

## KARNATAKA DEBT RELIEF RULES, 1979

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## KARNATAKA DEBT RELIEF RULES, 1979

In exercise of the powers conferred by sub-section (1) of Section 16 of the Karnataka Debt Relief Ordinance, 1979 (Karnataka Ordinance No. 19 of 1979), the Government of Karnataka hereby make the following rules, namely:-

### **1. Short title and commencement :-**

(1) These rules may be called the Karnataka Debt Relief Rules, 1979

.

(2) They shall come into force at once.

### **2. Definitions :-**

In these rules, unless the context otherwise requires.

(a) "Form" means a form appended to these rules;

(b) "Ordinance" means the Karnataka Debt Relief Ordinance (Karnataka Ordinance No. 19 of 1979);

(c) "Section" means a section of the Ordinance.

### **3. Statement to be filed by creditor etc :-**

(1) A statement referred to in sub-section (1) of Section 4 shall be in Form 1 and an application referred in sub-section (2) thereof shall be in Form 2.

(2) The certificate of discharge under sub-section (5) or (6) of Section 4 shall be in Form 3 and the certificate of redemption under

sub-section (2) of Section 5 shall be in Form 4.

**4. Procedure to be followed in an enquiry under Section 4 :-**

(1) In an enquiry under sub-section (3) of Section 4, the Assistant Commissioner shall serve a notice calling upon the respondent to appear before him on the date specified in the notice.

(2) The respondent shall be given an opportunity to file objection in writing and both sides shall be given reasonable opportunity to adduce evidence both oral and documentary in support of their respective contentions and to cross-examine the witnesses of the other side. The provisions of Section 34 of the Karnataka Land Revenue Act, 1964 (Karnataka Act 12 of 1964) shall apply for the recording of evidence.

(3) The order to be passed shall contain.

(a) a concise statement of the case;

(b) the points for determination;

(c) the decision thereon;

(d) the reasons for such decision; and

(e) the relief granted.

(4) The order shall be pronounced in open Court and if the parties are present at the time of such pronouncement a copy of the order shall be furnished to both the parties free of cost and if the parties are not present a copy of the order shall be served on the parties in person or sent by registered post.

(5) An order under sub-section (3) of Section 4 shall also specify a date within which the creditor shall produce the document evidencing the debt and the moveable properties pledged, which shall not be less than thirty days from the date of service of the copy of the order on him.

(6) On production of the moveable properties in pursuance of an order under sub-section (3) of Section 4, the Assistant Commissioner shall prepare a statement containing the particulars of the said moveable properties and furnish a copy of it to the creditor of the person producing them.

(7) The Assistant Commissioner shall, immediately after the properties are produced before him by the creditor, deliver the

same to the debtor after taking an acknowledgement from him in Form 5.

**5. Procedure to be followed in an enquiry under sub-section (2) of Section 5 or under sub-section (3) of Section 13 :-**

(1) Except as provided in subrule (2), the procedure specified in Rule 4 shall mutatis mutandis apply to an enquiry under sub-section

(2) of Section 5 or an enquiry under sub-section (3) of Section 13.

(2) The Assistant Commissioner shall in an enquiry under sub-section (3) of Section 13 take down the evidence of each witness and such evidence shall be written and signed by the Judge and shall form part of the record.

(3) A certificate of redemption shall be in Form 4.