



The East Punjab Refugees Rehabilitation (Loans and Grants) Act, 1948

Act 2 of 1948

Keyword(s):
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THE EAST PUNJAB REFUGEES REHABILITATION (LOANS AND GRANTS) ACT, 1948.

(East Punjab Act No. II of 1948)¹.

[Received the assent of His Excellency the Governor of East Punjab on the 17th March, 1948, and was published in the East Punjab Government Gazette (Extra.), dated the 20th March, 1948].

Amended, repealed or otherwise affected by,—

(i) East Punjab Act No. XXXI of 1948².

(ii) East Punjab Act No. XXV of 1949³.

1. For Statement of Objects and Reasons, see East Punjab Government Gazette (Extra.), dated the 3rd March, 1948, p. 153. This Act applies only to merged areas by virtue of sec. 88 of the Punjab Re-organisation Act, 1966.

2. For Statement of Objects and Reasons, see East Punjab Gazette, (Extra.), 1948, p. 620.

3. For Statement of Objects and Reasons see East Punjab Government Gazette (Extra.), 1949, p. 1063-64.

- (iii) Punjab Act No. III of 1950¹.
- (iv) Punjab Act No. XVI of 1950².
- (v) Adaptation of Laws Order, 1950.
- (vi) A.O. 1968, published in R.H.P., dated the 1st February, 1969, p. 158—161.
- (vii) A.O. 1973, published in R.H.P., Extra., dated the 20th January, 1973, p. 91—112.

It is hereby enacted as follows:—

1. **Short title and extent.**—(1) This Act may be called the East Punjab Refugees Rehabilitation (Loans and Grants) Act, 1948.

(2) It extends to ³[the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966].

2. **Definitions.**—In this Act, unless there is anything repugnant in the subject or context,—

- (a) “borrowers” or “grantee” means an individual, company or ⁴[group, co-operative society or other] association or body of individuals, whether incorporated or not to whom or to which a loan or a grant, as the case may be, has been made under this Act;
- (b) “Company” means a company as defined in the Indian Companies Act, 1913 (VII of 1913)⁵;
- (c) “Controlling Authority” means the authority competent to sanction a loan or make a grant under the power conferred by this Act;
- ⁴[(cc) “Co-operative society” means a society registered under the Co-operative Societies Act (II of 1912)⁶, all the members of which are refugees ;]

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- 1. For Statement of Objects and Reasons, see Punjab Government Gazette (Extra.), 1950, p. 164.
 - 2. For Statement of Objects and Reasons, see Punjab Gazette (Extra.), 1950, p. 832-833.
 - 3. Subs. for the words “the State of Punjab” by A.O. 1968. The words ‘State’ and ‘Punjab’ were respectively subs. for ‘Province,’ and ‘East Punjab’ by Adaptation of Laws Order, 1950.
 - 4. Ins. by East Punjab Act No. XXV of 1949, sec 2 (a) ; 2 (b).
 - 5. Now the Companies Act, 1956.
 - 6. Now the H.P. Co-operative Societies Act, 1968 (3 of 1969).

(d) "Financial Commissioner" means the Financial Commissioner, Rehabilitation, appointed under this Act ;

¹[(e) "Deputy Commissioner" means the Deputy Commissioner of the District and includes an Additional Deputy Commissioner or any other officer authorised by the ²[State Government] to discharge the functions of the Deputy Commissioner under the Act;]

³[(ee) "group" means a combination of not less than four refugees, not two of them belonging to the same family, who enter into a partnership for the purpose of engaging in a business, industry or profession;]

(f) "prescribed" means prescribed by rules made under this Act; and

⁴[(g) "refugee" means a person ordinarily resident or owning property prior to 1st of March, 1947, in the territories now comprised in Western Pakistan and who has left the said territories on account of civil disturbances or the fear of civil disturbances and is for the time being resident in ⁵[the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966;]

³[(h) "Registrar" means the Registrar, Co-operative Societies, Rehabilitation, appointed under this Act].

3. **Controlling Authority.**—(1) For the purpose of making loans and grants to refugees for their rehabilitation, the ²[State Government] may appoint a Financial Commissioner, Rehabilitation ³[and a Registrar, Co-operative Societies, Rehabilitation] for the territories to which this Act extends ⁶[" * * * "] and may by general or special order provide for the distribution or allocation of the work to be performed by them under this Act or the rules framed thereunder.

1. Subs. for the old clause by Punjab Act, XVI of 1950, sec. 2. The original clause had been amended by East Punjab Act, XXV of 1949, sec. 2(c).

2. Subs. for "Central Government" (which was subs. for "State Government" by A.O. 1968) by A.O. 1973.

3. Ins. by East Punjab Act No. XXV of 1949, sec 2 (d); 2(e)

4. Subs. for the old clause by East Punjab Act No. XXXI of 1948, sec. 2.

5. Subs. by A.O. 1968, for the word "Punjab" which was subs. for the words "East Punjab" by Adaptation of Laws Order, 1950.

6. The words "and either by name or designation, Deputy Commissioners, Rehabilitation, for such local areas as may be prescribed" omitted by East Punjab Act, XXV of 1949, sec. 3(a)(ii).

(2) The Financial Commissioner, (the Registrar)¹ or a Deputy Commissioner may with the sanction of the ²[State Government] delegate any of his functions to any officer of the ³[Government] whether by name or designation .

4. Limits of loans and grants. ⁴[(1) The amount of grant which may be made to a refugee under this Act shall not exceed Rs. 500.

(2) The amount of loan which may be made to a refugee, a group and a co-operative society under this Act shall not exceed Rs. 5,000, Rs 20,000 and Rs. 25,000, respectively].

5. Procedure for sanctioning loans and grants.—(1) Any refugee ⁵[or group] may submit to the Deputy Commissioner, within the local limits of whose jurisdiction ⁶[the refugee, or, as the case may be, a member of the group resides or intends to carry on] business or profession, an application in the prescribed form, supported by an affidavit, stating the amount of loan or grant desired ⁷[* * * * *], the purpose for which it is desired and the manner in which the repayment of the loan, if granted ⁸[* * * * *] is proposed.

(2) The Deputy Commissioner, if satisfied that the applicant is a refugee, may:—

(a) if the application is for a grant of a sum not exceeding Rs. 250 or for a loan of a sum not exceeding Rs 2,000, sanction the loan or the grant, as the case may be, to the extent of the amount stated in the application, or any lesser amount as he may consider fit ;

(b) if the application is for a grant of a sum exceeding Rs. 250 or for a loan of a sum exceeding Rs. 2,000 forward it⁹ alongwith his recommendations as to the amount for which it may be sanctioned, to the Financial Commissioner.

⁹[(2-A) The Deputy Commissioner, if satisfied that the individuals constituting a group are all refugees, may—

(a) if the application is for a loan not exceeding Rs 1,000 per member of the group and not exceeding Rs. 10,000 for the group, sanction the loan to the extent of the amount stated in the application or any lesser amount as he considers fit, and

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1. Ins. by East Punjab Act No. XXV of 1949, sec. 5(a)(i).
 2. Subs. for "Central Government", (which was subs. for "State Government" by A.O. 1968) by A.O. 1973.
 3. Subs. for the word "crown" by Adaptation of Laws Order, 1950.
 4. Subs. for the old section by East Punjab Act No. XXV of 1949, sec. 4.
 5. Ins. by East Punjab Act XXV of 1949, sec. 5(a)(i).
 6. Subs. for the words "he resides or intends to carry on his" by East Punjab Act No. XXV of 1949, sec. 5(a)(ii).
 7. The words "by him" omitted by East Punjab Act No XXV of 1949, sec. 5(a)(iii).
 8. The words "to him" omitted by ibid.
 9. Ins. by ibid, sec. 5(b).

- (b) if the application is for a loan exceeding Rs. 1,000 per member of the group or exceeding Rs. 10,000 for the group, forward it along with his recommendations as to the amount for which it may be sanctioned, to the Financial Commissioner.

(2-B)(a) Any co-operative society may submit to the Registrar an application in the prescribed form, supported by an affidavit, stating the amount of loan desired, the purpose for which it is desired and the manner in which the repayment of loan, if granted, is proposed.

(b) The Registrar may—

- (i) if the application is for a loan not exceeding Rs. 1,000 per member of the co-operative society and not exceeding Rs 10,000 for the co-operative society as a whole, sanction the loan to the extent of amount stated in the application, or any lesser amount as he considers fit, and
- (ii) if the application is for a loan exceeding Rs. 1,000 per member of the co-operative society or exceeding Rs 10,000 for the co-operative society as a whole, forward it along with his recommendation as to the amount for which it may be sanctioned, to the Financial Commissioner].

(3) The Deputy Commissioner may, after consulting such authorities, if any, as the ¹[State Government] may prescribe, specify the conditions on which any loan or grant sanctioned by him is made, and, in the case of a loan specify the instalments by which it is to be repaid.

(4) The Financial Commissioner may after consulting such authorities, if any, as the ¹[State Government] may in this behalf prescribe, either reject the application or accept it in whole or in part, and may specify the conditions on which the loan or grant is to be made, and in the case of a loan, specify the instalments in which it is to be repaid;

²[Provided that in the case of a loan to a co-operative society the amount sanctioned shall not exceed Rs. 2,000 per member of the society].

1. Subs. for the expression "Central Government" (which was subs. for "State Government" by A.O. 1968) by A.O. 1973. The word "State" was subs. for "Provincial" by Adaptation of Laws Order, 1950.

2. Ins. by East Punjab Act No. XXV of 1949, sec. 5(c).

¹[(5-A) (1) Notwithstanding anything contained in the last preceding section the Financial Commissioner may entertain direct from any individual refugee or group an application in the prescribed form supported by an affidavit stating the amount of loan desired, and the manner in which repayment of loan if granted, is proposed.

(2) The Financial Commissioner if satisfied that the applicant is a refugee may, after consulting such authorities, if any, as the ²[State Government] may, in this behalf prescribe sanction the loan to the extent of the amount stated in the application under sub-section (1) or any lesser amount as he may consider fit].

6. Security for repayment of loans.—(1) When an application for loan has been sanctioned, the applicant shall execute a bond in the prescribed form undertaking to apply the money lent to the purpose or purposes for which, and to fulfil the conditions on which the application has been sanctioned.

(2) For a loan not exceeding Rs. 2,000 the applicant shall furnish one surety and for loans exceeding Rs. 2,000 two sureties, and the person and property of the applicant as well as the surety or the sureties, as the case may be, shall be liable for the repayment of the loan with interest and costs, if any, incurred in making or recovering the loan:

Provided that the Controlling Authority may in any case exempt the applicant from furnishing a surety or sureties, as the case may be.

(3) When the application has been made by a ³[Co-operative Society], firm or company, the bond shall be executed by a duly authorised representative thereof and the bond shall thereupon be deemed binding on the said ³[Co-operative Society], firm or company and the property of the said ³[Co-operative Society], firm or company shall be liable for the repayment of the loan in the same manner as if the loan had been granted to an individual.

⁴[(3-A) When the application has been made by a group, the bond shall be executed by all the members of the group and the bond shall thereupon be deemed binding on all the members of the group jointly and severally and the property of the said group and of all the members of the group shall be liable for the repayment of the loan].

1. Added by Punjab Act III of 1950, sec. 2.

2. Subs. for the expression "Central Government" (which was subs. for "State Government" by A.O. 1968) by A.O. 1973. The word "State" was subs. for "Provincial" by Adaptation of Laws Order, 1950.

3. Ins. by East Punjab Act No. XXV of 1949, sec. 6(a).

4. Added by East Punjab Act No. XXV of 1949, sec. 6(b).

(4) Any plant or machinery which the borrower purchases with or with the aid of the loan advanced to him shall, until the loan be repaid in full, remain the sole and absolute property of the ¹[State Government] and any transfer thereof or assignment of any right, title or interest therein or the creation of any mortgage, encumbrance or any other charge thereon by the borrower, shall be void against the ¹[State Government], unless it has been made with the previous written consent of the Controlling Authority.

²[(5) Any plant or machinery such as is referred to in the last preceding sub-section, and the stock in trade of the borrower purchased with or with the aid of the loan advanced to him shall until the loan be repaid in full, not be liable to attachment or sale in the execution of a decree or order of any court].

7. Agreement to be executed by grantee.—When the application for a grant has been accepted, the applicant shall execute a bond in the prescribed form undertaking to apply the money to the purpose or purposes for and to fulfil the conditions in which the grant was made and shall undertake that if it is not used for such purposes or if there is any breach of such conditions, the amount of the grant shall be realisable as if it was a loan made under section 5 of this Act.

8. Loan how repayable.—The loan, together with all interest due thereon, if any, shall, except as provided in any bond executed by the borrower be repayable by annual instalments for a period of ³[six] years ;

Provided that except as specified in the bond executed by the borrower the repayment of instalments and interest shall commence ⁴[twenty-four] months after the date of disbursement of the loan.

⁵[Provided further that the period of repayment of loan in deserving cases may be extended beyond the period of six years without affecting the terms and conditions of loans already advanced in respect of which bonds have been executed].

1. Subs. for the expression "Central Government" (which was subs. for "State Government" by A.O. 1968) by A.O. 1973. The word "State" was subs. for "Provincial" by Adaptation of Laws Order, 1950.

2. Added by East Punjab Act XXXI of 1948, sec. 3.

3. Subs. for the word "seven" by East Punjab Act XXV of 1949, sec. 7.

4. Subs. for the word "twelve" by *ibid*

5. Added by *ibid*