



## **The Madhya Pradesh Indian Contract (Amendment) Act, 1938**

Act 15 of 1938

**Keyword(s):**

Central Act Amendment, Indian Contract Act, Maintainer, Champertous Agreement

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THE MADHYA PRADESH INDIAN CONTRACT  
(AMENDMENT) ACT, 1938

No. 15 of 1938

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THE MADHYA PRADESH INDIAN CONTRACT  
(AMENDMENT) ACT, 1938

(No. 15 OF 1938)<sup>1</sup>

(Published in the Central Provinces and Berar Gazettee,  
dated the 22nd July, 1938)

An Act to amend the Indian Contract Act, 1972, in its  
application to the (Madhya Pradesh.)

WHEREAS it is expedient to provide for the setting aside of  
champertous agreements and to amend the Indian Contract  
Act, 1872 (IX of 1872) for that purpose;

It hereby enacted as follows:—

1. This Act may be cited as the [Madhya Pradesh]<sup>2</sup> Indian  
Contract (Amendment) Act, 1938.

2. After section 19-A of the Indian Contract Act, 1872  
(IX of 1872), the following section shall be deemed to be inserted,  
namely:—

“19-B. (a) ‘Maintainer’ means a person, who gives assistance  
or encouragement to one of the parties to a suit or proceeding  
and who has neither an interest in such suit or proceeding nor  
any other motive recognised by law as justifying his interference.

(b) ‘Champertous agreement’ means an agreement whereby  
the nominal plaintiff agrees with the maintainer to share with  
or give to him a part of whatever is gained as the result of the  
suit maintained.

19-C. A champertous agreement may be set aside upon such  
terms and conditions as the court may deem fit to impose.”

Short title.

Insertion of sections 19-B  
and 19-C/in Act IX of  
1872.

Definitions of maintainer  
and Champertous agree-  
ment.

Power to set aside cha-  
mpertous agreement.

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1. For Statement of Objects and Reasons, see Central Provinces and Berar Gazette, dated the 3rd December 1937, Part II, page \*986. For Report of the Select Committee, see Central Provinces and Berar Gazette, dated the 28th January, 1938, Part II, page 59. For Proceedings in Assembly, see Central Provinces and Berar Legislative Assembly Proceedings, 1937, Volume II, pages 101 to 109 and *ibid*, 1938, Volume III, page 781.
  2. Subs. by M. P. Act 23 of 1958, S. 3 (4) for “Central Provinces and Berar”