



The Madhya Pradesh Refugees Rehabilitation (Loan) Act, 1949

Act 19 of 1949

Keyword(s):

Borrower, Displaced Person, Person in Industry, Refugee, Loans for Rehabilitation

DISCLAIMER: This document is being furnished to you for your information by PRS Legislative Research (PRS). The contents of this document have been obtained from sources PRS believes to be reliable. These contents have not been independently verified, and PRS makes no representation or warranty as to the accuracy, completeness or correctness. In some cases the Principal Act and/or Amendment Act may not be available. Principal Acts may or may not include subsequent amendments. For authoritative text, please contact the relevant state department concerned or refer to the latest government publication or the gazette notification. Any person using this material should take their own professional and legal advice before acting on any information contained in this document. PRS or any persons connected with it do not accept any liability arising from the use of this document. PRS or any persons connected with it shall not be in any way responsible for any loss, damage, or distress to any person on account of any action taken or not taken on the basis of this document.

THE MADHYA PRADESH REFUGEES REHABILITATION
(LOANS) ACT, 1949

(No. 19 of 1949)

TABLE OF CONTENTS

Preamble

Sections

Page

1. Short title and extent.	
2. Definitions.	
3. Chief Administrator and Controlling Authorities.	231
4. Limit of loans.	231
5. Procedure regulating grant of loans.	232
6. Security for repayment of loans.	233
7. Returns.	233
8. Inspection and supply of information.	234
9. Powers to call for repayment before agreed period.	234
10. Appeal.	234
11. Mode of recovery.	234
12. Postponement of realization of loan or instalment.	234
13. Application of sections 6(2), 7, 8, 9, 10, 11 and 12 to loans granted before the 18 th day of January, 1949.	235
14. Protection of action taken under the Act.	235
14-A. Bar of Jurisdiction of Court.	236
15. Power to make rules.	236
16. Repeal and Saving.	236

THE MADHYA PRADESH REFUGEES REHABILITATION
(LOANS) ACT, 1949

(No. 19 of 1949)¹

(Received the assent of the Governor - General on the 12th April 1949; assent first published in the "Central Provinces and Berar Gazette" Extraordinary on the 12th April 1949.)

An Act to provide for loans [.. ..]²
by the [State Government]³ to refugees for their rehabilitation.

Preamble.

Whereas it is expedient to provide for loans[. . .]²
to refugees for their rehabilitation,

It is hereby enacted as follows :—

1. (1) This Act may be cited as the [Madhya Pradesh]⁴
Refugees Rehabilitation (Loans) Act, 1949.

[(2) It extends to and shall be in force in the whole of
Madhya Pradesh.]⁵

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

(a) "borrower" means an individual, company or asso-
ciation or body of individuals whether incorpo-
rated or not, to whom or to which a loan has been
advanced under this Act [and includes his heirs,
successors and assigns ;]⁶

(b) "Chief Administrator" means an officer appoin-
ted as such by the State Government;

(c) "company" means a company as defined in the Indian
Companies Act, 1913 (VII of 1913);

(d) "Controlling Authority" means the authority which
makes a loan under the powers conferred by this
Act;

[(dd) "displaced person" means a person displaced from
the territories now comprised in East Pakistan who
is resettled in Madhya Pradesh on or after the 1st
day of April, 1957 under any scheme of resettlement
of displaced persons sanctioned by the Central
Government or the State Government;

1. For Statement of Objects and Reasons, see Central Provinces and Berar Gazette, 1949, Part II, page 36; for discussion, see Central Provinces and Berar Legislative Assembly Proceedings, 1949, Vol. VII, pages 69 and 70, dated the 23rd March 1949.

2. Words "of money" omitted by M. P. Act 1 of 1961, S. 2.

3. Subs. by A. O. 1950, for "Provincial Government".

4. Subs. by M. P. Act 23 of 1958, S. 3 (4), for "Central Provinces and Berar".

5. Subs. by S. 3 (3), Part A, Sch., item 58, *ibid.*

6. Added by M. P. Act 1 of 1961, S. 3 (i).

Short title and extent.

Definitions.

THE MADHYA PRADESH REFUGEES REHABILITATION
(LOANS) ACT, 1949

- (ddd) "loan" means a loan granted or deemed to have been granted under the provisions of this Act, in cash or in kind or partly in cash and partly in kind;]¹
- (e) "person in industry" means any person engaged or who intends to engage whether as owner or as worker and whether whole-time or part-time, in any industrial business or enterprise or undertaking conducted either by an individual or by a company, association or body of individuals whether incorporated or not;
- (f) "perscribed" mean prescribed by rules made under this Act;
- (g) "refugee" means a person d] placed from the territories now comprised in [.. .. .]² Pakistan who is for the time being resident in [Madhya Pradesh]³ and who has been registered in accordance with section 3 of the Central Provinces and Berar Refugees Registration [and Movement]⁴ Act, 1947, [an includes a displaced person.]⁵

Chief Administrator
and Controlling
Authorities.

3. (1) There shall be a Chief Administrator for the [State]⁶ and such number of Controlling Authorities under him as may be appointed by the State Government.

(2) The Controlling Authorities shall exercise jurisdiction over such areas as the State Government may, by notification, specify.

(3) The State Government may make rules for the distribution or allocation of work to be performed by the Chief Administrator and the Controlling Authorities and the manner in which the powers conferred and the duties imposed upon them shall be exercised and discharged.

(4) The Chief Administrator shall have powers of supervision, direction and control over the Controlling Authorities.

-
1. Ins. by M. P. Act 1 of 1961, S. 3 (ii)
 2. Word "West" omitted by M. P. Act 44 of 1950, S. 2 (i).
 3. Subs. by M. P. Act 23 of 1958, S. 3 (3) Part A, Sch., item 58, for "Mahakoshal region".
 4. Ins. by M. P. Act 44 of 1950, S. 2 (ii).
 5. Subs. by M. P. Act 1 of 1961, S. 3 (iii), for "before the 1st October 1948, or such extended date as the State Government may notify in that behalf in the Gazette in respect of all or any class of refugees".
 6. Subs. by A. O. 1950, for "Province".

4. The amount of loan which may be advanced to a refugee under this Act shall not exceed such limit as may be fixed by the State Government by notification from time to time.

Limit of loans.

5. (1) Any refugee may submit to the Controlling authority within the local limits of whose jurisdiction he resides or intends to carry on his business or profession, an application on the prescribed form, supported, by an affidavit by him stating the amount of loan desired, the purpose for which it is desired and the manner in which he proposes to repay the loan, if granted to him.

Procedure regulating grant of loans.

(2) A Controlling Authority, subject to any general or special orders of the Chief Administrator, may grant loan to such extent and in such manner as may be prescribed.

(3) The Controlling Authority shall, when granting any loans, specify the conditions on which the same is made and the instalments in which it is to be repaid.

6. (1) As soon as may be after an application for loan has been sanctioned, the applicant, and, if the applicant is a firm or company, a duly authorized representative thereof shall execute a bond in the prescribed form under taking to apply the [loan]¹ for the purpose or purposes for which, and to fulfill the conditions on which, the application has been sanctioned.

Security for repayment of loans.

(2) The assets created from the loan shall, notwithstanding any law or usage to the contrary, be deemed to be mortgaged or hypothecated, as the case may be to the Chief Administrator for the repayment of the loan together with the interest thereon if any, and the amount of the loan and the interest thereon shall be first charge on such assets.

[(3) Subject to the provision of subsection (2), the borrower shall not without the prior approval of the controlling authority, mortgage, convey or otherwise transfer any of his interests in the whole or any part of assets acquired with the loan, and any mortgage, conveyance or other transfer without such approval shall be void as against the State Government:

Provided that nothing in this sub-section shall affect the borrower's right to sell such articles of his stock-in-trade as are meant for sale to customers in the normal course of business.]²

7. The controlling Authority may require any borrower to furnish such returns, at such times and in such manner as he may by general or special order specify.

Returns.

1. Subs. by M. P. Act 1 of 1961, S. 4 (i), for "money left".

2. Ins. by M. P. Act 1 of 1961, S. 4 (ii).

Inspection and supply
of information.

8. The borrower shall be bound—

- (a) to comply with any general or special order of the Controlling Authority relating to the inspection of the premises, buildings, machines and stock in hand purchased or hired by the borrower with the aid of the loan, advanced to him; and
- (b) to furnish any information which the aforesaid authority may require relative to the purpose or purposes for which the loan was advanced, and the manner in which the loan has been or is being utilised.

Powers to call for
repayment before agreed
period.

9. (1) Notwithstanding any agreement to the contrary, the Controlling Authority may, after serving by post a notice on the borrower and considering any representation, which the borrower may make within seven days from the date of the receipt of the notice, order any borrower forthwith to repay in full with interest thereon any loan borrowed from it,—

- (a) if the borrower fails to comply with an order under section 7, or section 8, or if it appears to the Controlling Authority that false or misleading information in any material particular was given by the borrower for obtaining the loan or while furnishing any information under section 7 or section 8; or
- (b) if the borrower has failed to comply with the terms of the bond with the Controlling Authority in the matter of the loan; or
- (c) if there is a reasonable apprehension that the borrower is unable to pay his debts or that insolvency proceeding or proceedings for liquidation may be commenced against him; or
- (d) if for any other reason it is necessary in the opinion of the Controlling Authority to protect the interests of the State Government.

(2) A copy of the order shall be served on the borrower.

Appeal.

10. Within thirty days from the service of the order under section 9, the borrower may appeal to the State Government and the decision of the State Government thereon shall be final.

Mode of recovery.

11. If the amount of loan or any instalment thereof or interest therein which is due, in accordance with the terms of the bond or under the provisions of section 9, has not been repaid the Controlling Authority may,—

- (a) without prejudice to any other remedy provided by law, recover such loan, instalment or interest as arrears of land revenue, or
- (b) take charge of the business or industry of the borrower on such terms and conditions as it may [deem fit; or]¹
- [(c) take over, in whole or in part, the assets acquired with loan on such terms and conditions as may be determined by the State Government.]²

12. Notwithstanding anything contained in this Act, the State Government may either of its own motion or on the recommendation of the Controlling Authority or Chief Administrator, postpone the realization of any loan or instalment thereof, or write off the same.

Postponement of realization of loan or instalment.

13. (1) Every loan granted by the State Government to a [refugee other than displaced person]³ for his rehabilitation before the commencement of the Central Provinces and Berar Refugees Rehabilitation (Loan) Ordinance, 1949 (I of 1949), shall be deemed to be a loan granted under this Act and the provisions of [sub-sections (2) and (3)]⁴ of section 6 and sections 7,8,9,10,11 and 12 of this Act shall apply to such loan as they apply to a loan granted under this Act.

Application of sections 6 (2), 7, 8, 9, 10, 11 and 12 to loans granted before the 18th day of January, 1949.

(2) Every loan granted by or under the provisions of the Central Provinces and Berar Refugees Rehabilitation (Loans) Ordinance, 1949 (I of 1949), shall be deemed to be a loan granted under this Act.

[(3) Every loan granted by the State Government to a displaced person on or after the 1st day of April, 1957 but prior to the commencement of the Madhya Pradesh Refugees Rehabilitation (Loans) Amendment Act, 1960 (No. 1 of 1961), under any scheme of resettlement of displaced persons sanctioned by the Central or the State Government shall be deemed to be a loan granted under this Act and the provisions of sub-sections (2) and (3) of the section 6 and of sections 7,8,9,10,11, and 12 shall apply to such loan as they apply to a loan granted under this Act.]⁵

14. No prosecution, suit or other proceedings shall lie against any Government officer or other authority vested with powers under this Act for any thing in good faith done or intended to be done thereunder.

Protection of action taken under the Act.

-
1. Subs. by M. P. Act 1 of 1961, S. 5 (i), for "deem fit".
 2. Ins. by S. 5 (ii), *ibid.*
 3. Subs. by S. 6 (i) (a), *ibid.*, for "refugee".
 4. Subs. by M. P. Act 1 of 1961, S. 6 (i) (b), for "sub-section (2)".
 5. Ins. by S. 6 (ii), *ibid.*

Bar of Jurisdiction of
Court.

[14-A. No order made by the Chief Administrator, Controlling Authority or the State Government in exercise of any power conferred by or under this Act shall be called in question in any Court.]¹

Power to make rules.

15. (1) The State Government may make rules consistent with this Act for the carrying out of all or any of its purposes.

(2) In particular and without prejudice to the generality of the foregoing power, the State Government may make rules regulating or determining all or any of the following matters, namely :—

- (i) the class of refugees to which a particular scheme of loans shall apply;
- (ii) the object for which loans shall be given;
- (iii) the form of application to be made and the bond to be executed in respect of loans;
- (iv) the principles on which loans shall be advanced, the extent and manner of granting a loan and the interest to be charged;
- (v) the machinery for checking the proper utilisation of the loans;
- (vi) the procedure for the realization of loans and the fixation of instalments;
- (vii) the form of notice to be given or declarations to be made by Controlling Authority.

Repeal and Saving.

16. (1) The Central Provinces and Barar Refugees Rehabilitation (Loans) Ordinance, 1949 (1 of 1949), is hereby repealed.

(2) Notwithstanding the repeal of the said Ordinance things done and action taken by any authority by or under the provisions of the said Ordinance shall be deemed to have been done and taken under this Act.