
(1954) 01 BOM CK 0003
In the Bombay High Court
Case No : F.A. No. 223 of 1953

Ramchand Tillumal

APPELLANT

Vs

Khubchand Daswani and Others

RESPONDENT

Date of Decision : 25-01-1954

Acts Referred:

Displaced Persons (Debts Adjustment) Act, 1951 — Section 10, 11, 11(2), 13, 15

Citation : AIR 1955 Bom 138 : (1954) 56 BOMLR 828 : (1954) ILR (Bom) 1319

Hon'ble Judges : Vyas, J;Gajendragadkar, J

Bench : Division Bench

Advocate : J.L. Nain, P.L. Nain and A. Gupta, for the Appellant; R.G. Samtani, P.R. Wadhwa and T.D. Abichandani, for the Respondent

Judgement

Gajendragadkar, J.—This appeal raises a short question under the Displaced Persons (Debts Adjustment) Act, LXX of 1951. The appellant made an application before the tribunal appointed under this Act for the adjustment of his debts. His application has been rejected by the tribunal on the ground that it is not competent. It is common ground that both the applicant and the opponent are displaced persons within the meaning of the Act. It is also common ground that the applicant is a debtor of the opponent and that the debt was contracted subsequent to August 15, 1947. The applicant alleged that he was entitled to have this debt adjusted on the ground that it was a debt within the meaning of Section 2(6)(c) of the Act, whereas the opponent's contention was that before the applicant could apply for the adjustment of his debts, he must show that his debt falls within Section 2(6)(a) of the Act. It is conceded that the debt does not fall within Section 2(6)(b) of the Act. Therefore, the short question which falls to be considered in the present appeal is whether a displaced person is entitled to apply for the adjustment of his debts u/s 5 of the Act only if his debt satisfies the requirements of Section 2(6)(a) or (b) of the Act.

2. Mr. Nain for the appellant has presented his argument in a very attractive form. He argues that the word "debt" which has been used in this Act in several

sections must be construed in the same or similar way and according to him it would be unfair to attribute to the word "debt" different meanings in different sections unless there is a clear indication in these sections to limit the denotation of the word "debt" in a particular way. It is no doubt a well known rule of construction that the same word should ordinarily convey the same meaning in different sections of the same Act. Section 2(6) defines the word "debt" in three different ways, and according to Mr. Nain if he can show that the debt sought to be adjusted by the applicant in the present case falls in either of the three categories mentioned in Section 2(6), he would be entitled to apply u/s 5 of the Act.

Mr. Nain has put his argument in an alternative form. He says that Section 2(6) (c) deals with a debt due to a displaced person and Section 10 of the Act entitles such a creditor to apply for the recovery of his debts from his displaced debtor. When an application is made u/s 10 and notice is served on the debtor of the said application, the displaced debtor is given an opportunity u/s 11(2) to apply for the adjustment of his debts notwithstanding the fact that the limitation prescribed by Section 5 may by then have elapsed. Mr. Nain contends that if the opponent had applied to recover his debt from the applicant, the applicant would have been entitled to ask for adjustment of his debt u/s 11(2). If that be so, it would be illogical to hold that the amount due from the applicant to the opponent is a debt within the meaning of Section 11(2), but is not a debt within the meaning of Section 5. Before we consider these arguments on their merits, however, it would be necessary to bear in mind the scheme of the Act which undoubtedly contains provisions of a very unusual character.

3. It is well known that a large number of citizens from Sind which, after August 15, 1947, became a part of West Pakistan, had to leave or were displaced from their places of residence and had to come to India. Legislature felt that these persons needed special protection, and the provisions made in the present Act were intended to afford assistance to these persons in two different ways. These persons are described by the Act as "displaced persons". Those were divided broadly into two classes by Section 2(10). Those who had left or had been displaced from their places of residence in West Pakistan after March 1, 1947, on account of civil disturbances or on account of the fear of such disturbances & had come to reside in India formed one class of displaced persons. The other class included persons who resided in India but who were unable to manage their immovable property situated in West Pakistan. By this legislation protection is intended to be afforded to both the classes of these displaced persons.

While considering the nature of the protection which should be given to these displaced persons; Legislature was aware that a large majority of these persons may be debtors and needed relief in the matter of the repayment of their debts, while a small number might be creditors who may need assistance in the matter of speedy recovery of their debts. The preamble to the Act, therefore, declares that the Act was passed to make certain provisions for the adjustment and

settlement of debts due by displaced persons and for the recovery of certain debts due to them. Matters connected with these aspects and incidental thereto are also considered in this Act. In other words, in regard to displaced persons who are debtors special provisions are made in the Act for scaling down their debts and for providing liberal modes in which they are allowed to repay the debts. In regard to displaced creditors, they are allowed the use of the special and speedy machinery provided by the Act for the recovery of their debts. Therefore, in dealing with the provisions of this Act it would not be irrelevant to bear this two-fold object of the Act in mind.

4. The same object is clearly expressed when the Act proceeds to define "debt" by Section 2(6). "Debt" is defined in reference to the status of the debtor or of the creditor. "Debt" as defined by this sub-section falls in three categories. The first category covers debts due from displaced persons falling under the first class of displaced persons mentioned in Section 2(10). This is described in Clause (a). The second category of debts refers to the debts due from persons forming the second class of displaced persons mentioned in Section 2(10). The third category refers to debts which are due to displaced persons belonging to both the classes of displaced persons u/s 2(10). The method adopted by the Legislature in defining the word "debt" in this Act is very unusual. The definition given is not a general definition or the usual type. It is a definition by reference to the status of the person who is either a debtor or a creditor, and it seems to be clear that the purpose in adopting this unusual mode of defining "debt" is to secure the two-fold object with which the legislation has been passed. The first object is to give relief to the debtors from amongst the class of displaced persons who are divided to two broad divisions, and the second object is to facilitate the speedy recovery of debts due to such displaced persons.

5. Section 2(6) begins by giving a general definition of the word "debt" as meaning "any pecuniary liability, whether payable presently or in future, or under a decree or order of a civil or revenue Court or otherwise, or whether ascertained or to be ascertained", and then it proceeds to describe the three different categories of debts dealt with under this Act. Clause (a) of this subsection provides that in the case of a displaced person who has left or been displaced from his place of residence in any area now forming part of West Pakistan, the debt should have been incurred before he came to reside in any area now forming part of India. The effect of this definition is that a displaced person who has left or has been displaced from West Pakistan after March 1, 1947, owing to the reasons mentioned in Section 2(10) can obtain relief under the provisions of this Act in respect of his debts only if his debts were incurred before he came to reside in India. His creditor may be either a displaced person or not. The status of the creditor is irrelevant. The benefit available to the debtor under the Act can be claimed by him whether his creditor is a displaced person or not, provided he satisfies the one important condition laid down by Section 2(6)(a) that the debt in question was contracted before the debtor came to reside in any area now forming part of India.

Section 2(6)(b) deals with the debts of persons who were residing in India both before and after August 15, 1947, and it lays down that these debts should have been obtained on the security of the debtor's immovable property situated in West Pakistan. Section 2(6)(b) therefore seems to provide that in the case of persons falling under the second class of displaced persons u/s 2(10) the provisions of this Act would be applicable in respect of debts contracted by them on the security of their immovable property situated in West Pakistan, provided the said debts were contracted before August 15, 1947. This clause is intended to deal with another category of debts by itself. As in the case of debts falling u/s 2(6)(a) so in the case of debts falling u/s 2(6)(b) the status of the creditor makes no difference at all. The creditor may either be a displaced person or not. In either case if the debt was contracted before August 15, 1947, the provisions of the Act would apply.

The third category of debts is dealt with in Clause (c) of Sub-section (6) of Section 2. This is a category of debts due to displaced persons. The displaced person may belong to either of the two classes mentioned in Section 2(10). The only condition which this clause imposes is that the debt is due to a displaced person from any other person (whether a displaced person or not) ordinarily residing in the territories to which the Act extends. This part of the definition seems to require that the debt must be due at the time when the Act comes into force and the debtor must be ordinarily resident in the territories to which this Act extends. Since the Act extends to the whole of India except the State of Jammu and Kashmir, the benefit of Section 2(6)(c) would not be available to a displaced creditor if his debtor resides in the State of Jammu and Kashmir. Section 2(6) further provides that any pecuniary liability incurred before the commencement of the Act by any such person as is referred to in this clause which is based on, and is solely by way of renewal of, any such liability as is referred to in Sub-clause (a) or Sub-Clause (b) or Sub-clause (c) would be included in the expression "debt", provided that in respect of such a pecuniary liability it is only the amount originally advanced that would be deemed to be the extent of the liability and not the amount for which the liability may have renewed. This provision tends to show that the debt mentioned in Sub-section (6) (c) must be shown to be due to a displaced person at the time when the Act came into force. Subsection (6)(c) refers to the debt as one which is due to a displaced person, not as one which may become due to him.

6. There are two other definitions to which reference must be made. Section 2(8) describes a "displaced creditor" as meaning "a displaced person to whom a debt is due from any other person, whether a displaced person or not"; and "displaced debtor" is defined by Section 2(9) as meaning "a displaced person from whom a debt is due or is being claimed". Chapter I, which contains these definitions, also provides for the establishment of special tribunals to exercise Jurisdiction under this Act u/s 4, while it provides for over-riding effect of Act, rules and orders by Section 3.

7. Now, it is in the light of the threefold definition of "debt" contained in Section 2(6) that we must proceed to consider the question as to whether the application made by the debtor in the present case is competent u/s 5. Section 5(1) lays down that

"at any time within one year after the date on which this Act comes into force in any local area, a displaced debtor may make an application for the adjustment of his debts to the Tribunal within the local limits of whose jurisdiction he actually and voluntarily resides, or carries on business or personally works for gain".

Sub-section (3) of this section provides for the particulars which the application must set out, and Sub-section (3) lays down that the opponents to the application should be treated as respondents to the application and requires the applicant to file as many copies of the application as there may be respondents.

Mr. Nain contends that the applicant is a displaced debtor and that since he is liable to pay the amount in question to the opponent, the said amount is a debt due from the applicant to the opponent. If that be so, "there is no reason why his application should be held to be incompetent. At first sight it seems difficult to resist this argument. But, in my opinion, on a close examination of the scheme of the Act the argument must be rejected as untenable. When the Act refers to an application for the adjustment of a displaced debtor's debts, it is necessary to determine which category of debts is indicated, and in deciding this question the importance of the unusual mode adopted by Legislature in defining "debt" must not be ignored. The definition of the word "debt" is not in the usual disjunctive form. It clearly indicates that the Act purports to deal with three different kinds of debts and the character of these categories of debts is determined by reference to the status of the debtor in the case of Clause (a) and (b), and of the creditor in the case of Clause (c).

In my opinion, wherever the Act refers to the debt due by a displaced debtor it is necessary to apply the provisions of Section 2(6)(a) or Section 3(6)(b), as the case may be. The definition of the word "debt" given in Section 2(6)(c) would be inapplicable in the context. Similarly, where the Act refers to the creditor's claim for the recovery of his debt, we must turn to the definition of the word "debt" in Sub-section (6)(c) and not Sub-section (a) or (b). That, in my opinion, is the logical and necessary inference from the definitions of the words "displaced debtor", "displaced creditor" and "debt" contained in Section 2, Sub-sections (9), (8) and (6) respectively. I would, therefore, hold that a displaced debtor can apply u/s 5 only if the debt which he seeks to be adjusted satisfies the requirements of Section 2(6)(a) or Section 2(6)(b).

8. The contention that this conclusion would be illogical inasmuch as the right denied to the displaced debtor u/s 5 would become available to him u/s 11(2) in case his creditor makes an application against him u/s 10 does not appear to me to be well founded. If the test which has to be applied in determining what is a debt due from a displaced person is to be found in Section 2(6)(a) alone, then

the inconsistency on which Mr. Nain relies would really not arise. Assuming that the opponent himself had applied for the recovery of his debt u/s 10 and that his application was otherwise competent, the only right to which the applicant would have been entitled under Section 11(2) would be to apply for the adjustment of his debt, provided the debt satisfied the test laid down by Section 2(6)(a). In other words, if the debt due from a displaced debtor does not fall within Section 2(6)(a), he gets no right to ask for its adjustment u/s 11(2).

9. Mr. Nain argued that it would be very surprising if the Legislature allowed the benefit of the special machinery provided by this Act to a displaced creditor in respect of his debts whenever they were contracted, that the relief afforded to the displaced debtor should be subject to the inexorable limit of time mentioned in Section 2(6)(a) or Section 2(6)(b). It is strictly not necessary for us to consider whether a displaced creditor would be entitled to avail himself of the provisions of this Act in respect of debts which become due to him subsequent to the commencement of the Act. However, as I have already indicated, *prima facie* debts which become due to displaced creditors subsequent to the commencement of the Act would appear to fall outside the purview of the Act.

For the recovery of such debts the displaced creditor would have to take recourse to the ordinary law and not to the special machinery provided by this Act. The scheme of the Act in regard to displaced creditors in its broad features appears to be fairly clear. In regard to displaced persons who on their migration to India may have advanced loans after they came to India, Legislature thought protection was due to them in respect of loans thus advanced by them, but the same should be limited to loans advanced before the commencement of the Act. In my opinion, it is fairly clear that the Legislature did not intend to extend the assistance of the provisions of this Act to the monetary dealings of displaced creditors subsequent to the commencement of this Act.

In respect of his past dealings a displaced creditor is no doubt entitled to obtain speedy recovery of his debts against displaced debtors by making an application u/s 10 and against other debtors by making an application u/s 13. It is significant that whereas no time limit has been imposed for making an application u/s 10, the limitation of one year is imposed for an application u/s 13 which corresponds with the limitation imposed on a debtor u/s 5 of the Act. Though no special shorter period of limitation has been prescribed for making an application against a displaced debtor u/s 10, the ordinary law of limitation applicable to such loans would undoubtedly govern such applications and that would inevitably fix the final date for making even these applications. The period of limitation for making applications which is thus prescribed either directly or indirectly lends some support to the conclusion that the relief intended to be given to the displaced creditor is in respect of debts which had become due to him before the commencement of the Act. The position with regard to money dealings between displaced creditors and displaced debtors would on this view be slightly anomalous in some cases.

In respect of debts contracted by displaced debtors subsequent to the date mentioned in Section 2(6)(a) but prior to the commencement of the Act, the displaced debtors would not be able to claim adjustment under the Act; while the displaced creditors would be able to claim "the recovery of the said debts under its provisions. Such cases, however, may not be many. Legislature appears to have thought of fixing different dates applicable to debts falling under Clauses (a), (b) and (c) of Section 2(6) respectively. Between the said dates so fixed u/s 2(6)(a) and Section 2(6)(c) respectively there is an interval and it is in regard to cases of loans advanced during this period of interval where both the creditors and debtors are displaced persons that the position might appear to be slightly anomalous. However, all loans advanced by or to displaced persons subsequent to the commencement of the Act are outside the purview of the Act. Therefore, on the whole, I do not think that it would be strictly correct to say that the provisions of the Act u/s 2(6)(c) are more partial to the displaced creditors than to the displaced debtors. Besides, it is not for the Court to consider the propriety of the reasons which Legislature may have had in mind in fixing three different dates for the three different categories of debts mentioned in Section 2(6).

10. It is perfectly true that in construing the provisions of a statute it is our duty to give the words used by the Legislature their plain grammatical meaning; and in doing so we cannot unduly emphasise or press into service the object with which the statute may have been enacted. But, in the present case we are dealing with a somewhat unusual piece of legislation which was enacted with a specific object and in order to achieve its object a special mode of defining debts has been adopted by the Legislature. In such a case I think it would be legitimate to consider the scheme of the Act, the nature and the scope of the relief which is intended to be granted to the different classes of persons for whose benefit the Act has been passed and to bear in mind the reason why this Act was passed while we deal with the applicant's right to make the application in question. If the applicant's contention was accepted, dealings between displaced persons "inter se" would have to be dealt with under the provisions of this Act so long as the Act is on the statute book. That indeed was the argument urged before us by Mr. Nain. We are not prepared to accept this contention.

The limitation of one year which has been prescribed for the applications under Sections 5 and 13 of the Act, in my opinion, clearly suggests that the Legislature wanted all applications falling under these sections to be made as soon as possible and in no case later than one year from the commencement of the Act, and it is, in my opinion, a necessary corollary of this requirement that once these applications are finally disposed of, the Act would have served its purpose. I apprehend that the Legislature does not intend to keep this Act alive permanently on the statute book so as to provide for a special class of tribunals to deal with transactions between displaced persons "inter se". There is no doubt that in regard to dealings between a displaced person and his opponent who is not a displaced person the provisions of the Act will apply in respect of past dealings and then too if an application has been made within the period

prescribed. It could not have been intended that if loans are advanced by displaced persons to displaced persons they should always be dealt with by special tribunals set up under this Act. This Act is in a sense an emergency measure, intended for the protection of persons who had unfortunately to leave their original places of residence and who found it difficult to rehabilitate themselves in their new homes. But this protection has been afforded within limits which the legislature thought to be reasonable and these limits are clearly indicated in the definitions of the word "debt" as I have already stated.

11. I would, therefore, hold that the view taken by the tribunal was right. The appeal accordingly fails and must be dismissed with costs. No order necessary on the civil application.

Vyas, J.

12. I agree with my learned brother.

13. The question for decision in this appeal is whether, when a displaced debtor applies to the Tribunal for the adjustment of his debts, the term "debt" is governed by the definition of "debt" as given in Clause (a) or Clause (b) of Sub-section (6) of Section 2 of the Displaced Persons (Debts Adjustment) Act, 1951, and when a judgment-creditor applies for the recovery of his claim, the term "debt" is governed by the definition of "debt" as given in Clause (c) of Sub-section (6) of Section 2 or whether the term "debt" in both cases -- i.e. when a displaced debtor applies for the adjustment of his debts and when a displaced creditor applies for the recovery of his claim -- means "debt" under "Clause (c).

14. Although the creditors of the displaced debtors and the debtors of the displaced creditors may be displaced persons themselves, it clearly seems to be the scheme of the Act to make a difference in the meanings of the term "debt" according as the person initiating a proceeding under the Act has the status of a debtor or a creditor. If we turn to Section 2, Sub-section (10) of the Act, it mentions two categories of displaced persons. Clause (a) of Sub-section (6) of Section 2 refers to the debts due from the first category of displaced persons mentioned in Section 2, Sub-section (10). Clause (b) of Sub-section (6) of Section 2 refers to debts due from the second category of displaced persons mentioned in Section 2, Sub-section (10); and Clause (c) refers to debts which are due to both the categories of displaced persons mentioned in Section 2, Sub-section (10). In giving this three-fold definition of the term "debt", the object of the Legislature seems to be two-fold. The first object seems to be to give relief to debtors belonging to both the categories of displaced persons as defined in Section 2, Sub-section (10), and the second object seems to be to help both the classes of displaced persons to recover their debts. The definitions of the term "debt" as given in Clauses (a) and (b) of Sub-section (6) of Section 2 have in view the first object and the definition given in Clause (c) has a bearing on the second object.

15. It thus appears that the intention of the Legislature was to enact provisions

beneficial to displaced persons who may have debts to pay and at the same time may have dues to recover. The basic principle of the Act is to treat displaced persons as possessing two distinct capacities, namely the status of a creditor and the status of a debtor and it is with reference to these capacities that the three definitions of the term "debt" have been given in Clauses (a), (b) and (c) of Section 2, Sub-section (6). The same person may have advanced monies which he may not have been able to recover as expected by him and may have been obliged to borrow. Such a person, if a displaced person under the Act, would be both a displaced creditor and a displaced debtor, and it appears that the object of the Act was to make provisions for the benefit of such a person, regard being had to both the above capacities of his, which are distinct capacities, namely the capacity of a creditor and the capacity of a debtor. It is for this reason, I think, that when a displaced person who has advanced monies has to take action under the Act to recover his dues, the Act gives him the benefit in respect of the debts which were due to him at the date when the Act came into force.

In this connection, it is to be remembered that the debt which is covered by Clause (c) of Section 2, Sub-section (6), is the debt which is due to a displaced person from any other person ordinarily residing in the territories to which the Act extends. In using the words "the debt is due" in Clause (c) of Section 2, Sub-section (6), the Legislature obviously intended that the debt must be due at the time when the Act came into force. The Act applies to the whole of India with the exception of the State of Jammu and Kashmir. So, if the debtor of a displaced creditor resides in the State of Jammu and Kashmir, the displaced creditor would not be able to claim the benefit of the Act. As I have stated above, the same person may be a displaced creditor as well as a displaced debtor. If he applies to the tribunal under the Act for the adjustment of his debts, the term "debt" will have, the meaning assigned to it by Clause (a) or Clause (b) of Section 2, Sub-section (6). If he applies for the recovery of the debt due to him, the provisions of Clause (c) will apply so far as the definition of the word "debt" is concerned. In other words, if a displaced creditor seeks to recover the debt due to him, the benefit of the Act will not be available in respect of the debt which was not due when the Act came into force. If a displaced debtor applies for the adjustment of his debts, and if he belongs to the first category of displaced persons as mentioned in Section 2, Sub-section (10), the benefit of the Act will be available only in respect of the debts which were incurred before the said debtor came to reside in any area now forming part of India.

Here, it may be noted that when a displaced debtor applies for the adjustment of his debts as defined by Clause (a) or Clause (b), the status of his creditor is immaterial. He may be a displaced person or may not be. Likewise, When a displaced creditor claims to recover the debt due to him as defined by Clause (c), the status of his debtor is immaterial. He may be a displaced person or may not be. The intention of the Legislature to define "debt" in each of the Clauses (a), (b) and (c) of Section 2, Sub-section (6), according to the status of the displaced person, is manifest from the context in which, and from the sequence in which,

the words "for the adjustment and settlement of debts due by displaced persons" and the words "for the recovery of certain debts due to them" are used in the preamble to the Act.

16. If we turn to Sections. 5, 10, 13 and 15, it would appear from the captions of the sections that the provisions embodied in the sections have a distinct reference to the status of the displaced persons moving the Tribunal. It is true that amongst the particulars which are required to be stated under Sub-section (2) of Section 5 in the application of a displaced debtor made under Sub-section (1) of that section, there is no reference to the debt or to the time when the debt was incurred. This circumstance may, at first thought, appear to indicate that even with reference to a displaced debtor, the term "debt" may have a meaning as given in Clause (c) of Sub-section (6) of Section 2. But, on further thought, it would be clear that when the word "debts" is used in Sub-section (1) of Section 5, the "debts" are those which fall within the definition given in Clause (a) or Clause (b) of Sub-section (6) of Section 2.

17. Section 11 of the Act says that when a displaced creditor makes an application u/s 10 against a displaced debtor for the recovery of his claim against the said debtor, the displaced debtor may make an application in his own behalf u/s 5. When such an application is made by a displaced debtor u/s 11, Sub-section (3), for the adjustment of his debt, the term "debt" Will have the meaning given to it in Clause (a) or Clause (b) of Sub-section (6) of Section 2. Section 32, Sub-section (1), would also show that the word "debt" as used in Section 5 and Section 11, Sub-section (2), must have the same meaning and the said meaning must be, for the reasons stated above, the one given in Clause (a) or Clause (b) of Sub-section (6) of Section 2.

18. It is true that when a displaced creditor advances monies to a person who may be a displaced person himself, then when the latter applies to the Tribunal for the adjustment of his debts, the benefit of the Act will extend only to the debts which would be covered by the definition of "debt" as given in Clause (a) or Clause (b) of Sub-section (6) of Section 2. The rest of his debts will fall outside the purview of the Act. In such a case, the debts of the displaced debtor, being identical with the dues of his creditor, who may also be a displaced person, the advances made by the latter to the former, which fall beyond the time-limit laid down in Clause (a) or Clause (b) of Section 2(6), will not be covered by the Act. If a displaced creditor makes an application against a displaced debtor u/s 10 for the recovery of the debt due to him and if the said debtor, u/s 11, Sub-section (2), makes an application u/s 5 for the adjustment of the very debt, it would be impossible as between the same two parties to put two different constructions on the word "debt".

In such limited class of cases, the term "debt" will have the meaning assigned to it by Clause (a) or Clause (b) of Section 2, Sub-section (6). In this manner, in a limited class of cases in which the debt of a displaced person and the dues of his creditor, who may also happen to be a displaced person, mean the identical

thing, there will be overlapping between Clause (a) or (b) on the one hand and Clause (c) on the other hand of Sub-section (6) of Section 2. But, such an overlapping is inescapable. On the other hand, if in all cases where monies are advanced by displaced persons and where debts are due from displaced persons, the "debt" is to mean the debt as defined in Clause (c) of Sub-section (6) of Section 2, then Clauses (a) and (b) become meaningless. I am not prepared to put such a construction on the word "debt" as would make Clauses (a) and (b) entirely purposeless.

19. At first sight, it might appear that the meaning assigned to the term "debt" when a displaced creditor applies for the recovery of the debt due to him is substantially different from the definition of the said term when a displaced debtor applies for the adjustment of the debts owed by him. It might seem that the definition of "debt" when a displaced creditor asks for the recovery of the debt due to him is irrespective of any time limit, whereas the import of the term "debt" when a displaced debtor asks for the adjustment of the debts owed by him is circumscribed by the time limit, the said limit in the case of Clause (a) being that the debts must have been incurred before the debtor came to reside in any area now forming part of India and in the case of Clause (b) the time-limit being that the debts must have been incurred before August 15, 1947.

I do not think that the definition of "debt" in Clause (c) is independent of time limit. To construe the definition of "debt" given in Clause (c) as being altogether independent of time limit would be to make an iniquitous discrimination in favour of a displaced creditor as against a displaced debtor for all time that the Act is on the statute book. The Legislature would not make such a distinction between two classes of displaced persons when both we're hit by a common reason which made them leave their homes and thus made them displaced persons.

In my view, the definitions as given in Clauses (a), (b) and (c) of Section 2, Sub-section (6), are all subject to a time limit. The said limit in Clause (a) is that the debts must have been incurred before the debtor came to reside in any area now forming part of India. In the case of Clause (b), the time limit is August 15, 1947. In the case of Clause (c), it is the date on which the Act came into force. It is true that the result of the construction I have put on the definition of "debt" in Clauses (a), (b) and (c) is this : If a displaced person has advanced monies between the points of time mentioned in Clause (a) or Clause (b) of Section 2(6), and the date on which the Act came into force and if the person to whom the said advance is made is himself a displaced person, then if the said debtor wants to apply for the adjustment of that debt, he will not have the benefit of the Act in respect of that particular debt. But, if the person to whom monies are advanced by a displaced creditor between August 15, 1947, and the date of coming into force of the Act is not a displaced person himself, then the displaced creditor will have the benefit of the Act in respect of the said debt due to him. This slight difference in the treatment of displaced creditors and displaced debtors is inescapable in view of the plain language of Clauses (a), (b) and (c) of Section 2,

Sub-section (6).

20. I agree with my learned brother that the appeal must fail and be dismissed.

21. Appeal dismissed.