notes should be submitted in the following form :-(1)Nature of objection.(2)Official Receiver's remarks.(3)Remarks by the Insolvency Judge.(4)Order of the District Judge.

69. Copy of the annotated notes to be forwarded to the Examiner of Accounts and another copy to be kept in office. Objection statement how to be dealt with. - A copy of the annotated note should be forwarded to the Examiner of Local Fund Accounts and a copy kept and produced for the information of the inspecting officer. The objection statement, which accompanies the audit report should, after the objections recorded therein have been replied to, be kept and put up before the auditors at the next visit.

70. Only prescribed forms to be used. - No forms other than those prescribed in these rules should be used except with the sanction of the High Court which shall not be accorded without the concurrence of the Accountant-General in the Local Audit Department.

71. Account books and registers to be bound and counting of pages to be certified. - Books of accounts and registers should be strongly bound and paged before being brought into use and all account registers should be counted and a certificate to the effect that they contain so many pages

recorded on the covering sheet, before they are brought into use.

72. Stock account of all registers, etc., should be maintained. - Stock account of all account registers, books, and forms should be maintained in form 21 appended to these rules. As the receipt books bear potential money value, they should be kept under the personal custody of the Official Receiver.

73. Accountant-General to be consulted in account matters not provided for in rules. - In the matter of details connected with the account not provided for in the rules, the Official Receiver should be guided by the instructions of the Accountant-General in Local Audit Department.

74. Erasures in accounts not allowed. Corrections and alterations to be made in red ink and initialled. - Corrections and alterations in accounts shall be made in red ink and attested by the Official Receiver. Erasures should, on no account, be allowed.

Form No. 1 Index Register Reference of Page to Registers

Name and Father's name of Insolvent	Number and year of case	Date of adjudication	Register of movable property	Register of immovable property	Register of debts due to insolvent	Register of debts due from insolvent	Register of title deeds and account books	Demand and Collection Register	Ledger	D
1	2	3	4(a)	4(b)	4(c)	4(d)	4(e)	4(f)	4(g)	4(h)

Form No. 2 Register of Immovable Property of Insolvent Case No. _____ of 19 ____

Sr. No.	Particulars of Property	Where situated	Extent of share or interest or insolvent	Estimated value by insolvent or creditor	Name of mortgagee, if any	Amount of mortgage	Reference to order, if released	Reference and Demand Collection Register, if released or given on rent	Date of adjudication
Date of auction and Serial	Amount	Number and date of Receipt	Amount						

No. sale
list

1 2 3 4 5 6 7 8 9 10

Form No. 3 Register of Movable Property _____ Insolvent Case No. _____ 19
_____.

S. No	Description of Property	Number of article	Value as per insolvency Petition	Date of adjudication	Date of possession by the Official Receiver	In what condition	Reference to order, if Released	Sale Proceeds	Signature of Official Receiver
Reference to Serial No. in the sale list	Number and date of receipt	Amount							
	Challan								
1	2	3	4	5	6	7	8	9	10

Note. - The Official Receiver should record his own remarks here at the time of taking possession of the property as to whether the prices mentioned by the insolvent appear to be inflated or imaginary. Form No. 4 Register of Debts Due to _____ Insolvent Case No. _____ of 19 ____.

S. No.	Name and Address of person against whom the claim is alleged	Nature of debt or claim	Particulars of any securities held for debt	Date of loan	Amount	Whether good, doubtful or bad	Initials of Official Receiver	Manner of recovery, i.e., by auction or otherwise	Amount received	Remarks	
No. and date	Amount										
1	2	3	4	5	6	7	8	9	10	11	12

Form No. 5 Register of Debts (Secured and Unsecured) due from _____ Insolvent Case No. _____ of 19 ____.

S. No	Creditor's name with address	Nature of creditor's claim	Amount of debt	Date of loan	Reference to order determining the	Amount of debt proved	Remarks
-------	------------------------------	----------------------------	----------------	--------------	------------------------------------	-----------------------	---------

debt as proved

(Secured) (Unsecured)

Principal	Interest	Principal	Interest							
1	2	3	4	5	6	7	8	9	10	11

Form No. 6 Register Showing Title-Deeds, Documents and Account Books which Came to the Hands of Official Receiver in the Case of _____ Insolvent Case No. _____ of 19 ____.

Serial No. Detail Number Remarks

1	2	3	4
---	---	---	---

Form No. 7 Demand and Collection Register for the Year _____ Name of _____ Insolvent Case No. _____ of 19 ____

S.No	Name and address of Person by whom the demand is payable	Nature of demand and instalments	Reference to order, if any	Demand	Total	Signature of Official Receiver	Amount Realised	Remitted to next year's register	Balance carried to next year's register	Initials
1	2	3	4	5	6	7	8	9	10	11

Arrears	Current Demand	Number and date of receipt	Amount	Reference to order	Amount					
1	2	3	4	5	6	7	8	9	10	11

Note. - When land is given on lease for a number of years and the lease-money is to be paid by yearly instalments, the total amount recoverable for the whole period should not be shown at the very start as "arrears" in column No. 5. The total demand and the instalments to be recovered should be noted down in column No. 3 for "Nature of Demand and Instalments." Form No. 8 Sale List of Property Sold by the Official Receiver of _____ District

S.No.	Date of sale	Particulars of property	Number of articles, if any	Name of estate	Reference to page No. of property register	Amount for which sold	Amount recovered at the time of sale	Balance left due	Name of bidder	Thumb impression or Signature of purchaser, i.e., final bidder	Number and date of receipt issued
1	2	3	4	5	6	7	8	9	10	11	12

Form No. 9

COUNTERFOIL RECEIPT
OF RECEIPT

Book No. | Book No. | Receipt No. | Receipt No. | Received from | Received from | on account of | on account of | the sum of Rs.

Form No. 10 Voucher No. _____ of Month Pay sheet of the establishment of Insolvent Estate's Fund in the District _____ for the month of _____

Name of Incumbent	Name of Post	Pay and Allowance Claimed	Pay and Allowances held over for future payment	Deduction	Net charge for each person	Acquittance of payee	Remarks
	Total	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.

Deduct Undisbursed pay Other deductions Net Total
amount required for payment Rs.

Place _____ date _____ Official Receiver Pay Rs. (_____)
_____ No. and date of cheque

(Date _____) | District Insolvency | Judge

Form No. 11 Contingent Bill

District	Voucher No.	Particulars of
Serial No. of sub-voucher		Amount

Rs. Total Rs.

Official Receiver Place _____ Date _____ Pay Rs. _____ No. and date of cheque

(Date _____) | District Insolvency | Judge

Form No. 12 Permanent Advance Account

Date	No. of sub-voucher	To whom paid	Particulars of payment	Name of estate or other head of account to whom debitable	Amount	Remarks
------	--------------------	--------------	------------------------	---	--------	---------

(No. and date of cheque on which

recouped.)

1 2 3 4 5 6 7

Form No. 13 Stamp Register (To be Kept for Charges Debitable to "Office Charges")

Stock Expenditure

Date	Value of stamps in hand at the commencement of the day	Value of stamps received during the day	Total stock	Name and address of person to whom cover was sent	Brief contents of cover	Value of stamps affixed	Daily total of value expended during the day	Balance in hand at the close of the day	Remarks
1	2	3	4	5	6	7	8	9	10
	Rs.	Rs.	Rs.			Rs.	Rs.	Rs.	

Form No. 14 Register Showing Receipts and Administration Charges for the Month of

_____ 19 _____

S. No.	Name of Insolvent	Reference to page of ledger	Amount realised or agreed to be paid in compromise in last preceding month	Administration Charges	Total	Remarks
Commission drawn at the time of realization	Commission drawn at the time of distribution of assets	Total	Audit fee at 1.25 per cent	Office charges at 1.25 per cent		
1	2	3	4	5	6	7
	Total		Rs.	Rs.	Rs.	Rs.
8	9	10	11			
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.

Form No. 15 Cash Book

Receipts		Remittance of Treasury	Expenditure									
		On what									On what	
Folio	account	No. of	Amount	Daily	Progressive	No. and	Amount	Folio	account			
Date	No. of	and from	receipt of	total	Total	date of	remitted	Date	No. of	and to	whom	
	Ledger	whom	challan			challan			ledger	paid		
		received										

1 2 3 4 5 6 7 8 9 10 11 12

Note. - An explanation should always be received in the remarks column to explain the delay, if any, in sending the amounts received to the Treasury. Form No. 16 Register Showing Closing Balance at the Credit of each Estate or Other Head of Account During the Year _____

Particular of Ledger	April, May, June, July, August, September, October, November, December,									
	19	19	19	19	19	19	19	19	19	19
Office Charges Deposit	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Account Estate Ditto Ditto Total										

Form No. 17 Ledger Account of the Estate _____ Insolvent Case No. _____ of 19 _____

Date	Received	Remarks	Disbursed	Remarks
From whom received and on what account	Number of receipt	Amount	Date	To whom paid and on what account
		Rs.		Rs.

Form No. 18 Deposit Register

										Particulars of repayment
Date	Annual Serial No.	Name of the Estate	Name and address of depositor	Purpose of deposit	Amount	Signature of Official Receiver	Date	Number of cash book voucher	Amount	Purpose for which drawn whether for payment to deposit or for credit to Government
1	2	3	4	5	6	7	8	9	10	11
										12

Form No. 19 Dividend Register In the matter of the estate of _____ insolvent Case No. _____ of 19 _____

1st.

, 2nd or 3rd dividend as the case may be _____ Present Dividend declared on _____ Amount available for disbursement Rs. _____ Amount of present dividend Rs. Rate per rupee on proved liabilities drawn on cash book voucher No. _____ Dated _____

S.no.	Schedule	Name of Original	Amount	Balance	Amount	Number	Date of	Date of	Number
No. of	creditor	amount	paid	due to	payable	and	handing	cancellation	of

creditor			of debt admitted to schedule	therefrom up-to-date of his dividend	creditor	under this dividend	date of cheque on which drawn	over cheque to the payee	of cheque and transfer of amount to deposit register	deposit register
1	2	3	4	5	6	7	8	9	10	11
			Rs.	Rs.	Rs.	Rs.				

Form No. 20 List of Office Furniture

S. No.	Particulars of furniture	Date of Purchase	No. and month of cash book's voucher	Value	Purpose for which it is used	Signature of official receiver	Remarks
1	2	3	4	5	6	7	8

Form No. 21 Stock Book Showing Details of the Articles of Stationery, etc. Received or issued during the Year 19 _____. In the Office of the Note. - All entries in this Register relating to receipts of articles should be made in red ink and all issues in black ink. Columns 4 to 24 are left blank to be filled in with names of articles received and issued.

Form No. 22 Malkhana Register

S. No. Name of estate Particulars of property Date of possession Date of disposal Remarks

Form No. 23 Malkhana Labels Name of Estate _____ Date of possession _____ Serial No. of "Malkhana" Register _____ Form No. 24 Fidelity Bond (See rule 1 of Chapter 4-E, High Court Rules and Orders, Volume II) Amount of guarantee Rs. _____ Annual premium Rs. _____ Know all men by these presents that _____ (hereinafter referred to as the 'said employed') and the _____ are held jointly and severally bound unto the Governor of the Punjab/Haryana, Chief Commissioner, Chandigarh, his successors in office and assigns (hereinafter called 'Government') in the sum of _____ rupees (hereinafter called the 'amount guaranteed') to be paid to the Government for which payment to be well and faithfully made the Official Receiver and the said Company for itself and its successors do hereby bind themselves firstly by these presents. Signature of the Official Receiver. Sealed with the seal of the said Company (or signed by an authorised agent). Dated the _____ day of _____ in the year one thousand nine hundred and _____. Whereas the said Employed hath been appointed Official Receiver for the district of _____ and having been required to enter into a bond for the due and faithful discharge of his duties while he shall be employed in the said office, and also to find a surety who shall enter into a bond for the sum of _____ rupees the said Company at the request of the said Employed, hath agreed to become such surety for him, in respect of such due and faithful discharge of his duties while employed in the said office as aforesaid, or in any office attached or incident to the same (hereinafter described as the "said office") (and as well in respect of the present duties of his said office, as of any new or altered duties which may be imposed on or attached to the said office or the said Employed as such officer, by any law, Rule, Regulation, Practice or otherwise) for the period of twelve calendar months from the day of _____ 19 ____ in consideration of the said Employed having paid to the said company the amount set out in figure at the head of these presents and there designated "Annual Premium", prior to the execution

of the above written Bond and the said Company hath agreed to become such surety as aforesaid for the further period of twelve calendar months, and so on from year to year at the option of the said Company upon receiving from the said Employed the said annual premium, to be paid by him to the said Company on or before the _____ day of _____ in each year prior to the determination of the present or the then current year, but the said Company is to be at liberty to determine its further liability at the end of the present or any current year, by giving notice in writing to the District Judge of _____ district for the time being as hereinafter mentioned, and if at any time notice in writing shall be given as hereinafter mentioned to the said Company at their office in _____ that any loss or damage whatever has been occasioned by the acts or defaults of the said Employed in respect of his said employment, the liability of the said Company as to any future loss or damage shall then also cease as from the date of the service of such notice, and the year during which the said Company hath now agreed, or shall be acceptance of the said premium in future agree to become such surety, shall be called the year of Guarantee, and shall commence on the _____ day of _____ in each year independently of the time when the said premium shall be paid and the liability of the said Company shall extend to all acts and defaults of the said Employed during that year, or until end shall be put to further liability by such notice in writing declaring loss or damage as aforesaid. Now the condition of the above written Bond or obligation is such that if the said Employed shall and do during the said period of twelve calendar months from the said _____ day of _____ 19 and during such other period as the said Company shall become or continue to be such surety as aforesaid, by acceptance of the said renewal premium or until notice of some loss or damage shall be given, as hereinafter mentioned, from time to time and at all times during the continuance of his said office, well and sufficiently perform and execute all and singular the duties of his said office, or of or belonging to him as such officer, or belonging to or in any way imposed upon him by reason of his being such officer, and conduct himself with fidelity, integrity, and punctuality in and concerning the matters and things which shall be entrusted to him as such officer, or in respect of such duties as aforesaid and do and shall well and truly pay and apply all property including cash, coin, currency notes, stock notes, cheques, postal money orders, hundis, promissory notes, bills of exchange, securities, script, shares, bullion, jewellery, precious stones, crops, cattle, documents, records, accounts, vouchers, books, papers and all other property whatsoever both movable and immovable as shall from time to time, come to his hands by virtue of such office or duties as aforesaid, or to the hands of his deputies, assistants, agents or other persons acting under his authority or on his behalf, or any of them respectively, and do and shall also well and truly pay all sums of money which he shall or may become liable to pay for any neglect or misbehaviour in his said office, or in respect of his said duties, and do and shall at all times, when duly required, produce and render true and correct accounts of the receipt, payment and application of all such property, as aforesaid, as shall so come to the hands of him. The said Employed, as aforesaid, or to the hands of his assistants or other persons acting under his authority or on his behalf, with proper and sufficient vouchers for the due application, thereof and shall not in any way, take to his own use misapply end or embezzle, make away with, neglect to account for, loses or hazard any property whatsoever as aforesaid, or any part thereof and do and shall at the expiration or other termination of his said office or duties deliver upto to the person duly authorised to receive the same, all books, papers, documents and accounts relating to his said office or duties and do and shall pay and deliver to the person or persons duly authorised to receive the same, the balance (if any) of any such property, as aforesaid, remaining in

the hands of and due from him the said Employed and shall not at any time quit or neglect the performance of his said duties or resign his said office without giving three months' notice in writing to the District Judge of _____ for the time being, or if, upon any award in arbitration being given under the hand of the District Judge of _____ for the time being, certifying and declaring the amount of any loss or damage occasioned by the acts or defaults of the said Employed subsequent to the said _____ day of _____ 19 in respect of such employment, the said Employed, his heirs, executors or administrators or the said Company or their successors do and shall pay and make good to the Government the sum stated in such award as the amount of such loss or damage then the above written bond or obligation shall subject as hereinafter mentioned, be void, or else be and remain in full force and virtue :Provided always that first, if any such award certifying and declaring the loss or damage shall be given as aforesaid; or Secondly, if the said Employed shall omit to pay to the said Company on or before the _____ day of _____ 19 in any year of guarantee the annual premium aforesaid and the said Company shall give notice in writing of such default to the District Judge aforesaid for the time being one calendar month prior to termination of the then current year of guarantee, unless the said Employed shall cause the said annual premium to be paid to the said Company before the expiration of the then current year of guarantee; Thirdly, if the said Company shall give notice in writing to the District Judge aforesaid for the time being one calendar month previous to the termination of any year of guarantee that they will not continue their suretyship beyond the then current year of guarantee; or Fourthly, if the said Company shall refuse to renew the said suretyship by declining to accept the said premium from the said Employed, and thereof shall give notice to the said District Judge aforesaid for the time being one calendar month previous to the termination of the then current year of guarantee then in the first case from and immediately after giving of such award and in the Second, Third and Fourth cases from and immediately after the expiration of the then current year of guarantee all further liability of the said Company as such surety as aforesaid shall cease, save and except as to the right of the Government to indemnify from loss or damage arising from all or any acts or defaults of the said Employed previously committed in relating to such employment as aforesaid :Provided always and it is hereby agreed and declared that this bond is entered into by the said Company on the condition that the capital, stock and fund for the time being of the said Company, other than the Life Assurance Funds, shall alone be liable to answer and make good all claims or demands, in respect of this bond, and that no Director or other Proprietor or Holder of shares of the said Company shall in any manner be personally or subject to any claims or demands by reason of such Bond beyond his or her particular share or shares of such capital, stock and funds :Provided always and it is hereby agreed and declared that if any dispute arises between Government and either or both the other parties to this Bond as to his or their liability thereunder or as regards the meaning of operation of any part thereof or the rights, duties, or liabilities of any party for whether this Bond should be enforced, or, if enforced, as regards the rights and obligations of the parties as a result of such enforcement, then such difference or dispute shall be referred for arbitration to the District Judge for the time being at _____ his decision shall be final and binding and where the matter involves a claim for or the payment or recovery or deduction of money only the amount, if any, awarded in such arbitration shall be recoverable in respect of the matter so referred : "Provided always and it is hereby agreed and declared that while and so long as the above written Bond or obligation shall remain in force, on each occasion on which the accounts of the Employed, as official Receiver, shall be audited by the appropriate Government

Department, the said District Judge shall upon demand by the Company, furnish to the Company a copy of the note recorded at and containing the results of such audit, which copy shall be duly certified to be correct by an officer of the Court of the District Judge."In witness whereof the said _____ hath hereunto set his hand and seal and the _____ have hereunto caused their common Seal or the signature of their authorised agents to be affixed the day and year first above written.Signed, Sealed and Delivered by the said _____ in the presence of _____.(Witness)(Signature of the Official Receiver)Sealed with the common Seal of the said Company.

_____ Director _____

Signed by an authorised agent of the
Company

_____ Manager

Accepted.(Signature)District Judge _____ District for and on behalf of the Governor of Punjab/Haryana/ Chief Commissioner, U.T., Chandigarh.No.Entered.Examiner.Note 1 - The Bond may be signed, instead of the Directors and Managers by any authorised agent of the Company (Vide resolution No. 8 Judges' Meeting, dated the 25th January, 1937).Note 2 - The words 'sealed with the common seal of the said Company' and all references to the seal of the Company may be deleted and the words 'Branch Manager' substituted for the words 'Director' and 'Manager' when the Bond is executed and signed by an agent of the Company who is authorised to sign and bind the Company.Form No. 25(Security Bond)Whereas I, _____, son of _____, Caste _____, resident of _____, in the _____ district of the Punjab/Haryana/U.T., Chandigarh have been appointed to the office of the Official Receiver in the _____ district of the Punjab/Haryana/U.T., Chandigarh upon the condition inter alia that I do furnish proper security in the sum of Rs. 10,000/- (Rupees ten thousand only) for the due and faithful discharge of my duties while employed in the said office or in any office attached or incident to the same (hereinafter described as the said office) and for the due accounting for all property by me at any time held or received by virtue of my said office.Now, therefore, this security Bond witnesseth as follows, that is to say:-Clause I. - In this Security Bond and for the purposes of each and all of the provisions thereof the expressions -(a)"Government" means the Governor of the Punjab/Haryana/Chief Commissioner, Chandigarh, acting by and through the _____.(b)"Official Receiver" means _____, son of _____, caste _____, resident of _____, in the _____ district of the Punjab/Haryana/U.T., Chandigarh at present holding the office of Official Receiver in the _____ district of the _____ Punjab/Haryana/U.T., Chandigarh.(c)"Property" includes cash, coin, currency notes, stock notes, cheques, postal money orders, hundies, promissory notes, bills of exchange, Government and other securities, script, shares, bullion, jewellery, precious stones, crops, cattle, documents, records, accounts, vouchers, books, papers and all other property whatsoever both movable and immovable.Clause II. - The Official Receiver is held and firmly bound to Government in the sum of Rs. 10,000/- (Rupees ten thousand only) as security for the due and faithful discharge of the duties of his said office, that is, he shall from time to time and at all times during the continuance of his said office work and sufficiently perform and execute all and singular duties of his said office or of belonging to him as such officer or belonging to or in any way imposed upon him by reason of his being such officer and conduct himself with fidelity, integrity, and punctuality in and concerning the matters and things which shall be entrusted to him as such officer or in respect

of such duties as aforesaid and do and shall well and truly pay and apply all property as shall from time to time come to his hands by virtue of such office or duties as aforesaid or to the hands of his deputies, assistants, agents or other persons acting under his authority or on his behalf or any of them respectively and do and shall also well and truly pay and apply all property whatsoever which he shall be or may become liable to pay or apply for any neglect or misbehaviour in his said office or in respect of his said duties and do and shall at all times when duly required produce and render true and correct accounts of the receipt, payment and application of all property whatsoever as shall so come to the hands of him the Official Receiver as aforesaid or to the hands of his assistants or other persons acting under his authority or on his behalf with proper and sufficient vouchers for the due application thereof and shall not in any way take to his own use, lend or embezzle, make away with, neglect to account for, lose or hazard any such property as aforesaid or any part thereof and do and shall at the expiration or other termination of his said office or duties deliver up to the person duly authorised to receive the same all books, papers, documents and accounts relating to his said office of duties and do and shall pay and deliver to the person or persons duly authorised to receive the same the balance (if any) of the property as aforesaid remaining in the hands of and due from him the said Official Receiver.

Clause III. - The Official Receiver has deposited the sum of rupees ten thousand in cash and or has deposited Government Promissory notes of the face value of rupees _____ in the said district as a security deposit for the due and faithful performance of his duties as Official Receiver and the due accounting by him of the property held by him as aforesaid.

Clause IV. - All interest which may from time to time accrue due and become payable upon the security deposit aforesaid shall be paid to the Official Receiver, but the principal amount of the security deposit shall continue to be held and retained by the Government subject to each and all of the terms and conditions of this security bond and until it shall be and become payable to the Official Receiver according to all or any of the provisions of the said Bond.

Clause V. - This Security Bond shall be deemed to be and be a Bond entered into under the orders of the Government for the performance of a public duty within the meaning of Section 74 of the Indian Contract Act, 1872, and the whole sum secured shall be liable to be realised and forfeited to the Government in the event of any breach by the Official Receiver of all or any of the terms or conditions thereof.

Clause VI. - The Government or any officer having authority in this behalf under it shall, subject to the provisions of Clause VII and VIII hereinafter appearing hold and retain the security (deposit) so long as the following conditions obtain, this is to say:-

(a) The Official Receiver shall during his continuance in the office aforesaid faithfully, diligently and honestly discharge all and singular his duties as laid down in clause II hereof and shall not any time quit or neglect the performance of the said duties or resign his said office without giving _____ months' notice in writing to the District Judge for the time being of _____ of his desire to resign the said office.

(b) The Official Receiver shall during the continuance of his said Office indemnify and save harmless the Government from and against all losses, costs, damages, and expenses which shall or may at any time or times hereafter be sustained by Government or any officer of Government from or through the neglect, failure, misconduct, disobedience, omission or insolvency of the said Official Receiver or any person serving under or employed by him or from or through the consuming wasting, embezzling, stealing, mis-spending, losing, misapplying or otherwise dishonestly or negligently or through oversight or violence making away or parting with any property or part or parts thereof by any person or persons whom-so-ever, while the Official Receiver shall continue to act in any such office.

Clause VII. - In the event of any breach of or default in all or any of the

conditions hereinbefore in the preceding clause set forth and provided the Government may take and forfeit to itself the whole amount of the security (deposit): Provided that the Government, may, instead of taking and forfeiting to itself the whole amount of the security (deposit) retain only so much thereof as it may, in its absolute discretion deem adequate to compensate, reimburse or indemnify it in respect of loss or damage or inconvenience sustained by reason of the breach or default committed and may refund any balance to the Official Receiver but neither the Official Receiver nor his lawful heirs, representatives or assigns shall have any right or claim to any such refund. Clause VIII. - In the event of the Official Receiver quitting or being relieved of the office of Official Receiver or for any reason becoming incapable of further service in his said office or dying the security (deposit) shall if there shall have been no breach or default in all or any of the conditions hereinbefore in Clauses VI hereof set forth and provided and if there shall be no claim or demand outstanding against the Official Receiver in favour of Government, be refunded and paid to the said Official Receiver or to his lawful heirs, legal representatives or assigns as the case may be : Provided that the Government may, in its discretion, retain the security (deposit) for a period not exceeding six months after the date on which the Official Receiver quits the service of the Government or becomes incapable of further service in the said office, or dies, for the purpose of ascertaining or satisfying itself that there has been no breach or default as aforesaid and that no claim or demand is so outstanding. Clause IX. - The forfeiture or refund as the case may be, of the security (deposit) shall not, in any way affect, limit or extinguish any remedy or relief to which the Government may at any time be lawfully entitled against the said Official Receiver in respect of anything done or omitted to be done by him as Official Receiver, either before or after such forfeiture or refund and nothing in this security Bond contained shall be deemed to relieve the Official Receiver from any suit, prosecution or proceeding to which he may be liable under any law for the time being in force in respect of anything by him at any time done or omitted. In Witness whereof the said Official Receiver has hereunto subscribe his name at

_____ on the _____ day of _____ 19 ____ . Name Official Designation.

1. _____

2. _____

_____ Form No. 26 Whereas I, _____ son of _____ caste _____, resident of _____ in the _____, district of Punjab/Haryana/U.T., Chandigarh have been appointed to the office of the Official Receiver in the _____ district of the Punjab/Haryana/U.T., Chandigarh upon the condition inter alia that I do, furnish proper security in the sum of Rs. 10,000/- (Rupees ten thousand only) for the due and faithful discharge of my duties while employed in the said office or in any office attached or incident to the same (hereinafter described as the said office) and for the due accounting for all property by me at any time held or received by virtue of my said office. Now, therefore, this security bond witnesseth as follows, that is to say - Clause I. - In this Security Bond and for the purposes of each and all of the provisions thereof

the expression -(a)"Government" means the Governors of the Punjab/Haryana/Chief Commissioner, Chandigarh acting by and through the District Judge _____.(b)"Official Receiver" means _____ son of _____ caste _____ resident of _____ in the _____ district of the Punjab/Haryana/U.T., Chandigarh at present holding the office of Official Receiver in the _____ district of Punjab/Haryana/U.T., Chandigarh.(c)"Property" includes cash, coin, currency notes, stock, notes, cheques, postal money-orders, hundies, promissory notes, bills of exchange, Government and other securities, scrip, shares, bullion, jewellery, precious stones, crops, cattle, documents, records, accounts, vouchers, books, papers and all other property whatsoever both movable and immovable.(d)"Security" means the sum of money by this Security Bond secured and assured to Government for the due and faithful discharge of his duties by the Official Receiver and for the due accounting for all property by him at any time held or received by virtue of his said office.

Clause II. - The Official Receiver is held and firmly bound to Government in the sum of Rs. 10,000/- (Rupees ten thousand only) as security for the due and faithful discharge of the duties of the said office, that is, the Official Receiver shall from time to time and at all times during the continuance of his said office work and sufficiently perform and execute all and singular the duties of his said office or belonging to him as such officer or belonging to or in any way imposed upon him by reason of his being such officer and conduct himself with fidelity, integrity and punctuality in and concerning the matters and things which shall be entrusted to him as such officer or in respect of such duties as aforesaid and do and shall well and truly pay and apply all property as shall from time to time come to his hands by virtue of such office or duties as aforesaid or to the hands of his deputies, assistants, agents or other persons acting under his authority or on his behalf or any of them respectively and do and shall also well and truly pay and apply if property whatsoever which he shall hold or become liable to pay or apply for any neglect or misbehaviour in his said office or in respect of his said duties and do and shall at all times when duly required, produce and render true and correct accounts of receipt, payment and application of all property whatsoever as shall so come to the hands of him, the Official Receiver, as aforesaid, or to the hands of his assistants or other persons acting under his authority or on his behalf with proper and sufficient vouchers for the due application thereof and shall not in any way take to his own use, lend or embezzle, make away with, neglect to account for, lose or hazard any such property as aforesaid, or any part thereof and do and shall at the expiration or other termination of his said office or duties deliver up to the person, duly authorised to receive the same, all books, papers, documents and accounts relating to his said office or duties and do and shall pay and deliver to the person or persons duly authorised to receive the same the balance (if any) of the property as aforesaid remaining in the hands of due from him the said Official Receiver.

Clause III. - The Official Receiver has executed and registered a deed of mortgage dated the _____ day of 19 , of the property in the said deed of mortgage set-forth and specified as security for the due and faithful performance of his duties as Official Receiver and the due accounting by him of the property held by him as aforesaid.

Clause IV. - This Security Bond shall be deemed to be and be a bond entered into under the orders of the Government for the performance of a public duty within the meaning of Section 74 of the Indian Contract Act, 1872, and the whole security shall be liable to be forfeited to the Government in the event of any breach by the Official Receiver of all or any of the terms or conditions thereof.

Clause V. - The Government or any officer having authority in this behalf under it shall, subject to the provisions of clauses VI and VII hereinafter appearing hold and retain the security so long as the following conditions obtain, that is

to say :-(a)The Official Receiver shall during his continuance in the office aforesaid faithfully, diligently and honestly discharge all and singular his duties as laid down in Clause II hereof and shall not at any time quit or neglect the performance of the said duties or resign his said office without giving _____ months, notice in writing to the District Judge for the time being of _____ of his desire to resign the said office.(b)The Official Receiver shall during the continuance of his said office indemnify and save harmless the Government from and against all losses, costs, damages and expenses which shall or may at any time or times hereafter be sustained by Government or any officer of Government from or through the neglect, failure, misconduct, disobedience, omission or insolvency of the said Official Receiver or any person serving under or employed by him or from or through the consuming, wasting, embezzling, stealing, mis-spending, losing, misapplying or otherwise dishonestly or negligently or through oversight or violence making away or parting with any property or part or parts thereof by any person or persons whosoever while the Official Receiver shall continue _____ to act in any such office.Clause VI. - In the event of any breach of or default in all or any of the conditions hereinbefore in the preceding clause set-forth and provided the Government may realize, take and forfeit to itself the whole amount of the security:Provided that the Government may, instead of taking and forfeiting to itself the whole amount of the security retain only so much thereof as it may in its absolute discretion, deem adequate to compensate, reimburse or indemnify it in respect of the loss or damage or inconvenience sustained by reason of the breach or default committed and may refund any balance to the Official Receiver; but neither the Official Receiver nor his lawful heirs, representatives or assigns shall have any right or claim to any such payment.Clause VII. - In the event of the Official Receiver quitting or being relieved of the office of Official Receiver or for any reason becoming incapable of further service in his said office, or dying, the security shall, if there shall have been no breach or default in all or any of the conditions hereinbefore in Clause V hereof set-forth and provided, and if there shall be no claim or demand outstanding against the Official Receiver in favour of Government, be reconveyed at his or their cost and expense to the said Official Receiver or to his lawful heirs, legal representatives or assigns as the case may be :Provided that the Government may, in its discretion, retain the security for a period of not exceeding six months after the date on which the Official Receiver quits the service of the Government or becomes incapable of further service in the said office or dies, for the purpose of ascertaining or satisfying itself that there has been no breach of default as aforesaid and that no claim or demand is so outstanding.Clause VIII. - The forfeiture or reconveyance, as the case may be, of the security deposits shall not in any way affect, limit or extinguish any remedy or relief to which the Government may at any time be lawfully entitled against the said Official Receiver in respect of anything done or omitted to be done by him as Official Receiver, either before or after such forfeiture or reconveyance and nothing in this Security Bond contained, shall be deemed to relieve the Official Receiver from any suit, prosecution or proceeding to which he may be liable under any law for the time being in force in respect of anything by him at any time done or omitted.In Witness Whereof the said Official Receiver has hereunto subscribed his name at _____ on the _____ day of _____ 19 _____.Signed by :-(Name)Official Designation

1. _____

2. _____

Form No. 27/This Indenture made this _____ day of _____ 19_____. Between _____ son of _____, caste _____, resident of _____ (hereinafter called the mortgagor) of the one part and the Governor of the Punjab/Haryana/Chief Commissioner, Chandigarh, (hereinafter called the mortgagee) of the other part. Whereas _____, son of _____, caste _____, resident of _____ (hereinafter called the Official Receiver) on the _____ day of _____ 19 , appointed to and now holds and exercises the office of Official Receiver of the _____ district. And Whereas in consideration of the said appointment and for the purpose of in part securing and indemnifying the mortgagee, his successors and assign against all loss or damage that the mortgagee may, in any way, suffer by reason of the neglect of duty, waste or embezzlement or otherwise of any property or parts thereof in charge of or in the care and custody of the said Official Receiver or his subordinates or agents and of giving effect to the Bond of even date by the mortgagor, he, the mortgagor, has agreed to convey by way of mortgage the hereditaments and premises described in the schedule hereunto annexed to the mortgagee. Now this indenture witnesseth that in pursuance of the said agreement and in consideration of the said appointment of the Official Receiver the mortgagor doth hereby grant, convey and assign unto the mortgagee his successors and assigns all those hereditaments and premises situate in _____ more particularly described and mentioned in the schedule and delineated in the map or plan hereunto annexed respectively together with all easements, rights and things appurtenant or reputed appurtenant thereto and all deeds, pattas and instruments of title relating thereto and the estate, right, title, interest, claim and demand whatsoever of him the mortgagor into and upon the said hereditaments and premises and every part thereof. To have and to hold the same unto and to the use of the mortgagee, his successors and assigns for ever subject to the proviso for redemption hereinafter contained provided always and it is hereby declared and it is the true intent and meaning of these presents and of the said parties hereto that if the said Official Receiver shall always duly perform and fulfil all the duties and obligations of his said office while he shall hold or exercise the same as set forth in the Bond of even date hereinbefore specified and also if the mortgagor, his heirs and legal representatives will pay and make good to the mortgagee, his successors and assigns and to the superior officers or the said Official Receiver all losses and damages which he or they may have sustained or incurred in consequence of the failure of the said Official Receiver to perform and fulfil all the duties and obligations as set forth in the said Bond of even date (but subject always to the proviso hereinafter contained) the mortgagee shall and will at the request and cost of the mortgagor, his heirs or legal representatives reconvey and re-assign the said hereditaments and premises hereby granted unto the mortgagor, his heirs or representatives as he or they shall direct. And in the meantime and until default shall be made by the said Official Receiver in the due performance of his duties as aforesaid the mortgagor, his heirs and legal representatives shall continue in possession and in receipt of the rents and profits of the said hereditaments and premises and the mortgagor doth hereby for himself, his heirs, legal representatives and assigns covenant with the mortgagee, his successors and assigns that he the mortgagor now hath good right to grant the hereditaments and premises hereby granted or

expressed so to be unto and to the use of the mortgagee, his successors and assigns in manner aforesaid and that free from encumbrances and the mortgagor doth hereby for himself, his heir, legal representatives and assigns covenant with the mortgagee, his successors and assigns that whenever in exercise of the power hereinafter reserved to the mortgagee, his successors and assigns sale shall be made of the said hereditaments and premises hereby granted or expressed so to be or any part thereof the mortgagee, his successors, assigns or any other person or persons who may purchase the same their heirs, legal representatives and assigns shall and may at all times thenceforth quietly possess and enjoy the same and receive the rents and profits thereof without any lawful eviction, interruption, claim or demand whatsoever from or by the mortgagor or any person rightfully claiming from, under or in trust for him and that free from incumbrances. And further he the mortgagor and all other persons having or lawfully or equitably claiming any estate or interest in the said hereditaments and premises or any part thereof shall and will from time to time and all time thereafter at his or their own cost during the continuance of this security and afterwards at the cost of the person or persons requiring the same to do and execute or cause to be done and executed all such acts, deeds and things for further and more perfectly assuring the said hereditaments and premises unto and to the use of the mortgagee, his successors and assigns and other persons aforesaid in manner aforesaid as shall or may reasonably be required. And it is hereby agreed and declared and the true intent and meaning of the parties hereto is that if default shall be made by the said Official Receiver in the due performance of his duties in such office or employment as aforesaid or in making good the damages, losses, costs, charges and expenses hereinbefore mentioned and contained or any part thereof respectively then and in such case and immediately thereupon or at any time thereafter or from time to time as occasion shall require it shall be lawful for the mortgagee, his successors and assigns or his or their officers and servants duly authorised in that behalf and notwithstanding the dissent or opposition of the mortgagor, his heirs, or legal representatives to enter into and upon and (whether in or out of possession) to make sale and absolutely dispose of the said hereditaments and premises hereby granted or expressed so to be or any part thereof by public auction or private contract and for such price or prices as to the mortgagee, his successors or assigns shall appear reasonable with liberty to buy in the same or any part thereof and for effectuating any such sale it shall be lawful for the mortgagee, his successors or assigns to do, make and enter into all necessary acts, deeds, conveyances and assurances whatsoever. And it is hereby further declared by and between the parties to these presents that such deeds, acts and conveyances and assurances done, made or executed under or by virtue of these presents shall be good, valid and effectual whether the mortgagor, his heirs or legal representatives shall or shall not join therein or assent thereto and shall bind the mortgagor, his heirs or legal representatives and all other persons claiming under him or them. And it is hereby further declared that the power of sale hereinbefore contained shall and may be exercised and that all things to be done in pursuance thereof shall be good, valid and binding notwithstanding that no decree of any Court of law or equity for barring or closing the equity of redemption shall have been previously obtained but this power of sale is given in addition to the ordinary remedies of foreclosure. And that the receipt in writing of the District Judge of _____ for the time being for all moneys to arise from any such sale or sales shall be good and sufficient discharge to the persons paying the same and shall exonerate such persons from all responsibility in respect of the application or non-application of the same nor shall he or they be bound to enquire whether the sale was regular or authorised under these presents. Provided always and it is hereby agreed and

declared by and between the mortgagor and the mortgagee that on the vacation by the said Official Receiver of his said office of Official Receiver as aforesaid the above-mentioned hereditaments and premises shall not be at once reconveyed to the mortgagor, his heirs or legal representatives but shall be and remain mortgaged with the mortgagee for the term of six months as security against any loss that may have been incurred by the mortgagee owing to the neglect or default of the said Official Receiver and which may not have been discovered until after the vacation of his appointment by the said Official Receiver provided always that the reconveyance at any time of the hereditaments and premises shall not be deemed to affect the right of the mortgagee to take proceedings against the mortgagor or the Official Receiver, aforesaid, in case any breach of the conditions set forth in this deed of the said Bond of even date shall be discovered after the reconveyance of the said hereditaments and premises. In witness whereof the parties to these presents have hereunto set and subscribed their hands and seals of the dates hereinafter mentioned, respectively. Signed, sealed and delivered by the said _____ on the _____ day of _____ 19 , _____ in the presence of _____, witness _____, witness _____. Signed, sealed and delivered by _____ for and on behalf of the Government on the _____ day of _____ 19 . Form No. 28 Whereas _____ son of _____ caste _____ resident of _____ in the _____ district in the Punjab/Haryana/U.T., Chandigarh has been appointed to the office of Official Receiver in the _____ district in the Punjab/Haryana/U.T., Chandigarh upon conditions inter alia that he do furnish proper security in the sum of Rs. 10,000/- (Rupees ten thousand only) for the due and faithful discharge of his duties while employed in the said office or in any office attached or incident to the same (hereinafter described as the said office) and for the due accounting for all property by him at any time held or received by virtue of the said office. And Whereas _____ son of _____ caste _____, resident of _____ in the _____ district in the Punjab/Haryana/U.T., Chandigarh (hereinafter on his own behalf and on behalf also of his heirs, legal representatives, administrators, executors and assigns called the surety) has agreed to stand surety for the due performance as aforesaid of the duties of Official Receiver by the _____ aforesaid. Now, Therefore, This Security Bond Witnesseth as follows, that is to say :-

CLAUSE I. - In this Security Bond and for the purposes of each and all of the provisions thereof the expression -(a)"Government" means the Governor of the Punjab/Haryana/Chief Commissioner, Chandigarh acting by and through the District Judge of _____. (b)"Official Receiver" means _____ son of _____ caste _____ resident of _____ in the _____ district of the Punjab/Haryana/U.T. Chandigarh. (c)"Property" includes cash, coin, currency notes, stock notes, cheques, postal money orders, hundis, promissory notes, bills of exchange, Government and other securities, scrip, shares, bullion, jewellery, precious stones, crops, cattle, documents, records, accounts, vouchers, books, papers and all other property whatsoever both movable and immovable. (d)Security means the sum of money by this Security Bond secured and assured to Government for the due and faithful discharge of his duties by the Official Receiver and for the due accounting for all property by him at any time held or received by virtue of his said office.

CLAUSE II. - The Official Receiver and the Surety are held firmly bound to Government in the sum of Rs. 10,000/- (Rupees ten thousand only) as security for the due and faithful discharge of the duties of the said office that is, he, the Official

Receiver, shall from time to time and at all times during the continuance of his said office work and sufficiently perform and execute all and singular the duties of his said office or belonging to him as such officer or belonging to or in any way imposed upon him by reason of his being such officer and conduct himself with fidelity, integrity and punctuality in and concerning the matters and things which shall be entrusted to him as such officer of in respect of such duties as aforesaid and do and shall well and truly pay and apply all property as shall from time to time come to his hands by virtue of such office or duties as aforesaid or to the hands of his deputies, assistants, agents, or other persons acting under his authority or on his behalf or any of them respectively and do and shall also well and truly pay and apply all property whatsoever which he shall hold or become liable to pay or apply for any neglect or misbehaviour in his said office or in respect of his said duties and do and shall at times then duly required produce and render true and correct accounts of the receipt, payment and application of all property whatsoever as shall so come to the hands of him, the Official Receiver as aforesaid, or to the hands of his assistants or other persons acting under his authority or on his behalf with proper and sufficient vouchers for the due application thereof and shall not in any wise take to his own use, lend or embezzle, make away with, neglect to account for, lose or hazard and such property, as aforesaid or any part thereof and do and shall at the expiration or other termination of his said office or duties deliver up to the person duly authorised to receive the same all books, papers, documents and accounts relating to his said office or duties and do and shall pay and deliver to the person or persons duly authorised, to receive the same the balance (if any) of the property as aforesaid remaining in the hands of and due from him, the said Official

Receiver. **CLAUSE III.** - The Surety has executed registered a deed of mortgage, dated _____ day of _____ 19 , of the property in the said deed of mortgage set-forth and specified as security for the due and faithful performance of his duties by the Official Receiver and of the due accounting by him of the property held by him as aforesaid. **CLAUSE IV.** - This Security Bond shall be deemed to be and be a Bond entered into under the order of the Government for the performance of a public duty within the meaning of Section 74 of the Indian Contract Act, 1872, and the whole security shall be liable to be forfeited to the Government in the event of any breach by the Official Receiver of all or any of the terms or conditions thereof. **CLAUSE V.** - The Government or any officer having authority in this behalf under it shall, subject to the provisions of clauses VI and VII hereinafter appearing, hold and retain the security so long as the following conditions obtain that is to say -(a) The Official Receiver shall, during his continuance of the office aforesaid faithfully, diligently and honestly discharge all and singular his duties, as laid down in clause II hereof and shall not at any time quit or neglect the performance of the said duties or resign his said office without giving _____ month's notice in writing to the District Judge for the time being of _____ of his desire to resign the said office. (b) The Official Receiver shall during the continuance of his said office indemnify and save harmless the government from and against all losses, costs, damages and expenses which shall or may at any time or times hereafter be sustained by Government or any officer of Government from or through the neglect, failure, misconduct, disobedience, omission or insolvency of the said Official Receiver or any person serving under or employed by him or from or through the consuming, wasting, embezzling, stealing, mis-spending, losing, misapplying or otherwise dishonestly or negligently or through oversight or violence making away or parting with any property or part or parts thereof by any person or persons whomsoever while the Official Receiver shall continue to act in any such office. **CLAUSE VI.** - In the event of any breach of or default in all or any of the

conditions hereinbefore in the preceding clause set-forth and provided the Government may realise, take and forfeit to itself the whole amount of the Security :Provided that the Government may, instead of taking and forfeiting to itself the whole amount of the Security realise and retain only so much thereof as it may, in its absolute discretion, deem adequate to compensate, reimburse or indemnify it in respect of the loss or damage or inconvenience sustained by reason of the breach or default committed, pay and balance thereof to the Surety; but neither the Official Receiver nor his or their lawful heirs, representatives or assigns shall have any right or claim to any such payment.CLAUSE VII. - In the event of the Official Receiver quitting or being relieved of the office of Official Receiver or for any reasons becoming incapable of further service in his said office or dying, the property secured, shall, if there shall have been no breach or default in all or any of the conditions hereinbefore in clause V hereof set-forth and provided, and if there shall be no claim or demand outstanding against the Official Receiver in favour of Government, be reconveyed at his or their cost and expense of the said Surety or to his lawful heirs, legal representatives or assigns as the case may be :Provided that the Government may, in its discretion retain the Security for a period not exceeding six months after the date on which the Official Receiver quits the service of the Government or becomes incapable of further service in the said office or dies, for the purpose of ascertaining or satisfying itself that there has been no breach or default as aforesaid and that no claim or demand is so outstanding.CLAUSE VIII. - The forfeiture or reconveyance as the case may be, of the property secured, shall not in any way affect, limit or extinguish any other remedy or relief to which the Government may, at any time, be lawfully entitled against the said Official Receiver in respect of anything done or omitted to be done by him as Official Receiver, either before or after such forfeiture or refund and nothing in this Security Bond contained, shall be deemed to relieve the Official Receiver from any suit, prosecution or proceeding to which he may be liable under any law for time being in force in respect of anything by him at any time done or omitted.In Witness Whereof the said Official Receiver and the Surety have hereunto subscribed their names at

_____ on the _____ day of _____ 19____
 ._____ Official Receiver. _____ SuretyWitnesses -

1. _____

2. _____