NAUNIHAL KISHAN AND OTHERS

v.

R. S. CH. PRATAP SINGH AND ANOTHER

1963

March 13

(S. K. DAS, A. K. SARKAR, M. HIDAYATULLAH and N. RAJAGOPALA AYYANGAR JJ.)

Displaced Person—Debt—Adjustment—Usufructuary mortgage—Whether mortgagor a debtor—Scaling down of mortgage debt—Whether only in a suit for redemption of mortgage—Tribunal's jurisdiction—"Value of the lands"—How to be computed—Whether in terms of market value alone—Whether in terms of comparable Standard acres—Displaced Persons (Debts Adjustments) Act, 1951 (LXX of 1951) ss. 2 (6), 2 (9), 4, 5, 16, 29.

Both the appellants as well as the respondents originally belonged to that part of Punjab which is now in Pakistan. In 1933 respondent No. 2 effected an usufructuary mortgage of a certain land to the father of appellants Nos. 1 to 3 and to the 4th appellant's father to secure a sum of Rs. 39,000/-. Apart from the provisions for the payment of interest the mortgage deed also fixed a term of 10 years beyond which alone the mortgagee could sue for the recovery of the mortgage money. Four years after the execution of the mortgage deed the mortgagor sold a major portion of the property to one Guranditta Ram. Out of the consideration for this sale a sum of Rs. 26,500/- was left with the transferee to be paid in discharge of the mortgage. This sum was not paid to the mortgagee and thus the entire mortgage amount remained outstanding. On the partition of the country in 1947 both the mortgagor as well as the mortgagee moved into India and they were "displaced persons". The mortgagor was as displaced person allotted agricultural land in India on the basis of his original holding in Pakistan. The appellants as the mortgagees entitled to possession of the lands were put in possession of this land.

The respondents applied under s. 5 of the Displaced Persons (Debts Adjustment) Act, 1951, to get the mortgage debts adjusted according to the provisions of s. 16 of the Act. Certain objections raised by the appellants to this application were overruled and the mortgage debt was scaled down. An appeal was preferred to the Punjab High Court and the Single Judge who heard the appeal dismissed it. A Letters Patent Appeal preferred by the appellants was dismissed *in limine*

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and a certificate of fitness was refused. The present appeal is by way of special leave granted by this Court.

The first contention raised before this Court was that the first respondent was not a "debtor" within the meaning of s. 2 (6) of the Act because there was no contractual relationship of debtor and creditor between him and the displaced creditor *i. e.* the appellants. The next contention was that the liability under a mortgage debt could be scaled down and adjusted under the Act only in a suit for redemption filed by the creditor and that it was incompetent for a debtor to invoke the jurisdiction of the tribunal to effect the scaling down by an application under s. 5. Finally it was argued that under the proviso to s. 16 (4) of the Act the reduction of the debt has to be in the same proportion as "the value of the lands" allotted to the creditor in India bears to the "value of the lands" left by him in Pakistan and "value" according to the appellant meant market value.

Held, that having regard to the terms of s. 16 (4) the fact that the security was by way of usufructuary mortgage and the debtor had the right to redeem were sufficient to enable the beneficient provisions of the section being attracted. Apart even from the terms of s. 16 (4) the liability under the mortgage in favour of the appellant would fall within the definition of s. 2 (6). Even a usufructuary mortgage, whatever its nature is within the definition of 'debt' under s. 16 and it is wholly immaterial whether or not the creditor is entitled to proceed personally against the debtor and recover the amount of the mortgage.

Lachhman Singh v. *Natha Singh and Ors.*, I. L. R. 1941 Lah. 71, *Manubhai Mahijibhai Patel* v. *Trikamlal Laxmidas*, I. L. R. 1958 Bom. 1429, *Lahori Lal* v. *Kasturi Lal* (1956) 58 P. L. R. 331, *Rajkumari Kaushalya Devi* v. *Bawa Pritam Singh*, [1960] 3 S. C. R. 570.

Section 5 (1) of the Act enables a debtor to make an application to the tribunal for the adjustment of his debts. The amount due on or secured by a mortgage is a "debt" within the meaning of s. 5 to settle which, an application could be filed and the debt being a secured debt as contemplated by s. 16 (4) the applicants were entitled to have an adjustment in terms of that specified in the proviso to that section.

Under the relevant rules the rehabilitation authorities are directed to take into account the income yeild of the two sets of land and thus the "value" of the land left behind in Pakistan

is reflected in ascertaining the "standard acres". The nature of the land left behind was taken into account and numerical factors were prescribed based on these criteria for ascertaining the equivalent of those lands in India. When the proviso to s. 16 (1) spoke of 'value' it must have had in contemplation the value as determined by the procedure for fixing the same under the relevant rules.

CIVIL APPELLATE JURISDICTION : Civil Appeal No. 594 of 1960.

Appeal by special leave from the judgment and order dated March 6, 1958, of the Punjab High Court in Letters Patent Appeal No. 6 of 1958.

K. L. Gosain, C. L. Sareen and *R. L. Kohli,* for the appellants.

Roop Chand and *Naunit Lal,* for respondent No. 1.

Naunit Lal, for respondent No. 2.

1963. March 13. The Judgment of the Court was delivered by

AYYANGAR J.—The facts necessary to appreciate the points involved in this appeal by special leave against the Judgment of the High Court of Punjab are briefly these. By a registered deed of mortgage dated March 6, 1933 Sham Singh who is respondent No. 2 before us effected an usufructuary mortgage of land measuring 7530 Kanals and 19 Marlas situate in village Mohanpur in the District of Multan (now in Pakistan) to the father of appellants 1 to 3 and to Topan Das—the father of the 4th appellant. The sum secured by the mortgage was Rs. 30,000/-. The stipulation in the mortgage was that the income derived from the properties transferred to the possession of the mortgagees was to be treated as interest on Rs. 10,000/- out of the principal sum and that the balance of Rs. 20,000/- was to carry a sum of

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Rs. 1,650/- per annum as interest. The deed further fixed a term of 10 years beyond which the mortgagee could sue for the recovery of the mortgage-money. Subsequent to the deed of mortgage, about 4 years thereafter, the mortgagor—Sham Singh sold a major portion of the mortgaged property consisting of about 6,568 Kanals of land to Guranditta Ram and others. Out of the consideration for this sale a sum of Rs. 26,500/- was left with the transferee the same being directed to be paid in discharge of the mortgage. The Sale to Guranditta Ram was subject to a pre-emption claim and pre-emptor exercised his rights to obtain that relief. Narain Singh—father of Partap Singh, the 1st respondent—was the pre-emptor and in a suit filed by him he obtained on February 16, 1940 a decree for sale in his favour by virtue of his right of pre-emption and in pursuance of this decree he obtained symbolical possession of the land, the mortagees still containuing to retain the actual possession of the land. The sum of Rs. 26,500/-retained with the vendee under the sale by Sham Singh was not paid over to the mortgagee and thus the entire amount of the mortgage-money remained outstanding.

While things were in this state, the country was partitioned in 1947 and both the mortgagor as well as the mortgagees moved into India and they were "displaced persons". The owners of the property, *viz.*, the original mortgagor—respondent No. 2 Sham Singh and the pre-emptor-vendee were, as displaced persons, allotted agricultural land in India on the basis of their original holdings in Pakistan in pursuance of the relevant rules under the Displaced Persons (Compensation and Rehabilitation) Rules. The appellants as the mortgagees entitled to possession of the lands were in June—July 1950, under these rules put in possession of the properties allotted to both Sham Singh—the original mortgagor—as well as of Pratap Singh—the legal representative

of the deceased pre-emptor (respondent No. 1). The total extent of land of which the respondent had been put in possession was 51 standard acres and 9 units of land made up of 37.4 standard acres as being the property belonging to the pre-emptor-vendee (respondent No. 1) and 14.5 standard acres by virtue of the property allottable to Sham Singh—the original mortgagor (respondent No. 2).

The Union Legislature enacted in November, 1951 the Displaced Persons (Debts Adjustment) Act, 1951 (Act LXX of 1951) which we shall hereafter refer to as the Act, being an Act to make provisions for the adjustment and settlement of debts due by displaced persons. Section 5 of the Act enabled an application to be made by a "displaced debtor" for the adjustment of his debts to a Tribunal—which was defined as meaning "a civil court having authority to exercise jurisdiction under the Act" for the adjustment of the debts due by the applicant. Section 16 made provision for the manner in which debts secured on immovable property due by displaced debtors were to be reduced, settled and adjusted. Sham Singh as well as Pratap Singh made separate applications under s. 5 of the Act seeking to obtain the benefit of the settlement and adjustment provision contained in its s. 16. The two applications were, in view of their having reference to the same mortgage debt, consolidated and were heard together by the Senior Sub-Judge, Karnal who was the relevant Tribunal under the Act. Sevaral objections were raised by the mortgagee—appellants to these applications but they were overruled and the mortgage debt was scaled down under s. 16 and other relevant statutory provisions which were applicable in the manner we shall detail later. An appeal was preferred from this decision to the High Court of Punjab but the same was dismissed by the learned Single Judge. A further appeal under the Letters Patent to a Bench of the High Court was

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dismissed *in limine* and a certificate of fitness being refused, the appellants applied to this Court for special leave and this being granted, the appeal is now before us.

Before we set out the grounds which have been urged before us in support of the appeal it is parhaps convenient that we extract the material portions of some of the provisions of the Act on whose construction the appeal turns. The Act, as we stated, earlier, was enacted *inter alia*, for making provision for adjustment and settlement of debts due by displaced persons. A "displaced debtor" is defined as a displaced person from whom a debt is due or is being claimed (s. 2 (9)). We might add that it is common ground that both the appellant and the respondents are "displaced persons" as defined in the Act. The word 'debt' used in s. 2 (9) is defined in s. 2 (6) thus :

> "2. (6). 'debt' means any pecuniary liability, whether payable presently or in future; or under a decree or order of civil or revenue court or otherwise, or whether ascertained or to be ascertained....."

Section 5 is the first of the sections in Chapter II which is headed 'Debt Adjustment Proceedings'. It reads :

> "5. (1) 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 (2) and (3) of this section specify what the application under sub-s. (1) should contain but

these need not detain us. The next section which is relevant, having regard to the points raised before us, is s. 16 which reads :

"16 (1) Where a debt incurred by a displaced person is secured by a mortgage, charge or lien on the immovable property belonging to him in West Pakistan, the Tribunal may, for the purpose of any proceeding under this Act, require the creditor to elect to retain the security or to be treated as an unsecured creditor.

(2) If the creditor elects to retain the security, he may apply to the Tribunal, having jurisdiction in this behalf as provided in section 10, for a declaration of the amount due under his debt.

(3) Where in any case, the creditor elects to retain his security, if the displaced debtor receives any compensation in respect of any such property as is referred to in sub-section (1), the creditor shall be entitled—

(a) Where the compensation is paid in cash, to a first charge thereon :

Provided that the amount of the debt in respect of which he shall be entitled to the first charge shall be that amount as bears to the total debt the same proportion as the compensation paid in respect of the property bears to the value of the verified claim in respect thereof and to that extent the debt shall be deemed to have been reduced;

(b) where the compensation is by way of exchange of property, to a first charge on the property situate in India so received by way of exchange :

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Provided that the amount of the debt in respect of which he shall be entitled to the first charge shall be that amount as bears to the total debt the same proportion as the value of the property received by way of exchange bears to the value of the verified claim in respect thereof and to that extent the debt shall be deemed to have been reduced.

(4) Notwithstanding anything contained in this section, where a debt is secured by a mortgage of argricultural lands belonging to a displaced person in West Pakistan and the mortgage was with possession, the mortgagee shall, if he has been allotted lands in India in lieu of the lands of which he was in possession in West Pakistan, be entitled to continue in possession of the lands so allotted until the debt is satisfied from the usufruct of the lands or is redeemed by the debtor :

Provided that in either case the amount of the debt shall be only that amount as bears to the total debt the same proportion as the value of the lands allotted to the creditor in India bears to the value of the lands left behind by him in West Pakistan and to that extent the debt shall be deemed to have been reduced.

(5) Where a creditor elects to be treated as an unsceured creditor, in relation to the debt, the provisions of this Act shall apply accordingly."

Section 29 (1) enacts :

"29. (1) On and from the 15th day of August, 1947, no interest shall accrue or be deemed to have accrued in respect of any debt owed by a displaced person, and no Tribunal shall allow

any future interest in respect of any decree or order passed by it :

Provided that—

(a) where the debt is secured by the pledge of shares, stocks, Government securities or securities of a local authority, the Tribunal shall allow for the period commencing from the 15th day of August, 1947, and ending with the date of commencement of this Act, interest to the creditor at the rate mutually agreed upon or at a rate at which any dividend or interest has been paid or is payable in respect thereof, whichever is less ;

(b) in any other case the Tribunal may, if it thinks it just and proper to do so after taking into account the paying capacity of the debtor as defined in section 32, allow, for the period mentioned in clause (a), interest at a rate not exceeding four per cent, per annum simple."

We shall now proceed to detail the points that were urged before us by learned Counsel for the appellant : (1) The first contention raised before us was that Pratap Singh—the representative of the purchaser of the equity of redemption—was not a "debtor" within s. 2 (6), because there was no contractual relationship between him and the displaced creditor *i. e.*, the appellants. The argument was broadly on these lines : Section 2 (6) of the Act defined the word 'debt' and the expression 'debt' is employed in s. 2 (9) as also in s. 5 (1) under which the application giving rise to this appeal was filed. The essence of that definition is that it involves a pecuniary liability on the part of the 'debtor' enforceable by a creditor. Thus it was urged that a mortgagor under a purely

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usufructuary mortgage where there was no personal covenant to repay the loan, could not be said to be a debtor and the amount secured under such a mortgage could not therefore be a "debt" within the definition. The position of a purchaser of the equity of redemption *vis-a-vis* the mortgagee was, learned Counsel urged, similar. He further urged that the fact in the case of a purchaser of the equity of redemption, even if the mortgagee could bring a suit for the recovery of the mortgage-money and in enforcement of that liability the mortgaged property could be sold was not sufficient to make him a debtor as according to him the absence of a personal liability to discharge the obligation out of his other property not under mortgage was the essence of a debtor and creditor relationship under the definition. In support of this submission learned Counsel referred us to two decisions one of the Lahore High Court in *Lachhman Singh* v. *Natha Singh* (1), and the other of the Bombay High Court in *Manubhai Mahijibhai Patel* v. *Trikamlal Lakshmidas* (2), turned on the meaning of the expression 'debt' in the Punjab Relief of Indebtedness Act (Act VII of 1934) and it was held that the amount secured by a pure usufructuary mortgage which neither stipulated for the personal liability of the obligor to pay, nor conferred on the obligee the right to recover the amount by the coercive machinery of law, could not be called a 'debt' in that essence of the concept of 'debt' consisted in the personal liability of the obligor which the obligee was entitled to enforce by action. This decision, even apart from the terms of s. 16 of the Act which in terms includes an usufructuary mortgage in the category of "a debt" for the purposes of the Act, affords little assistance to the appellant before us, because the mortgage of 1933 in favour of the appellant contains a covenant on the part of the mortgagor to repay the debt after 10 years and in consequence the mortgagee was entitled to file a suit

(1) I.L.R. 1941 Lah. 71. (2) I.L.R. 1958 Bom. 1429

for the recovery of his debt and realise it from the sale of the mortgaged property and also obtain a personal decree under O. XXXIV, r. 6 against the mortgagor—Sham Singh—though he might not be entitled to a personal decree against the purchaser of the equity of redemption. The other decision of the Bombay High Court dealt with the construction of the Bombay Agricultural Debtors' Relief Act and the headnote specifies the point decided as being that in the absence of an agreement making a mortgagor personally liable to the mortgagee, a purchaser of the equity of redemption was not entitled to apply under s. 4 of that Act for the adjustment of the mortgage debt, inasmuch as such a mortgage debt was not "his debt" within the meaning of s. 4. This extract sufficiently shows that decision turned wholly upon the definitions contained in the enactment before the court and could not be called in aid as laying down any general propositions of universal application. On the other hand, there is a decision of the High Court of the Punjab in *Lahori Lal* v. *Kasturi Lal* (1), in which the Bench held that a debt as defined in s. 2 (6) of the Act now under consideration was not limited to personal liabilities only.

We consider that the Act has not left the meaning of the expression "debt" where such debt is secured by a mortgage including an usufructuary mortgage, in any manner of doubt, but on the other hand by making specific provision therefore, has put beyond the pale of argument that these are "debts" which could be scaled down under it. We have already extracted s. 16 of the Act which contains the provision for adjustment of debts where these are secured by mortgage on immovable property. As the property which is the security for the mortgagee is situate in West Pakistan sub-s. (1) applies which affords the creditor an option either to retain the security or to be treated as an unsecured creditor.

(1) (1956) 58 P. L. R. 331,

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It is common ground that the appellant desired to retain the security. Sub-section (2) therefore comes into play and enables the creditor to move the Tribunal for a declaration regarding the amount due to him in respect of that mortgage. In the present case the debtor himself having made the application under s. 5, there was no need for any application by the creditor. The reliefs which a creditor might obtain in case of his election to retain the security are set out in sub-ss. (3) and (4), the former being applicable to simple mortgages and the latter where the mortgage is usufructuary *i.e.*, with possession. Sub-section (4) which is relevant to the mortgage debt involved in this appeal runs :

> "(4). Notwithstanding anything contained in this section, where a debt is secured by mortgage of agricultural lands belonging to a displaced person in West Pakistan and the mortgage was with possession, the mortgagee shall, if he has been allotted lands in India in lieu of the lands of which he was in possession in West Pakistan, be entitled to continue in possession of the lands so allotted until the debt is satisfied from the usufruct of the lands or is redeemed by the debtor :—
>
> Provided that in either case the amount of the debt shall be only that amount as bears to the total debt the same proportion as the value of the lands allotted to the creditor in India bears to the value of the lands left behind by him in West Pakistan and to that extent the debt shall be deemed to have been reduced."

It was not disputed that the debt due to the appellant was secured by a mortgage of agricultural

lands and that those lands belonged to a displaced person from West Pakistan. It was also common ground that the mortgage in favour of the appellant was with possession. It ought to be mentioned that it was by virtue of provisions on the lines of the opening words of sub-s. (4) contained in the rules and executive orders which were in force in 1950, that the appellant was put in possession of the 37.4 and 14.5 standard acres belonging respectively to Pratap Singh and Sham Singh. It is therefore very difficult to appreciate the argument urged on behalf of the appellant that the provisions of sub-s. (4) of s. 16 are not attracted to the present case. In the first place the words "and the mortgage is with possession" are perfectly general and therefore apt and comprehensive enough to include not merely usufructuary mortgages in which there is personal convenant on the part of the mortgagor to repay the debt, but also what are usually termed "pure" usufructuary mortgages containing no such personal covenant. There is, therefore, no scope for the argument based on the analogy of other enactments in which the word 'debt' has been construed as indicating the necessity for a personal liability or an obligation to repay on the part of the debtor. Having regard to the terms of s. 16 (4) the security being by way of usufructuary mortgage and the right of a debtor to redeem are sufficient to enable the beneficient provisions of the section being attracted. It is only necessary to add that what might have been apparent from what we have said earlier, *viz.*, (1) that the point based upon the definition of a 'debt' in s. 2 (6) is wholly inapplicable to the case of Sham Singh since the mortgage itself contained a personal convenant and (2) that even in regard to Pratap Singh, the other applicant, the contention has a very limited application since having regard to the personal covenant the mortgagee had a right to sue for the enforcement of his mortgage and recover the money from the sale of the mortgaged property. So

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that apart even from the terms of s. 16 (4) the liability under the mortgage in favour of the appellant would squarely fall within the definition in s. 2 (6). The matter is, however, put beyond the range of controversy by the specific provision in regard to all usufructuary mortgages by s. 16 (4) of the Act. In this connection we might refer to the decision of this Court in *Rajkumari Kaushalya Devi* v. *Bawa Pritam Singh* (1), where it was ruled that a mortgage-debt was within the definition of the word 'debt' in s. 2 (6) of the Act. No doubt, that case was not concerned with the distinction between cases where the creditor has a right to proceed personally against the debtor and cases where he has not, as in the case of a pure usufructuary mortgage, but the decision is useful as indicating that the expression 'pecuniary liability' in s. 2 (6) has to be understood not in isolation but with reference to other provisions of the Act and particularly s. 16. We are, therefore, clearly of the opinion that every usufructuary mortgage whatever its nature, is within the definition of 'debt' under the Act for the purpose of scaling down under s. 16 and that it is wholly immaterial whether or not the creditor is entitled to proceed personally against the debtor and recover the amount of the mortgage.

(2) The next contention urged by the learned Counsel has been less substance than the one we have just disposed of. It was said that the liability under a mortgage debt could be scaled down and adjusted under the Act only in a suit for redemption filed by the creditor and that it was incompetent for a debtor to invoke the jurisdiction of the Tribunal to effect the scaling down and adjustment by an application under s. 5. We do not consider that this argument merits serious consideration. Section 5 (1) of the Act which we have extracted enables a "debtor" to make an application to the tribunal for the adjustment of his debts. In view of what we have stated

(1) [1960] 3 S.C.R. 570.

earlier the amount due on or secured by the mortgage is a "debt" within the meaning of s. 5 to settle which an application could be filed and the debt being a secured debt answering to the description contained in the main part of s. 16 (4), the applicants were entitled to have an adjustment in terms of that specified in the proviso to that section. Though this point about the *locus standi* of the respondent-debtors to file the application has been persisted in by the appellants at every stage of these proceedings, we consider that there is no merit in it and it has to be rejected on the plain terms of s. 5 read with s. 16.

(3) The third and last objection urged by the learned Counsel turns on the language of the proviso to s. 16 (4) which we shall extract once again :

> "Provided that in either case the amount of the debt shall be only that amount as bears to the total debt the same proportion as the value of the lands allotted to the creditor in India bears to the value of the lands left behind him in the West Pakistan and to that extent the debt shall be deemed to have been reduced."

Learned Counsel pointed out that the scaling down effected in the present case was on the following basis. The total mortgage-debt under the mortgage deed was computed at Rs. 51,700/-calculating interest as permitted by the relevant statutory provisions and taking into account s. 29 which we have already extracted. The correctness of this figure was not disputed. The quarrel of learned Counsel was in regard to what follows and that is stated in the order of the Tribunal which has been confirmed by the appellate Court in these terms :

> "The total mortgaged land now belonging to the petitioner (Pratap Singh) and respondent No. 5 (Sham Singh) has been assessed as

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equivalent to 359 standard acres 14-3/4 units (329 standard acres 13-3/4 units of the petitioner plus 22 standard acres 6-1/2 units of the respondent No. 5) and in lieu thereof the mortgagors have been given in all 51 standard acres 9 units (37.4 to the petitioners and 14.5 to the respondent No. 5). As provided under s. 16 (4) of the Act the amount of the debt payable to respondents 1 to 4 has been reduced in the same proportion in which the land has been allotted to the mortgagors. For the land belonging to them the mortgage debt amounting to Rs. 51,700/- when reduced to this proportion comes approximately to Rs. 7,420/-."

It is this reduction that learned Counsel complains as not justified by the proviso. The argument is that under the proviso to s. 16 (4) the reduction of the debt has to bear the same proportion as "the value of the lands" allotted to the creditor in India bears to "the value of lands" left by him in Pakistan. "Value", learned Counsel says, means market value. It is urged that value of neither of the lands was computed on that basis but that the Tribunal took into account merely the proportion between the two extents or areas *i.e.*, the standard acres left in Pakistan compard to the standard acres allotted in India in lieu thereof. This contention that the procedure adopted does not accord with the requirements of the proviso has been rejected by all the Courts and, in our opinion, correctly. The fallacy in the argument of learned Counsel consists in ignoring the fact that in computing the standard acres left by a displaced person in Pakistan the rehabilitation authorities are, under the relevant rules and instructions, directed to take into account the income yield of the two sets of lands and thus the "value" of the land left behind is reflected in ascertaining the "standard acres." Thus though market value in the sense of what a willing purchaser would pay for the

land left behind was not ascertained—it was obviously not practicable to ascertain it—the rules etc., made sufficient provision for such a valuation to be reflected in the computation of the area to be allotted instead. The nature of the land left behind—whether it was canal-irrigated, well-irrigated or dry or merely rain-fed—was taken into account and numerical factors were prescribed based on these criteria for ascertaining the equivalent of those lands in India. It was after such a computation was made that the 7531 Kanals and odd of land which belonged to the respondents was equated to 359 and odd standard acres. If therefore 359 standard acres were the equivalent in value of the land left behind, regard being had to the circumstances we have indicated, there cannot be any complaint that there has been a departure from the method of adjustment specified in the proviso to s. 16 (4) when the debt as ascertained and computed in accordance with s. 29 of the Act and other relevant statutory provisions was scaled down under s. 16 (4) by multiplying it by 51/359, or 1/7 th. We are further of the opinion that when the provision in proviso to s. 16 (1) spoke of "value" it must have had in contemplation the value as determined by the procedure for fixing the same under the relevant rules for the computation of equivalents of property of displaced persons left behind in Pakistan and the allotment of evacuee property to them in India. There is no substance, therefore, in this point either. These were the only points urged before us. The appeal fails and is dismissed with costs.

Appeal dismissed.