

**THE UNITED PROVINCES REFUGEES
REHABILITATION (LOANS) ACT, 1948**

[U. P. ACT No. XXVIII of 1948]

Amended by

[U. P. ACT No. XXXIII of 1951]

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THE UNITED PROVINCES REFUGEES REHABILITATION
(LOANS) ACT, 1948¹

[U. P. ACT No. XXVIII of 1948]

Amended by

[U. P. ACT No. XXXIII of 1951]

[Passed by the United Provinces Legislative Assembly on April 30, 1948, and by the United Provinces Legislative Council on May 7, 1948.]

[Received the assent of the Governor General on June 14, 1948, under section 76 of the Government of India Act, 1935, as adapted by the India (Provisional Constitution), Order, 1947, and was published in the United Provinces Gazette Extraordinary, dated June 16, 1948.]

**AN
ACT**

*to provide for loans of money by the Provincial Government to
refugees for rehabilitation*

**WHEREAS it is expedient to make provision for advancing
loans of money to refugees for rehabilitation and for realizing the
same ;**

It is hereby enacted as follows :

**Short title,
extent, and
commencement**

1. (i) This Act may be called the United Provinces Refugees Rehabilitation (Loans) Act, 1948 ;

(ii) It extends to the whole of the United Provinces.

(iii) It shall come into force at once.

Definition

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

(a) “borrower” means an individual, company or association or body of individuals, whether incorporated or not, to whom or to which a loan has been advanced under this Act ;

(b) “company” means a company as defined in the Indian Companies Act, 1913 ;

(c) “controlling authority” means the Collector of the district concerned and includes any officer authorized by the Provincial Government to grant a loan under this Act ;

(d) “Chief Administrator” means the Provincial Refugee Commissioner United Provinces, and includes any other officer appointed by the Provincial Government to perform the duties of Chief Administrator under this Act ;

(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

1. For Object and reason see U. P. Gazette Extraordinary dated June 16, 1948.

undertaking conducted either by an individual or by a company, association or body of individuals whether incorporated or not ;

(f) “prescribed” means prescribed by rules made under this Act;

(g) “refugee” means a person displaced from the territories now comprised in Pakistan who is for the time being resident in the United Provinces and who has been registered in accordance with section 4 of the United Provinces Refugees Registration Act, 1948, before February 1, 1948, or such extended date as the Provincial Government may notify in that behalf in the official *Gazette* ; and

(h) “Provincial Government” means the United Provinces Government.

**Chief
Administrator
and
controlling
authority**

3. (1) For the purpose of granting loans to refugees for their rehabilitation, the Provincial Government may appoint a Chief Administrator for the Province, and controlling authorities for such areas as may be specified 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.

(2) The Chief Administrator shall, for the purposes of this Act, have generally all the powers of superintendence, direction and control over controlling authority.

(3) The Chief Administrator or the Collector of the district may, with the sanction of the Provincial Government, delegate any of his functions to any officer of the Provincial Government, whether by name or designation.

Limit of loans

4. Except with the previous sanction of the Provincial Government the amount of loan which may be advanced to a refugee under this Act shall not exceed Rs. 5,000.

**Procedure for
sanctioning
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.

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

(3) The controlling authority shall, when granting any loan, specify the conditions on which the same is made and the installments by which it is to be paid.

**Security for
repayment of
loans.**

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 undertaking to apply the money lent for the purpose or purposes for which, and to fulfill the conditions on which the application been sanctioned.

(2) For any loan taken under the Act, the applicant shall, if so required by the controlling authority, furnish two sureties, and the applicant, as well as the sureties, shall be jointly and severally liable for the repayment of the loan with interest and costs, if any, incurred in making or recovering the loan.

(3) Any plant or machinery, which the borrower may purchase with the aid of the loan advanced to him shall, so long as the loan has not been fully satisfied belongs to and vest in the Provincial Government and any transfer or assignment of any right, title or interest therein or the creation of any mortgage or other encumbrance thereon by the borrower shall, unless made with the previous written consent of the controlling authority, be void against the Provincial Government.

(4) Notwithstanding anything contained in the Indian Stamp Act, 1899, no stamp duty shall be chargeable on any bond executed or affidavit filed under the provisions of this Act.

Loan how repayable

7. Except, as provided in any bond executed by the borrower, the loan, together with interest, if any, due thereon, shall be repayable by annual installments as may be prescribed and the repayment of installment shall commence twelve months after the date of disbursement of the loan or after such longer period as the controlling authority may allow.

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, building, 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 utilized.

Default in complying with an order under section 8

9. If the borrower fails to comply with an order under section 8, the controlling authority may, after considering any representation, which the borrower may make within fifteen days, order that the loan or such portion of it as he may consider reasonable, be recovered forthwith in the manner provided by section 12 and a copy of the order shall be served on the borrower.

Penalty for default in applying the loan

10. If the controlling authority, after any inspection provided for under section 8 or otherwise is satisfied that the money loaned is not being applied to the purpose or purposes for which it was lent or that the conditions on which it was lent are not being duly fulfilled, he may notwithstanding anything contained in the bond executed by the borrower, by order, declare that the loan or such part of it as he considers reasonable is immediately recoverable and a copy of the order shall be served upon the borrower.

Appeal

11. Within 30 days from the service of the order under section 9 or 10, the borrower may appeal to the Provincial Government and the decision of the Provincial Government thereon shall be final.

Mode of recovery

12. (1) When any loan or installment or interest thereon falls due and is not paid on or before the due date, or when a loan has been declared repayable under section 10, the controlling authority may cause to be served on the borrower a notice calling upon him to pay the sums due within such time as may be fixed therein.

(2) In case of default, all arrears of money payable to the Provincial Government under this Act including interest chargeable thereon and costs, if any, incurred, may be realized as arrears of land revenue.

Postpone of loan

13. Notwithstanding anything contained in this Act, the Provincial 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 installment thereof, or write off the same.

Prohibition of Civil Suit

14. The decision of the Provincial Government as to whether the condition of this Act have been satisfied shall be final, and no suit shall be brought in any civil court to set aside or modify any order made thereunder, nor shall the same be questioned by any court of law in any proceedings whatsoever.

Protection of action taken in good faith

15. No prosecution, suit or other proceeding shall lie against any Government Officer or other authority vested with powers under this Act for anything done in good faith or intended to be done thereunder.

Powers to make rules

16. (1) The Provincial 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 Provincial Government may make rules regulating or determining all or any of the following matters, namely :-

(i) prescribing the class of refugees to which a particular scheme of loans shall apply ;

(ii) prescribing the object for which loans shall be given ;

(iii) prescribing the form of application to be made and the deed to be executed in respect of loans ;

(iv) prescribing the appointment of officers authorized to sanction loans under this Act ;

(v) prescribing the principles on which loans shall be advanced and the interest to be charged ¹[xxxx];

(vi) prescribing the machinery for checking the proper utilization of the loans ;

(vii) prescribing the procedure for the realization of loans and the fixation of installments ;

(viii) prescribing the form of notice to be given or declarations to be made by the controlling authority ;

(ix) prescribing for any other matter which is to be or may be prescribed under this Act ;

(x) prescribing for matters for which this Act makes no provision or insufficient provision, and provision is, in the opinion of the Provincial Government, necessary.

1. [Ommitt. by sec. 2 of U.P. Act no. 33 of 1951.](#)

