

# LOK SABHA

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## THE DISPLACED PERSONS (COMPENSATION AND REHABILITATION) BILL, 1954

(Report of the Joint Committee)



LOK SABHA SECRETARIAT  
NEW DELHI  
*August, 1954.*

**Reports of the Select/Joint Committees Report  
presented in the Lok Sabha in the year, 1954.**

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S.No.	S u b j e c t	Date of presentation
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**SIXTH SESSION**

1. Muslim Wakfs Bill, 1952 (S.C.) 4.3.54.
2. Special Marriage Bill, 1952 (J.C.) 18.3.54.

**SEVENTH SESSION**

1. Coffee Market (Expansion Amendment) Bill, 1954 (S.C.) 26.8.54.
2. Rubber (Production & Marketing) Amendment Bill, 1950 together with the Evidence s on the bill dated the 21st and 22nd July, 1954 (S.C.) -do-
3. Displaced persons (Compensation and Rehabilitation) Bill, 1954 (J.C.) 27.8.54
4. Code of Criminal Procedure (Amendment) Bill, 1954 (J.C.) 3.9.54.
5. Constitution (Third Amendment) Bill, 1952. (J.C.) 20.9.54

**EIGHTH SESSION**

1. Hindu Marriage & Divorce Bill, 1952. (J.C.) 26.11.54
2. Untouchability (Offences) Bill, 1954 (J.C.) 3.12.54
3. Delimitation Commission (Amendment) Bill, 1954. (S.C.) 22.12.54

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THE DISPLACED PERSONS (COMPENSATION AND  
REHABILITATION) BILL, 1954.

**Composition of the Joint Committee**

*Lok Sabha*

1. Pandit Thakur Das Bhargava—*Chairman*
2. Shrimati Subhadra Joshi
3. Shri Gurmukh Singh Musafir
4. Lala Achint Ram
5. Shri Hira Singh Chinaria
6. Shri Naval Prabhakar
7. Shri Bibhuti Mishra
8. Shri Ram Chandra Majhi
9. Dr. Pashupati Mandal
10. Shri Daulat Mal Bhandari
11. Shri Muhammed Khuda Buksh
12. Shri Rameshwar Sahu
13. Shri Khushi Ram Sharma
14. Shri Venkatesh Narayan Tivary
15. Shri Yeshwantrao Martandrao Mukne
16. Shri Raghubar Dayal Misra
17. Dr. Hari Mohan
18. Shri Ramraj Jajware
19. Shri Krishna Chandra
20. Shri Shankar Rao Telkikar
21. Shri P. Kakkan
22. Shri T. R. Neswi
23. Shri K. G. Deshmukh
24. Sardar Hukam Singh
25. Shri Pisupati Venkata Raghavaiah
26. Shri Nikunja Behari Chowdhury
27. Shri Bahadur Singh
28. Shri Jaswantraj Mehta
29. Shrimati Sucheta Kripalani
30. Shri Choithram Partabrai Gidwani
31. Sardar Lal Singh
32. Shri M. Hifzur Rahman
33. Shri Jagannathrao Krishnarao Bhonsle
34. Shri Ajit Prasad Jain

(ii)

**Council of States**

35. Shri H. P. Saksena
36. Moulana Mohammad Faruqi
37. Dr. Raghubir Singh
38. Shri Jagannath Kaushal
39. Shri R. Thanhkira
40. Dr. Anup Singh
41. Shrimati Mona Hensman
42. Shri I. B. Beed
43. Shri C. L. Verma
44. Shri D. Narayan
45. Syed Mazhar Imam
46. Shri H. C. Dasappa
47. Shri N. R. Malkani
48. Shri Theodore Bodra
49. Shri Pydah Venkata Narayana
50. Shri Joginder Singh Mann
- 51. Shri Abdur Rezzak Khan.

**SECRETARIAT**

Shri M. Sundar Raj, *Deputy Secretary.*

Shri A. L. Rai, *Under Secretary.*

## Report of the Joint Committee

The Joint Committee to which the \*Bill to provide for the payment of compensation and rehabilitation grants to displaced persons and for matters connected therewith was referred, have considered the Bill and I now submit their Report, with the Bill as amended by the Committee annexed thereto.

2. The Committee appointed a sub-Committee to consider the general principles and the nature of protection, that ought to be given to occupants of property transferred, against eviction under clause 29 (original clause 28) of the Bill and the sub-Committee held one meeting for this purpose. The Joint Committee held seven meetings in all.

3. The Committee heard the evidence tendered by the representatives of the following associations:—

- (1) The Displaced Banks' Association
- (2) Displaced Property Owners' Association
- (3) The Refugee Protection Society
- (4) Federation of Delhi State Refugee Associations
- (5) The All India Refugee Association.

4. A summary of the evidence tendered is being submitted with this report.

5. The observations of the Committee with regard to the principal changes proposed in the Bill are detailed in the succeeding paragraphs.

6. *Clause 2:* The Committee considered the question of remitting small loans due from the poor section of non-claimant displaced persons. The Committee feel that if this proposal is carried out there would be a reduction of a considerable amount in the compensation pool from which claimants for compensation are to draw their share. The Committee however recommend that cases of deserving displaced persons should be sympathetically considered and the sum of rupees three hundred already earmarked for such remission of loan should be increased to rupees five hundred per each such person.

Sub-clause (d) (iv) of this clause provided for authority being vested in the Central Government to declare 'any other dues' as 'public dues'. The Committee consider this to be very wide and recommend that only the dues of the Central Government, State Governments or the Custodian should be declared as 'public dues' and they have accordingly amended the sub-clause.

The Committee considered the case of displaced persons who migrated much later and who could not file their claims in time for verification under the Displaced Persons (Claims) Act, 1950, which has now expired. The Committee were of the view that their case should be treated on a separate footing and their claims should be allowed to be verified and paid under clause 10. The possession of migration certificates would in such cases afford good evidence of identification.

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\*Published in Part II—Section 2 of the *Gazette of India, Extraordinary* dated the 14th May, 1954.

In view of the Committee's decision to omit original clause 16 of the Bill and include clause 6 in regard to the claims of displaced mortgagee banks the definition of 'verified claims' has been amended.

7. *Clause 3*: To give effect to the decision of the Committee with regard to the appointment of managing officers etc. for the purposes of performing functions under this Bill necessary changes have been made in this clause.

8. *Clause 4*: This clause has been practically redrafted and amendments have been made to give effect to the decision of the Committee that all applications should be called from claimants before the 30th June, 1955 and, in case applications are not submitted within the prescribed time of three months, provision has been made for giving another opportunity if sufficient cause is shown for failure to do so. The particulars to be stated in the applications for compensation have been amplified, especially one relating to the manner in which the applicant wishes compensation to be paid to him.

9. *Clause 6*: This clause has been inserted and provision has been made regarding the secured claims of banking companies against the claimants for compensation with due regard to the provisions of the Debt Adjustment Act of 1951.

10. *Clause 7 (original clause 6)*: Sub-clause (2)(c) of original clause 6 provided that "such other dues, if any, as may be prescribed" shall be deducted from compensation payable to the displaced persons. The Committee consider this provision to be too wide and think that if there are any other dues which a Settlement Commissioner ought to deduct from the compensation, such dues should be specifically enumerated. The Committee, therefore, recommend the omission of this sub-clause.

The clause has been amended accordingly.

11. *Clause 8 (original clause 7)*: The Committee feel that payment of compensation in Government bonds, shares or debentures should be made only to those displaced persons whose claims exceed a certain limit. Where the total amount of compensation is small, the claimants should be allowed to choose the form of payment so as to avoid hardship and delay in the realisation of the claims. In the opinion of the Committee these matters should be provided in the Rules to be framed by Government.

12. *Clause 9 (original clause 8)*: The procedure for decision of disputes regarding payment of compensation has been made simpler. The Settlement Officer or the Settlement Commissioner who is to decide such disputes is empowered to refer any such dispute to a District Judge nominated by the State Government whose decision shall be final.

13. *Clause 11 (original clause 10)*: The Committee feel that the amount available in the compensation pool is very inadequate and disproportionately small as compared to the amount of verified claims. The relief or rehabilitation grants to public institutions should, in the opinion of the Committee, come out of general revenues of the country and not from the compensation pool. Moreover, the properties of the evacuee trusts in India do not form part of the compensation pool and the Committee felt that payment of compensation to displaced trusts having verified claims will not be justifiable from the compensation pool and the words "and to any

public institution administered for the benefit of Displaced Persons" have therefore been omitted. The maintenance allowance paid by the Government partakes, in the view of the Committee, of the nature of relief measures and as such should not be deducted from the compensation pool.

The Committee recommend that the genuine claims of persons who did not file their claims in time or those who have come to India after the last date prescribed for submission of claims may be dealt with under this clause. The Committee further recommend that the amount of maintenance grants should not be deducted from the compensation pool.

14. *Clause 14 (original clause 13)*: The Committee are not suggesting any specific amendment of this clause as the clause as worded is capable of yielding results which the Committee desire to see achieved. Various associations and bodies made representations before the Committee, but however differing in other matters, they all were unanimous in their demand that the compensation pool be considerably enhanced. All claimed hundred per cent. compensation and suggested that the same be secured from Pakistan Government, or evacuee property, or by contribution from Government. Anyhow most of them insistently suggested that at least the sum of the present estimate of Rs. 185 crores should be underwritten by Government to start with. They expressed their doubts that this estimate about the value of the evacuee property and receipts from Government investments would ever come up to this sum. They further suggested that the urban refugees should not be discriminated against by their not being paid the amount of 66 per cent. of their claims like the rural displaced persons. The Committee was however given to know that this figure of 66 per cent. was not accurate. Another suggestion was that the amount be raised at least to 50 per cent. of the amount of urban property claims which were roughly estimated to be Rs. 450 crores, if the compensation was to be worth the name. It was further pointed out that the compensation was being paid after 7 years and some claimants would get it after 10 years and that the immovable properties were only assessed whereas the movable property left in Pakistan by displaced persons was several times in value for which no compensation was being paid.

The Committee have given anxious thought to these suggestions and representations and while appreciating that the Government has remarkable achievements to its credit in the matter of relief and rehabilitation of such a large number of displaced persons in various ways, the details of which are enumerated in the pamphlet on Interim Compensation issued by the Ministry of Rehabilitation, the Committee feel that the suggestion for increasing the amount of compensation to 50 per cent. of the urban verified claims which in their view is neither unreasonable nor excessive, deserves the serious attention of the Government and the Committee strongly and unhesitatingly recommend that Government should make further substantial contribution to the compensation pool in the manner they think best.

15. *Original clause 16*: In accordance with the views already expressed by the Committee in para. 13 of the report, such grants or contributions as Government may desire or choose to make must be paid from the general revenues. The Committee understand that Government have been making and propose to continue to make such contributions. The Committee recommend that such grants may be



made as generously as possible in future. The Committee are of opinion that verified claims of trusts should not be payable out of the compensation pool but they may be paid from general revenues. This clause has therefore been omitted from the Bill.

16. *Clause 18*: A new clause has been added empowering the Central Government to dissolve a Managing Corporation on completion of its work or for any other reason. The Committee are of the view that all efforts should be made by Government to see that the Managing Corporations finish their work within as short a time as possible.

17. *Clause 19 (original clause 18)*: The Committee are of the view that the powers of managing officers or managing corporations to vary or cancel leases or allotment of any property should be subject to certain limitations the extent of which should be defined by suitable rules made in this behalf by the Central Government under their rule making powers.

The clause has been amended accordingly.

18. *Clause 20 (original clause 19)*: In sub-clause (1) (b) of the original clause the words "or allotment" have been omitted and the provision for allotment has been made in sub-clause (c).

19. *Clause 21 (original clause 20)*: In the opinion of the Committee the manner of the recovery of the sums due to the Custodian, as laid down in the original clause, is rather severe as it may result in arrest and harassment of the displaced persons. They have therefore added new clause 30 excluding arrest in pursuance of any process issued for a sum recoverable as arrear of land revenue.

20. *Clause 22 (original clause 21)*: The Committee recommend that the Central Government should specify initially in the Rules to be framed under this Act that the difference between the amount of public dues as determined by the Settlement Officer and that as admitted by the applicant should not be less than two hundred and fifty rupees to entitle a person aggrieved to prefer an appeal to the Settlement Commissioner. The sum may be modified if necessary in the light of experience gained after the working of the Act for some time.

The Committee also consider that appeals against the orders of managing officers should be provided for.

The clause has been amended accordingly.

21. *Clause 23 (original clause 22)*: The Committee consider it desirable that provision should be made for appeals to lie to the Chief Settlement Commissioner against the orders of a managing corporation.

Provision has been made to that effect in this clause.

22. *Clause 24 (original clause 23)*: In this clause an additional remedy has now been provided to a displaced person aggrieved by an order of the Chief Settlement Commissioner made under sub-clause (2) of this clause to make an application to the Central Government against such order within thirty days of the date of the order.

23. *Clause 29 (original clause 28)*: The Committee feel that it is not possible to lay down a uniform rule regarding protection from eviction to persons who may be in lawful possession of property which

may be transferred from the compensation pool. The revised clause accordingly empowers the Central Government to notify in the Official Gazette the class of persons and the class of property in respect of which such protection should be given.

The protection from eviction is not in any case to exceed two years.

24. *Clause 30 (new)*: The Committee feel that no person should be arrested in pursuance of any process issued for the recovery of any sum due under the Act which is recoverable as the arrear of land revenue. The clause makes the necessary provision in this behalf.

25. *Clause 31*: The Committee are of the view that an Advisory Board of non-officials should be set up by Government for consultation on matters of policy arising out of the administration of this Act and for the proper implementation of the purposes of this Act. Therefore a new clause has been inserted providing for the setting up of such an Advisory Board.

26. *Clause 35 (original clause 31)*: The period of imprisonment of two years for giving false particulars in an application for payment of compensation has been reduced to one year as being sufficiently deterrent.

27. *Clause 37 (original clause 33)*: The Committee hold the view that every officer and member of a managing corporation appointed under this Bill should be deemed to be a "public servant" within the meaning of section 21 of the Indian Penal Code. This clause has been accordingly amended.

28. *Clause 40 (original clause 36)*: In view of the decision of the Committee that applications should be invited regionwise for purposes of compensation, original sub-clause (2) (b), has been omitted.

Sub-clause (2) (g) has been added to provide for terms and conditions under which property may be transferred to a displaced person under clause 10.

Original sub-clause (k) has also been omitted consequent on the deletion of original clause 16.

The Committee suggest that other officers, besides those mentioned in original sub-clause (m) should also be enabled to make enquiries under the Act. Amendment to this effect has been made by virtue of sub-clause (2) (k).

Amendments have been carried out in the clause.

The Committee considered the recommendations made by the Committee on Subordinate Legislation contained in para. 11 of their First Report and have provided for the laying of all rules made under this section for a period of not less than thirty days before both the Houses of Parliament as soon as possible after they are made and for making such modifications as Parliament may choose to make during the said period.

29. The Joint Committee recommend that the Bill as amended now be passed.

THAKUR DAS BHARGAVA,  
Chairman of the Joint Committee.

NEW DELHI;  
The 27th August, 1954.

## NOTE

While agreeing with the provision of "The Displaced Persons Compensation and Rehabilitation Bill, 1954, as amended by the Joint Committee", and associating with the compliments paid to Government, I cannot refrain from most earnestly appealing to our National Government for making substantial contribution to the compensation pool, so that there is no occasion for any one to repeat the pathetic old saying—

जिस तन लागे सो ही जाने

और क्या जाने पीर पराई।

i.e. "who else, but the victim, who is stung and reels with pain, can understand the real meaning of agony".

2. How I wish that people in India, far away from the scene of tragedy, could have a more vivid picture of the sufferings and sacrifices undergone by the refugees—not merely a question of being forced to leave behind their palatial buildings, smiling fields, flourishing business and other enormous moveable and immoveable property and being converted overnight from a rich man to the position of a beggar, but far more than that—the gruesome reality of undergoing blood curdling atrocities, mental and physical agony, dearest ones being shot, tortured or burnt alive before their own eyes, women with babies in arms jumping into wells or burning pyres to escape molestation and rape—and all this in the cause of freedom of this country. Is it at all humanly possible to compensate these refugees for the mental and physical tortures and loss of their dear ones? But a nation, endowed with a sense of gratitude, as Indians are, can be expected to heal the wounds by compensating these refugees, at least for their monetary loss, thereby enabling them to rehabilitate themselves once again and mitigating at least to some extent their horrible experience of the partition period. Is a small monetary sacrifice too much to expect from those who got independence over night, without shedding a drop of their own blood or suffering loss of a penny or spending a single sleepless night, but many of whom in the wake of freedom of the country, got elevated to the highest posts or otherwise benefited to the extent of crores in business? If we do not contribute our due share, we shall justifiably be accused of ingratitude and lack of sincerity, especially when we used to claim from house top that *no price was too great to pay for the freedom of the country*. Surely the refugees alone should not be forced to pay for the freedom of our motherland. They will surely survive, even if they are not adequately compensated, but neither will they easily forget this treatment and nor will this be a source of pride to our future generations, and further, even the freedom so cheaply won, would not last long at the hands of those not sacrificing for it. as Goddess of Freedom does demand due sacrifice.

3. In the absence of ready financial resources, our national Government would have been perfectly justified to levy some sort of capital tax or issue long term "Liberty Bonds", so that every one in India, rich and poor, and especially those multimillionaires, who have benefited and are going to benefit immensely, could be said to have

shared in the Cost of Freedom, and the cost of Independence could have been spread over 2-3 generations. But what has actually happened? Firstly in our anxiety to show secular character of the State, the least amount of Muslim evacuee property has been taken over, and what is still worse, a large number of intending Muslim evacuees are going to be allowed to sell their property and migrate to Pakistan, and although it is difficult to give exact figures, but this property is said to be worth 1 or 2 hundred crores of rupees.

I am one of those who believe that this distinction between refugees and non-refugees, as also between Muslims and non-Muslims should disappear forthwith and Muslims must enjoy the fullest freedom in every respect like other citizens, but this should not be at the expense of the poor refugees alone. Let India as a whole pay for maintaining this lofty ideal of secularism. As it is, the rural refugees, especially in the upper class had to undergo a severe cut in their land claims—(cut in some cases being of the order of 90 per cent.), besides foregoing compensation for rural houses, if they were worth less than Rs. 10,000 each. Rural people deserve to be given more land in States outside Punjab and PEPSU, where culturable waste land is available, which they can reclaim, as much to their own advantage, as to the country as a whole.

4. Now the urban refugees are going to be given compensation, which in the case of some refugees of upper class would not be equivalent to 2 months' rent of the property left by them in Pakistan, unless Government makes substantial contribution. Some of us have had the audacity to say that India would not wish to create a moneyed class. What about the multimillionaires existing in India? If they are no danger to India the refugees getting above Rs. 50,000 compensation cannot prove dangerous to the socialistic economy of this country. The position in nutshell is that the present compensation pool comprises of 'X', 'Y' and 'Z', 'X' being the Muslim evacuee property etc., which has now dwindled down to about Rs. 85 crores from the previously estimated figure of about Rs. 300 crores; 'Y' the contribution of Indian Government, which is estimated at about Rs. 100 crores, and 'Z' the amount forthcoming from Pakistan, which might for practical purposes be taken as nil at present. And the urban claims, already verified, amount to about Rs. 550 crores or Rs. 450 crores, in case the value of land is excluded.

5. I strongly feel that if the Indian nation cannot pay the refugees in full, then the least that it should do is to contribute enough amount to raise compensation pool to meet  $2/3$  of the total claims, i.e. Rs. 300 crores ( $450 \times 2/3 = 300$ ) and any amount subsequently obtained by our Government from Pakistan ('Z' figure) can be retained by the Government itself. Compensation should be in graded scale, so that poorer claimants get at least annas -/12/- in a rupee, while the claimants in upper class may get less—varying from annas -/4/- to annas -/8/- in a rupee. I do not consider it necessary to go into minute details of compensation or how funds should be raised. Where there is will, there is a way and our Rehabilitation Minister and the Finance Minister, in whose extraordinary ability and sincerity of purpose, we all take legitimate pride, can easily devise ways and means to achieve the objective, once our responsibility is fully realized.

NEW DELHI;

LAL SINGH.

The 27th August, 1954.

## **Minute of Dissent**

While we note that the Bill has been improved upon by the Joint Committee we regret to have to append this separate note to clarify our position on certain points.

The Bill is mainly an enabling measure leaving to the officials many vital matters affecting the interests of the refugees. While the refugees are anxiously waiting for an early payment of compensation at a fair and reasonable rate and rehabilitation on a secure and permanent basis, their mind is disturbed by the fear of possible eviction, dislocation of business and realisation of unjust dues which may take place during the process of implementation of the Government scheme. In order to allay their suspicions it was necessary to make a clear and express provision in the Bill itself guaranteeing security to these hard-hit people.

The majority of the members of the Committee felt that the compensation pool should be so augmented by Government contribution that it might not be in any case less than 50 per cent. of the aggregate amount of verified claims, but it was decided only to make recommendation to the Government for contribution of a 'substantial' amount' and no provision was made in this regard either in the body of the Bill or in the Financial Memorandum. We feel that the amount now provided is far too inadequate and there should have been a guarantee of at least this much amount in view of the minimum needs of rehabilitation work. We also feel that there should be no cut with regard to the verified claims up to rupees three thousand in Government's compensation scheme.

There is a concern among the displaced people as to the basis of assessment of claim, the valuation of houses, tenements etc., built by Government and the manner in which they are going to be disposed of or allocated. The basis of "no profit, no loss" as demanded by the representatives of the refugees as also avoidance of auction for small properties and household have not been mentioned in the Bill.

We are glad that the Committee have agreed to amend clause 28 of the Bill to afford a certain measure of protection to the thousands of non-displaced persons now living as tenants in evacuee houses, but here also, much has been left to the discretion of the executive officials. There should have been clear provision about non-eviction for five years. In view of the serious accommodation problem in Delhi, specific provisions were necessary to set at rest the anxiety of the tenants. We have to make a similar observation with regard to the Indian nationals whose properties have been wrongly included in the evacuee pool. There is need for a clear provision in the Bill in order to safeguard their interests against possible haphazard action.

The scheme contemplated in the Bill remains incomplete due to the lack of concreteness about acquisition and distribution of agricultural lands in the Punjab, PEPSU, and other States mentioned in the Financial Memorandum. In view of the different nature of land systems in different States, an agreed solution of the problem by the Governments concerned is needed before the finalisation of the proposed compensation scheme. We wish an early effort is made in this direction for a just solution of the matter.

NIKUNJA BEHARI CHOWDHURY,  
P. V. RAGHAVAIAH,  
ABDUR REZZAK KHAN.

NEW DELHI;  
*The 27th August, 1954.*

# THE DISPLACED PERSONS (COMPENSATION AND REHABILITATION) BILL, 1954

(AS AMENDED BY THE JOINT COMMITTEE)

(Words sidelined or underlined indicate the amendments suggested  
by the Committee; asterisks indicate omissions).

## A BILL

*to provide for the payment of compensation and rehabilitation grants  
to displaced persons and for matters connected therewith.*

BE it enacted by Parliament in the Fifth Year of the Republic of  
India as follows :—

### CHAPTER I

#### PRELIMINARY

**1. Short title.**—This Act may be called the Displaced Persons 5  
(Compensation and Rehabilitation) Act, 1954.

**2. Definitions.**—In this Act, unless the context otherwise requires,—

(a) “compensation pool” means the compensation pool con-  
stituted under section 14;

(b) “displaced person” means any person who, on account of 10  
the setting up of the Dominions of India and Pakistan, or on ac-  
count of civil disturbances or the fear of such disturbances in any  
area now forming part of West Pakistan, has, after the first day  
of March, 1947, left, or been displaced from, his place of  
residence in such area and who has been subsequently residing 15  
in India, and includes any person who is resident in any place  
now forming part of India and who for that reason is unable or  
has been rendered unable to manage, supervise or control any  
immovable property belonging to him in West Pakistan, and  
also includes the successors-in-interest of any such person; 20

(c) "evacuee property" means any property which has been declared or is deemed to have been declared as evacuee property under the Administration of Evacuee Property Act, 1950 (XXXI of 1950);

5 (d) "public dues", in relation to a displaced person, includes—

(i) arrears of rent in respect of any property allotted or leased to the displaced person by the Central Government or a State Government or the Custodian\*\*\*;

10 (ii) any amount recoverable, whether in one lump sum or in instalments, from the displaced person on account of loans granted to him by the Central Government or a State Government or the Rehabilitation Finance Administration constituted under the Rehabilitation Finance Administration Act, 1948 (XII of 1948), and any interest on such loans;

15 (iii) the amount of purchase money or any part thereof and any interest on such amount or part remaining unpaid and recoverable from the displaced person on account of transfer to him by the Central Government or a State Government of any property or any interest therein;

20 (iv) any other dues payable to the Central Government, a State Government or the Custodian which may be declared by the Central Government, by notification in the Official Gazette, to be public dues recoverable from the displaced person;

25 (e) "verified claim" means any claim registered under the Displaced Persons (Claims) Act, 1950 (XLIV of 1950) in respect of which a final order has been passed under that Act or under the Displaced Persons (Claims) Supplementary Act, 1954 (12 of 1954) but does not include—

30 (i) any such claim registered in respect of property held in trust for a public purpose of a religious or charitable nature;

35 (ii) except in the case of a banking company for the purpose of sub-clause (i) of clause (b) of sub-section (3) of section 6, only—

(a) any such claim made by or on behalf of any company or association, whether incorporated or not;

40 (b) any such claim made by a mortgagee or other person holding a charge or lien on immovable property belonging to a displaced person in West Pakistan;

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

45 (g) "West Pakistan" means the territories of Pakistan excluding the Province of East Bengal and includes the tribal areas of Tochi and Kurram and such other tribal areas adjoining the North-West Frontier Province as may be specified in this behalf by order of the Central Government;



(h) all other words and expressions used but not defined in this Act and defined in the Administration of Evacuee Property Act, 1950 (XXXI of 1950) have the meanings respectively assigned to them in that Act.

## CHAPTER II

5

### PAYMENT OF COMPENSATION AND REHABILITATION GRANTS TO DISPLACED PERSONS

**3. Appointment of Chief Settlement Commissioner, etc.—**(1) The Central Government may, by notification in the Official Gazette, appoint a Chief Settlement Commissioner, a Joint Chief Settlement Commissioner, a Deputy Chief Settlement Commissioner and as many Settlement Commissioners, Additional Settlement Commissioners, Assistant Settlement Commissioners, Settlement Officers, Assistant Settlement Officers and managing officers as may be necessary for the purpose of performing the functions assigned to them by or under this Act and may, by general or special order, provide for the distribution or allocation of work to be performed by them under this Act. 10 15

(2) Subject to the provisions of this Act, the Joint Chief Settlement Commissioner, the Deputy Chief Settlement Commissioner and all settlement commissioners, additional settlement commissioners, Assistant Settlement Commissioners, Settlement Officers, Assistant Settlement Officers and managing officers shall perform the functions assigned to them by or under this Act under the general superintendence and control of the Chief Settlement Commissioner. 20 25

**4. Application for payment of compensation.—**(1) The Central Government shall, from time to time, but not later than the thirtieth day of June, 1955, by notification in the Official Gazette, require all displaced persons having a verified claim to make applications for the payment of compensation and any such notification may be issued with reference to displaced persons residing in any State or in any one of a group of States. 30

(2) Every displaced person who, by a notification issued under sub-section (1), is required to make an application for the payment of compensation shall make such application in the prescribed form to the Settlement Officer having jurisdiction within three months of the date of the notification: 35

Provided that the Settlement Officer may entertain any such application after the expiry of the said period of three months, if he is satisfied that the applicant was prevented by sufficient cause from filing the application in time. 40

(3) An application for the payment of compensation under this section shall contain the following particulars, namely:—

(a) the name and address of the applicant; 45

(b) the amount of the verified claim;

(c) the encumbrances, if any, on the property to which the verified claim relates;

(d) the form in which the applicant desires to receive compensation;

(e) the amount, if any, of the public dues recoverable from the applicant;

(f) the property, if any, allotted or leased to the applicant by the Central Government or a State Government or by the Custodian;

(g) such other particulars as may be prescribed.

(4) Any notification issued by the Central Government before the commencement of this Act requiring displaced persons of any class or description to make applications for the payment of compensation, shall be deemed to have been issued under this section and all applications for compensation made in pursuance of any such notification shall be deemed to have been made under this section and any proceeding in relation to any such application pending at the commencement of this Act shall be disposed of in accordance with the provisions of this Act:

Provided that a displaced person who has made an application for payment of compensation before the commencement of this Act, may within one month of such commencement intimate in writing to the officer or authority to whom the application was made or to the successor-in-office of any such officer or authority, the form in which he desires to receive the compensation.

**5. Determination of public dues by Settlement Officers.**—On receipt of an application under section 4, the Settlement Officer shall, after making an inquiry in such manner as may be prescribed, pass an order determining the amount of public dues, if any, recoverable from the applicant and shall forward the application and the record of the case to the Settlement Commissioner.

**6. Relief to certain banking companies.**—(1) Where a debt due to a banking company is secured by a mortgage, charge or lien on any immovable property belonging to a displaced person in West Pakistan in respect of which compensation is payable under this Act and such mortgage, charge or lien was subsisting at the date when the claim of the banking company was registered under the Displaced Persons (Claims) Act, 1950 (XLIV of 1950), the banking company shall be entitled to relief in accordance with the provisions of this section.

(2) Where the displaced person is entitled to receive compensation in respect of any such property as is referred to in sub-section (1), the banking company shall be entitled—

(a) if the compensation to the displaced person in respect of such property is payable in cash, to receive such amount as bears to the total debt, the same proportion as the compensation payable to the displaced person bears to the value of the verified claim of the displaced person in respect of such property;

(b) if the compensation to the displaced person is payable in the form of transfer of any property from the compensation pool, then subject to a prior charge under sub-section (3) of section 20, to a second charge on such property for the amount

which would have been payable to the banking company under clause (a) if the displaced person had been paid compensation in cash;

(c) if the compensation to the displaced person is payable in any other form, to such relief as the Settlement Officer, having regard to the principle specified in clause (a) or clause (b), may determine.

(3) For the purposes of this section,—

(a) the expression 'banking company' means any of the displaced banks specified in the Schedule and includes any other banking company which, before the fifteenth day of August, 1947 carried on the business of banking, whether wholly or partially in any area now forming part of West Pakistan, and which the Central Government may, having regard to the dislocation of such business on account of the partition of the country, by notification in the Official Gazette, specify in this behalf;

(b) the expression 'total debt' means—

(i) where the banking company has preferred a claim under the Displaced Persons (Claims) Act, 1950 (XLIV of 1950) and the claim has been verified, the amount of the verified claim, subject to such adjustment as the Settlement Officer, having regard to the provisions of the Displaced Persons (Debts Adjustment) Act, 1951 (LXX of 1951) applicable to secured debts, may make;

(ii) where the banking company has preferred such claim but the claim has not been verified, such amount as the Settlement Officer, having regard to the provisions of the Displaced Persons (Debts Adjustment) Act, 1951 (LXX of 1951) applicable to secured debts, may determine.

**7. Determination of the amount of compensation.**—(1) On receipt of an application for payment of compensation together with the record of the case forwarded under section 5, the Settlement Commissioner shall make an inquiry in such manner as may be prescribed and having due regard to the prescribed scales of compensation, the nature of the verified claim and other circumstances of the case,\* shall ascertain the amount of compensation to which the applicant is entitled.

(2) On ascertaining the amount of compensation to which an applicant is entitled under sub-section (1), the Settlement Commissioner shall deduct therefrom the following dues recoverable from the applicant, in the order of priority mentioned below:—

(a) the amount, if any, of the public dues recoverable from the applicant under section 5;

(b) the amount, if any, payable to a banking company under section 6, and the amount, if any, of the prior charge declared under sub-section (3) of section 16 of the Displaced Persons (Debts Adjustment) Act, 1951 (LXX of 1951) in respect of which

any communication is received from any tribunal under section 52 of that Act;

(c) where any communication is received from any tribunal under section 52 of the Displaced Persons (Debts Adjustment) Act, 1951 (LXX of 1951) in respect of any unsecured debts, the amount of such debts payable by the applicant in accordance with the provisions of that Act.

(3) After deducting the dues referred to in sub-section (2), the Settlement Commissioner shall make an order determining the net amount of compensation, if any, payable to the applicant.

(4) The amount, if any, deducted under sub-section (2) shall be paid to the person entitled to it.

**8. Form and manner of payment of compensation.**—(1) A displaced person shall be paid out of the compensation pool the amount of net compensation determined under sub-section (3) of section 7 as being payable to him, and subject to any rules that may be made under this Act, the Settlement Commissioner or any other officer or authority authorised by the Chief Settlement Commissioner in this behalf may make such payment in any one of the following forms or partly in one and partly in any other form, namely:—

(a) in cash;

(b) in Government bonds;

(c) by sale to the displaced person of any property from the compensation pool and setting off the purchase money against the compensation payable to him;

(d) by any other mode of transfer to the displaced person of any property from the compensation pool and setting off the valuation of the property against the compensation payable to him;

(e) by transfer of shares or debentures in any company or corporation;

(f) in such other form as may be prescribed.

(2) For the purpose of payment of compensation under this Act, the Central Government may, by rules, provide for all or any of the following matters, namely:—

(a) the classes of displaced persons to whom compensation may be paid;

(b) the scales according to which, the form and manner in which, and the instalments by which, compensation may be paid to different classes of displaced persons;

(c) the valuation of all property, shares and debentures to be transferred to displaced persons;

(d) any other matter which is to be, or may be, prescribed.

**9. Payment of compensation in cases of disputes.**—Where there is any dispute as to the person or persons who are entitled to the compensation (including any dispute as to who are the successors-in-interest of any deceased claimant to compensation) or as to the

apportionment of compensation among persons entitled thereto, such dispute shall, after such enquiry as may be prescribed, be decided,—

(a) where the value of the verified claim does not exceed twenty thousand rupees, by the Settlement Officer;

(b) where the value of the verified claim exceeds twenty thousand rupees, by the Settlement Commissioner;

Provided that the Settlement Officer or the Settlement Commissioner, as the case may be, may refer any such dispute to the District Judge nominated in this behalf by the State Government, whose decision thereon shall be final.

**10. Special procedure for payment of compensation in certain cases.**—Where any immovable property has been leased or allotted to a displaced person by the Custodian under the conditions published—

(a) by the notification of the Government of Punjab in the Department of Rehabilitation No. 4891-S or 4892-S, dated the 8th July, 1949; or

(b) by the notification of the Government of Patiala and East Punjab States Union in the Department of Rehabilitation No. 8R or 9R, dated the 23rd July, 1949, and published in the Official Gazette of that State, dated the 7th August, 1949,

and such property is acquired under the provisions of this Act and forms part of the compensation pool, the displaced person shall, so long as the property remains vested in the Central Government, continue in possession of such property on the same conditions on which he held the property immediately before the date of the acquisition, and the Central Government may, for the purpose of payment of compensation to such displaced person, transfer to him such property on such terms and conditions as may be prescribed.

*Explanation.*—For the removal of doubts, it is hereby declared that the notifications of the Government of Patiala and East Punjab States Union Nos. 7R, 8R and 9R, dated the 23rd July, 1949, and published in the Official Gazette on the 7th August, 1949, purporting to have been made under the provisions of the Patiala and East Punjab States Union Evacuees (Administration of Property) Ordinance, 2006 (Ordinance No. XIII of 2006) shall be deemed to have been issued under the provisions of the Patiala and East Punjab States Union Administration of Evacuee Property Ordinance, 2006 (Ordinance No. XVII of 2006) and the said notifications shall not be invalid and shall be deemed never to have been invalid merely by reason of the fact that they were expressed to have been issued under the provisions of the said Ordinance No. XIII of 2006, and anything done or any action taken (including any lease or allotment granted or made) under the provisions of the said notifications shall, notwithstanding any defect in, or invalidity of, the said notifications, be deemed for all purposes to have been validly done or taken as if the said notifications were issued under the provisions of the aforesaid Ordinance No. XVII of 2006 and this section were in force on the day on which such thing was done or action was taken.

**11. Rehabilitation and other grants to displaced persons.—(1)**

The Central Government may, for the relief and rehabilitation of displaced persons, direct payment of any rehabilitation grant or other grant out of the compensation pool to a displaced person \*\*\*\*

5 under such conditions and to such extent and in such form and manner as may be prescribed.

(2) All payments made before the commencement of this Act by the Central Government in respect of maintenance allowance to displaced persons shall be deemed to have been validly made under  
10 sub-section (1) and shall be recoverable by the Central Government out of the compensation pool.

**CHAPTER III**

**COMPENSATION POOL FOR PURPOSES OF PAYMENT OF COMPENSATION AND REHABILITATION GRANTS TO DISPLACED PERSONS**

15 **12. Power to acquire evacuee property for rehabilitation of displaced persons.—(1)** If the Central Government is of opinion that it is necessary to acquire any evacuee property for a public purpose, being a purpose connected with the relief and rehabilitation of displaced persons, including payment of compensation to such  
20 persons, the Central Government may at any time acquire such evacuee property by publishing in the Official Gazette a notification to the effect that the Central Government has decided to acquire such evacuee property in pursuance of this section.

(2) On the publication of a notification under sub-section (1), the  
25 right, title and interest of any evacuee in the evacuee property specified in the notification shall, on and from the beginning of the date on which the notification is so published, be extinguished and the evacuee property shall vest absolutely in the Central Government free from all encumbrances.

30 (3) It shall be lawful for the Central Government, if it so considers necessary, to issue from time to time the notification referred to in sub-section (1) in respect of—

- (a) all evacuee property generally; or
- (b) any class of evacuee property; or
- 35 (c) all evacuee property situated in a specified area; or
- (d) any particular evacuee property.

(4) All evacuee property acquired under this section shall form part of the compensation pool.

**13. Compensation for evacuee property acquired under this Act.—**

40 There shall be paid to an evacuee compensation in respect of his property acquired under section 12 in accordance with such principles and in such manner as may be agreed upon between the Governments of India and Pakistan.

**14. Compensation pool.—(1)** For the purpose of payment of  
45 compensation and rehabilitation grants to displaced persons, there shall be constituted a compensation pool which shall consist of—

- (a) all evacuee property acquired under section 12, including the sale proceeds of any such property and all profits and income accruing from such property;

(b) such cash balances lying with the Custodian as may, by order of the Central Government, be transferred to the compensation pool;

(c) such contributions, in any form whatsoever, as may be made to the compensation pool by the Central Government or any State Government; 5

(d) such other assets as may be prescribed.

(2) The compensation pool shall vest in the Central Government free from all encumbrances and shall be utilised in accordance with the provisions of this Act and the rules made thereunder. 10

**15. Exemption of property in compensation pool from processes of courts.**—No property which forms part of the compensation pool and which is vested in the Central Government under the provisions of this Act shall be liable to be proceeded against for any claim in any manner whatsoever in execution of any decree or order or by any other process of any court or other authority. 15

**16. Management of compensation pool.**—(1) The Central Government may take such measures as it considers necessary or expedient for the custody, management and disposal of the compensation pool in order that it may be effectively utilised in accordance with the provisions of this Act. 20

(2) In particular, and without prejudice to the generality of the foregoing power, the Central Government may, for the purposes referred to in sub-section (1), by notification in the Official Gazette,—

(a) appoint such officers as it may deem fit (hereinafter referred to as managing officers); or 25

(b) constitute such authority or corporation, as it may deem fit (hereinafter referred to as managing corporation).

(3) Every managing corporation shall be constituted under such name and shall consist of such number of persons as may be specified in the notification, and every such corporation shall be a body corporate having perpetual succession and a common seal and shall by the said name sue and be sued: 30

Provided that one-third of the members of every managing corporation shall be non-officials. 35

**17. Functions and duties of managing officers and managing corporations.**—(1) All managing officers or managing corporations shall perform such functions as may be assigned to them by or under this Act under the general superintendence and control of the Chief Settlement Commissioner. 40

(2) Subject to the provisions of this Act and the rules made thereunder, a managing officer or managing corporation may take such measures as he or it considers necessary or expedient for the purpose of securing, administering, preserving, managing or disposing of any property in the compensation pool entrusted to him or it and generally for the purpose of satisfactorily discharging any of the duties imposed on him or it by or under this Act and may, for any such purpose as aforesaid, do all acts and incur all expenses necessary or incidental thereto. 45

(3) Any amount due to the Custodian in respect of any evacuee property acquired under this Act for any period prior to the date of the acquisition shall vest in, and be payable to, the Central Government and shall be recoverable by the managing officer or managing corporation from the person liable to pay the same.

**18. Dissolution of Managing Corporation.**—(1) Where the Central Government is satisfied that the property entrusted to a managing corporation for custody, management and disposal has been transferred to any person or persons under this Act or that for any other reason it is no longer necessary to continue the managing corporation, the Central Government may, by notification in the Official Gazette, dissolve the managing corporation.

(2) Upon the publication of a notification under sub-section (1) dissolving a managing corporation—

(a) all the members of the managing corporation shall vacate their office as such members;

(b) all the powers and duties which may, by or under the provisions of this Act, be exercised or performed by or on behalf of the managing corporation shall be exercised and performed by such person or persons as the Central Government may direct;

(c) all property vested in the managing corporation at the date of dissolution shall vest in the Central Government.

**19. Power to vary or cancel leases or allotment of any property acquired under this Act.**—(1) Notwithstanding anything contained in any contract or any other law for the time being in force but subject to any rules that may be made under this Act, the managing officer or managing corporation may cancel any allotment or terminate any lease or amend the terms of any lease or allotment under which any evacuee property acquired under this Act is held or occupied by a person, whether such allotment or lease was granted before or after the commencement of this Act. •

(2) Where by reason of any action taken under sub-section (1), any person has ceased to be entitled to possession of any evacuee property acquired under this Act, he shall, on demand by the managing officer or managing corporation, surrender possession of such property to such officer or corporation or to any person duly authorised by him or it in this behalf.

(3) If any person fails to surrender possession of any property on demand made under sub-section (2), the managing officer or managing corporation may, notwithstanding anything to the contrary contained in any other law for the time being in force, eject such person and take possession of such property and may, for such purpose, use or cause to be used such force as may be necessary.

**20. Power to transfer property out of the compensation pool.**—(1) Subject to any rules that may be made under this Act, the managing officer or managing corporation may transfer any property out of the compensation pool—



(a) by sale of such property to a displaced person or any association of displaced persons, whether incorporated or not, or to any other person, whether the property is sold by public auction or otherwise;

(b) by lease of any such property to a displaced person or an association of displaced persons, whether, incorporated or not, or to any other person; 5

(c) by allotment of any such property to a displaced person or an association of displaced persons whether incorporated or not, or to any other person, on such valuation as the Settlement Commissioner may determine. 10

(d) in the case of a share of an evacuee in a company, by transfer of such share to a displaced person, notwithstanding anything to the contrary contained in the Indian Companies Act, 1913 (VII of 1913) or in the memorandum or articles of association of such company; 15

(e) in such other manner as may be prescribed.

(2) Every managing officer or managing corporation selling any immovable property by public auction under sub-section (1) shall be deemed to be a Revenue Officer within the meaning of sub-section (4) of section 89 of the Indian Registration Act, 1908 (XVI of 1908). 20

(3) Where the ownership of any property has passed to the buyer before the payment of the whole of the purchase money, the amount of the purchase money or any part thereof remaining unpaid and any interest on such amount or part shall, notwithstanding anything to the contrary contained in any other law, be a first charge upon the property in the hands of the buyer or any transferee from such buyer and may, on a certificate issued by the Chief Settlement Commissioner, be recovered in the same manner as an arrear of land revenue. 25

**21. Recovery of arrears.**—Any sum due to the Custodian in respect of any evacuee property acquired under this Act for any period prior to the date of the acquisition, or to the Central Government in respect of any property in the compensation pool may, on a certificate issued by the Chief Settlement Commissioner, be recovered in the same manner as an arrear of land revenue. 30 35

## CHAPTER IV

### APPEAL, REVISION AND POWERS OF OFFICERS UNDER THE ACT

**22. Appeals to the Settlement Commissioner.**—(1) Subject to the provisions of sub-section (2), any person aggrieved by an order of the Settlement Officer or a managing officer under this Act may, within thirty days from the date of the order, prefer an appeal to the Settlement Commissioner in such form and manner as may be prescribed: 40

Provided that the Settlement Commissioner may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time. 45

(2) No appeal shall lie from an order of the Settlement Officer under section 5 if the difference between the amount of public dues as determined by the Settlement Officer and that as admitted by the applicant is less than one thousand rupees or such other amount not exceeding one thousand rupees as may be specified by the Central Government in this behalf, by notification in the Official Gazette.

(3) The Settlement Commissioner may, after hearing the appeal, confirm, vary or reverse the order appealed from and pass such orders in relation thereto as he deems fit.

23. Appeals to the Chief Settlement Commissioner.—(1) Subject to the provisions of sub-section (2), any person aggrieved by an order of the Settlement Commissioner or the Additional Settlement Commissioner or an Assistant Settlement Commissioner or a managing corporation under this Act may, within thirty days from the date of the order, prefer an appeal to the Chief Settlement Commissioner in such form and manner as may be prescribed:

Provided that the Chief Settlement Commissioner may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) No appeal shall lie from any order passed in appeal under section 22.

(3) The Chief Settlement Commissioner may, after hearing the appeal, confirm, vary or reverse the order appealed from and pass such order in relation thereto as he deems fit.

24. Power of revision of the Chief Settlement Commissioner.—(1) The Chief Settlement Commissioner may at any time call for the record of any proceeding under this Act in which a Settlement Officer, an Assistant Settlement Officer, an Assistant Settlement Commissioner, an Additional Settlement Commissioner, a Settlement Commissioner, a managing officer or a managing corporation has passed an order for the purpose of satisfying himself as to the legality or propriety of any such order and may pass such order in relation thereto as he thinks fit.

(2) Without prejudice to the generality of the foregoing power under sub-section (1), if the Chief Settlement Commissioner is satisfied that any order for payment of compensation to a displaced person or any lease or allotment granted to such a person has been obtained by him by means of fraud, false representation or concealment of any material fact, then, notwithstanding anything contained in this Act, the Chief Settlement Commissioner may pass an order directing that no compensation shall be paid to such a person or reducing the amount of compensation to be paid to him, or as the case may be, cancelling the lease or allotment granted to him; and if it is found that a displaced person has been paid compensation which is not payable to him, or which is in excess of the amount payable to him, such amount or excess \*\*\*, as the case may be, may, on a certificate issued by the Chief Settlement Commissioner, be recovered in the same manner as an arrear of land revenue.

(3) No order which prejudicially affects any person shall be passed under this section without giving him a reasonable opportunity of being heard.

(4) Any person aggrieved by any order made under sub-section (2), may, within thirty days of the date of the order, make an application for the revision of the order in such form and manner as may be prescribed to the Central Government and the Central Government may pass such order thereon as it thinks fit.

**25. Review and amendment of orders.**—(1) Any person aggrieved by an order of the Settlement Officer under section 5, from which no appeal is allowed under section 22, may, within thirty days from the date of the order, make an application in such form and manner as may be prescribed, to the Settlement Officer for review of his order and the decision of the Settlement Officer on such application shall, subject to the provisions of section 24 and section 33 be final.

(2) Clerical or arithmetical mistakes in any order passed by an officer or authority under this Act or errors arising therein from any accidental slip or omission may, at any time, be corrected by such officer or authority or the successor-in-office of such officer or authority.

**26. Powers of Officers appointed under this Act, etc.**—(1) Every officer appointed under this Act shall, for the purpose of making any inquiry or hearing any appeal under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 (Act V of 1908) when trying a suit, in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of any document;

(c) requisitioning any public record from any court or office;

(d) issuing commissions for the examination of witnesses;

(e) appointing guardians or next friends of persons who are minors or of unsound mind;

(f) any other matter which may be prescribed;

and any proceeding before any such officer shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code (Act XLV of 1860) and every such officer shall be deemed to be a civil court within the meaning of sections 480 and 482 of the Code of Criminal Procedure, 1898 (Act V of 1898).

(2) The Chief Settlement Commissioner or any other officer hearing an appeal under this Act shall, subject to the provisions of this Act, have such further powers as are vested in a civil court under the Code of Civil Procedure, 1908 (Act V of 1908) when hearing an appeal.

**27. Finality of orders.**—Save as otherwise expressly provided in this Act, every order made by any officer or authority under this Act, including a managing corporation, shall be final and shall not be called in question in any court by way of an appeal or revision or in any original suit, application or execution proceeding.

## CHAPTER V

## MISCELLANEOUS

28. **Power to transfer cases.**—The Central Government or the Chief Settlement Commissioner may, by order in writing at any time, transfer any case pending before an officer appointed under this Act to another officer and the officer to whom the case is so transferred may, subject to any special direction in the order of transfer, proceed from the stage at which it was so transferred.

29. **Special protection from ejectment to certain classes of persons.**—(1) Where any person to whom the provisions of this section apply, is in lawful possession of any immovable property of the class notified under sub-section (2), which is transferred to another person under the provisions of this Act, then, notwithstanding anything contained in any other law, such person shall without prejudice to any other right which he may have in the property, be deemed to be a tenant of the transferee on the same terms and conditions as to payment of rent or otherwise on which he held the property immediately before the transfer:

Provided that notwithstanding anything contained in any such terms and conditions, no such person shall be liable to be ejected from the property during such period not exceeding two years as may be prescribed in respect of that class of property, except on any of the following grounds, namely:—

(a) that he has neither paid nor tendered the whole amount of arrears of rent due after the date of the transfer within one month of the date on which a notice of demand has been served on him by the transferee in the manner provided in section 106 of the Transfer of Property Act (IV of 1882);

(b) that he has, without obtaining the consent of the transferee in writing—

(i) sublet or otherwise parted with the possession of the whole or any part of the property, or

(ii) used the property for a purpose other than the purpose for which he was using it immediately before the transfer;

(c) that he has committed any act which is destructive of, or permanently injurious to, the property.

(2) The Central Government, may from time to time by notification in the Official Gazette, specify the class of persons to whom, and the class of immovable property in the compensation pool, other than agricultural land, in respect of which, the provisions of this section shall apply and in issuing any such notification the Central Government shall have regard to the following matters, that is to say,—

(a) the length of the period for which any such persons may have been in lawful possession of the property;

(b) the difficulty of obtaining alternative accommodation;

(c) the availability of any other suitable residential accommodation for the use of the transferee; and

(d) such other matters as may be prescribed.

**30. Exemption from arrest.**—No person shall be liable to arrest or imprisonment in pursuance of any process issued for the recovery of any sum due under this Act which is recoverable as an arrear of land revenue.

**31. Advisory Board.**—(1) The Central Government shall, as soon as may be, constitute a Board to advise the Central Government on matters of policy arising out of the administration of this Act.

(2) The Board shall consist of a Chairman and such number of other members not exceeding six as the Central Government may think fit to appoint and the members (including the Chairman) shall hold office for a period of two years and shall be eligible for re-appointment:

Provided that the Chairman or any other member of the Board may resign his office by writing under his hand addressed to the Central Government and shall, on such resignation being accepted by that Government, be deemed to have vacated his office.

(3) The Board may, subject to the previous approval of the Central Government, make by-laws fixing a quorum and regulating its own procedure and the conduct of all business to be transacted by it.

(4) No act done or proceeding taken by the Board shall be questioned on the ground merely of the existence of any vacancy in, or a defect in the constitution of, the Board.

**32. Power to give directions.**—The Central Government may give directions to any State Government as to the carrying into execution in the State of any of the provisions contained in this Act or of any rules or orders made thereunder.

**33. Certain residuary powers of Central Government.**—The Central Government may at any time call for the record of any proceeding under this Act and may pass such order in relation thereto as in its opinion the circumstances of the case require and as is not inconsistent with any of the provisions contained in this Act or the rules made thereunder.

**34. Delegation of Powers.**—(1) The Central Government may, by notification in the Official Gazette, direct that any power exercisable by it under this Act shall, in such circumstances and under such conditions, if any, as may be specified in the direction, be exercisable also by such officer or authority subordinate to the Central Government or by the State Government or by such officer or authority subordinate to the State Government as may be specified in the notification.

(2) Subject to the provisions of this Act and of the rules and orders made thereunder, the Chief Settlement Commissioner may, by general or special order, delegate all or any of his powers under this Act to the Joint Chief Settlement Commissioner, the Deputy Chief Settlement Commissioner, a Settlement Commissioner, an Additional Settlement Commissioner or an Assistant Settlement Commissioner, subject to such conditions, if any, as may be specified in the order.

(3) Subject to the provisions of this Act and of the rules and orders made thereunder, a Settlement Commissioner may, by general or special order, delegate all or any of his powers under this Act to an Additional Settlement Commissioner, an Assistant Settlement Commissioner, a Settlement Officer or an Assistant Settlement Officer, subject to such conditions, if any, as may be specified in the order.

**35. Penalty.**—(1) Any person who furnishes in his application for payment of compensation any information which he knows, or has reason to believe, to be false or which he does not believe to be true, shall be punishable with imprisonment which may extend to one year or, with fine, or with both.

(2) No court shall take cognizance of any offence punishable under this Act save upon complaint in writing made by an officer authorised by the Chief Settlement Commissioner by general or special order in this behalf.

**36. Bar of jurisdiction.**—Save as otherwise expressly provided in this Act, no civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Central Government or any officer or authority appointed under this Act is empowered by or under this Act to determine, and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

**37. Officers appointed under the Act to be public servants.**—Every officer appointed under this Act and every member of a managing corporation shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (Act XLV of 1860).

**38. Protection of action taken in good faith.**—No suit or other legal proceeding shall lie against the Central Government or any person appointed under this Act in respect of anything which is in good faith done or intended to be done in pursuance of this Act or of any rules or orders made thereunder.

**39. Validation of certain action taken before the commencement of the Act.**—Anything done or any action taken (including any order made) by the Chief Settlement Commissioner, Settlement Commissioners, Additional Settlement Commissioners or Settlement Officers for the purposes of payment of compensation or rehabilitation grants or other grants to displaced persons shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken in the exercise of the powers conferred by or under this Act as if this Act were in force on the date on which such thing was done or action was taken.

**40. Power to make rules.**—(1) The Central Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the form and manner in which and the time within which, an application for payment of compensation may be made and the particulars which it may contain;

(b) the circumstances in which and the conditions subject to which evacuee property may be acquired under this Act.

(c) the scales according to which, the form and manner in which, and the instalments by which, compensation may be paid to displaced persons. 5

(d) the dues which may be deducted from the amount of compensation to which a displaced person is entitled;

(e) the form and manner in which Government bonds may be issued to displaced persons;

(f) the valuation of property, shares and debentures which may be transferred to displaced persons. 10

(g) the terms and conditions subject to which property may be transferred to a displaced person under section 10.

(h) the circumstances under which the extent to which and the manner in which, rehabilitation grants and other grants may be paid to a displaced person; 15

\* \* \* \* \*  
(i) the powers, functions and duties of managing officers and managing corporations;  
\* \* \* \* \*

(j) the procedure for the transfer of property out of the compensation pool and the manner of realisation of the sale proceeds or the adjustment of the value of the property transferred against the amount of compensation; 20

(k) the procedure to be followed by officers appointed under this Act for making enquiries under this Act. 25

(l) the form and manner in which appeals and applications for review or revision may be preferred or made under this Act and the procedure for hearing such appeals or applications for review or revision; 30

(m) the powers vested in a civil court which may be exercised by an officer appointed under this Act;

(n) the form and manner in which records and books of accounts may be maintained under this Act;

(o) any other matter which is to be or may be, prescribed under this Act. 35

(3) All rules made under this section shall be laid for not less than thirty days before, both Houses of Parliament, as soon as possible, after they are made and shall be subject to such modifications as Parliament may make during the said period of thirty days. 40

#### THE SCHEDULE.

[See section 6(3) (a).]

1. The Chawla Bank, Limited.
2. The Colony Bank, Limited.
3. The Commercial Bank, Limited.
4. The First National Bank, Limited. 45

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|    | 5. The Frontier Bank, Limited.                     |
|    | 6. The Lakshmi Commercial Bank, Limited.           |
|    | 7. The National Bank of Sialkot, Limited.          |
|    | 8. The New Bank of India, Limited.                 |
| 5  | 9. The Oriental Bank of Commerce, Limited.         |
|    | 10. The Prabhat Bank, Limited.                     |
|    | 11. The Punjab and Kashmir Bank, Limited.          |
|    | 12. The Sahukara Bank, Limited.                    |
|    | 13. The Simla Banking and Industrial Co., Limited. |
| 10 | 14. The Traders' Bank, Limited.                    |
|    | 15. The National City Bank, Limited.               |
|    | 16. The Narang Bank of India, Limited.             |
|    | 17. The Sind National Bank, Limited.               |



## APPENDIX I

### MINUTES OF THE MEETINGS OF THE JOINT COMMITTEE ON THE DISPLACED PERSONS (COMPENSATION AND REHABILITATION) BILL, 1954

#### I

#### First Meeting

The First Meeting of the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, was held at 10-30 A.M. on Monday, the 19th July, 1954, in Room No. 73, Parliament House, New Delhi.

2. The following were present:

#### MEMBERS

#### *Lok Sabha*

1. Pandit Thakur Das Bhargava—*Chairman*.
2. Shrimati Subhadra Joshi.
3. Lala Achint Ram.
4. Shri Hira Singh Chinaria.
5. Shri Naval Prabhakar.
6. Shri Bibhuti Mishra.
7. Shri Ram Chandra Majhi.
8. Dr. Pashupati Mandal.
9. Shri Rameshwar Sahu.
10. Shri Khushi Ram Sharma.
11. Shri Raghubar Dayal Misra.
12. Dr. Hari Mohan.
13. Shri Ramraj Jajware.
14. Shri Krishna Chandra.
15. Shri Shankar Rao Telkikar.
16. Shri T. R. Neswi.
17. Shri K. G. Deshmukh.
18. Sardar Hukam Singh.
19. Shri Pisupati Venkata Raghavaiah.
20. Shri Nikunja Behari Chowdhury.
21. Shri Bahadur Singh.
22. Sardar Lal Singh.
23. Shri M. Hifzur Rahman.
24. Shri Jagannathrao Krishnarao Bhonsle.
25. Shri Ajit Prasad Jain.

*Council of States*

26. Shri H. P. Saksena.
27. Dr. Raghbir Singh.
28. Shri C. L. Verma.
29. Syed Mazhar Imam.
30. Shri N. R. Malkani.
31. Shri Joginder Singh Mann.
32. Shri Abdur Rezzak Khan.
33. Shri Jagannath Kaushal.

Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*

Shri N. C. Srivastava, *Joint Secretary, Ministry of Rehabilitation.*

**SECRETARIAT**

Shri A. L. Rai, *Under Secretary.*

3. At the outset the Minister of Rehabilitation made certain suggestions in regard to the procedure to be adopted by the Committee. He then explained the important provisions of the Bill and replied to questions put to him by members in elucidation of the provisions.

4. On a request being made by a member, the Minister of Rehabilitation promised to supply members with copies of explanatory notes on the clauses of the Bill for their use.

5. The Committee decided that all those associations which had so far asked for permission to appear before the Committee should be asked to submit memoranda containing their views on the Bill for circulation to members and authorised the Chairman to ask any or all of them to appear before the Committee to tender evidence.

The Committee further authorised the Chairman to consider similar requests from other associations also if sufficient number of copies of memoranda containing their views were received within a week or so and to decide whether they could be invited to appear before the Committee.

6. The Committee decided that they would hear evidence of the various associations for one and a half days or two days and then consider the Bill clause by clause for three days or so during their next sittings. The Committee decided to meet next from the 5th August, 1954, onwards daily.

7. The Committee adjourned at 12-42 P.M. to meet again at 10-30 A.M. on the 5th August, 1954.

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**II**

**Second Meeting**

The Second Meeting of the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, was held on Thursday, the 5th August, 1954, at 10-30 A.M. in Room No. 73, Parliament House, New Delhi.

## 2. The following were present :

## MEMBERS

*Lok Sabha*

1. Pandit Thakur Das Bhargava—*Chairman*.
2. Shrimati Subhadra Joshi.
3. Lala Achint Ram.
4. Shri Hira Singh Chinaria.
5. Shri Naval Prabhakar.
6. Shri Bibhuti Mishra.
7. Shri Ram Chandra Majhi.
8. Dr. Pashupati Mandal.
9. Shri Daulat Mal Bhandari.
10. Shri Muhammed Khuda Buksh.
11. Shri Rameshwar Sahu.
12. Shri Khushi Ram Sharma.
13. Shri Venkatesh Narayan Tivary.
14. Shri Raghubar Dayal Misra.
15. Dr. Hari Mohan.
16. Shri Ramraj Jajware.
17. Shri Krishna Chandra.
18. Shri Shankar Rao Telkikar.
19. Shri K. G. Deshmukh.
20. Sardar Hukam Singh.
21. Shri Pisupati Venkata Raghavaiah.
22. Shri Nikunja Behari Chowdhury.
23. Shri Bahadur Singh.
24. Shrimati Sucheta Kripalani.
25. Sardar Lal Singh.
26. Shri M. Hifzur Rahman.
27. Shri Ajit Prasad Jain.

*Council of States*

28. Shri H. P. Saksena.
29. Dr. Raghubir Sinh.
30. Shri I. B. Beed.
31. Syed Mazhar Imam.
32. Shri H. C. Dasappa.
33. Shri N. R. Malkani.
34. Shri Joginder Singh Mann.
35. Shri Abdur Rezzak Khan.

Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*

Shri N. C. Srivastava, *Joint Secretary, Ministry of Rehabilitation.*

## SECRETARIAT

Shri A. L. Rai, *Under Secretary*.

3. The Committee heard the evidence tendered by the representatives of the following associations :—

1. Displaced Banks' Association, Delhi.
2. Displaced Property Owners' Association, Delhi.
3. Refugee Protection Society, Delhi.

4. The Committee adjourned at 1 P.M. and re-assembled at 3-30 P.M. in Committee Room No. 63.

5. The Committee heard the evidence tendered by the representatives of the Federation of Delhi State Refugee Associations.

6. A *verbatim* record of all the evidence tendered was taken down.

7. The Committee adjourned at 5-45 P.M. to meet again at 10-30 A.M. on Friday, the 6th August, 1954 in Room No. 73.

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### III

#### Third Meeting

The Third Meeting of the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, was held on Friday, the 6th August, 1954, at 10-30 A.M. in Room No. 73, Parliament House, New Delhi.

2. The following were present :

#### MEMBERS

#### *Lok Sabha*

1. Pandit Thakur Das Bhargava—*Chairman*.
2. Shrimati Subhadra Joshi.
3. Lala Achint Ram.
4. Shri Hira Singh Chinaria.
5. Shri Naval Prabhakar.
6. Shri Bibhuti Mishra.
7. Shri Ram Chandra Majhi.
8. Dr. Pashupati Mandal.
9. Shri Daulat Mal Bhandari.
10. Shri Muhammed Khuda Buksh.
11. Shri Rameshwar Sahu.
12. Shri Khushi Ram Sharma.
13. Shri Venkatesh Narayan Tivary.
14. Shri Raghubar Dayal Misra.
15. Shri Ramraj Jajware.
16. Shri Krishna Chandra.
17. Shri Shankar Rao Telkikar.

18. Shri K. G. Deshmukh.
19. Sardar Hukam Singh.
20. Shri Pisupati Venkata Raghavaiah.
21. Shri Nikunja Behari Chowdhury.
22. Shri Bahadur Singh.
23. Shrimati Sucheta Kripalani.
24. Sardar Lal Singh.
25. Shri M. Hifzur Rahman.
26. Shri Ajit Prasad Jain.

#### *Council of States*

27. Shri H. P. Saksena.
28. Dr. Raghubir Sinh.
29. Shrimati Mona Hensman.
30. Shri I. B. Beed.
31. Shri C. L. Verma.
32. Syed Mazhar Imam.
33. Shri H. C. Dasappa.
34. Shri N. R. Malkani.
35. Shri Abdur Rezzak Khan.

Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*

Shri N. C. Srivastava, *Joint Secretary, Ministry of Rehabilitation.*

#### SECRETARIAT

Shri A. L. Rai, *Under Secretary.*

3. The Committee heard the evidence tendered by the representatives of the All India Refugee Association, Delhi.

4. A *verbatim* record of the evidence tendered was taken down.

5. Shri Sultan Yar Khan, a Member of the Delhi Legislative Assembly appeared before the Committee on behalf of the Muslims of Delhi, Rajasthan and U.P. and desired to place their views before the Committee. He was directed to submit a memorandum containing their views in the first instance for the information of the Committee.

6. The Committee adjourned at 1-5 P.M. to meet again at 9 A.M. on Saturday, the 7th August, 1954.

#### IV

#### Fourth Meeting.

The Fourth Meeting of the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, was held on Saturday, the 7th August, 1954, at 9 A.M. in Room No. 73, Parliament House, New Delhi.

2. The following were present :

**MEMBERS**  
**Lok Sabha**

1. Pandit Thakur Das Bhargava—*Chairman*.
2. Shrimati Subhadra Joshi.
3. Lala Achint Ram.
4. Shri Naval Prabhakar.
5. Shri Bibhuti Mishra.
6. Shri Ram Chandra Majhi.
7. Dr. Pashupati Mandal.
8. Shri Daulat Mal Bhandari.
9. Shri Muhammed Khuda Buksh.
10. Shri Rameshwar Sahu.
11. Shri Khushi Ram Sharma.
12. Shri Venkatesh Narayan Tivary.
13. Shri Yeshwantrao Martandrao Mukne.
14. Shri Raghubar Dayal Misra.
15. Shri Ram Raj Jajware.
16. Shri Krishna Chandra.
17. Shri Shankar Rao Telkikar.
18. Shri P. Kakkan.
19. Shri T. R. Neswi.
20. Shri K. G. Deshmukh.
21. Sardar Hukam Singh.
22. Shri Pisupati Venkata Raghavaiah.
23. Shri Nikunja Behari Chowdhury.
24. Shri Bahadur Singh.
25. Shrimati Sucheta Kripalani.
26. Sardar Lal Singh.
27. Shri M. Hifzur Rahman.
28. Shri Ajit Prasad Jain.

*Council of States*

29. Shri H. P. Saksena.
30. Dr. Raghubir Sinh.
31. Shrimati Mona Hensman.
32. Shri I. B. Beed.
33. Syed Mazhar Imam.
34. Shri H. C. Dasappa.
35. Shri N. R. Malkani.
36. Shri Joginder Singh Mann.
37. Shri Abdur Rezzak Khan.

Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*

Shri N. C. Srivastava, *Joint Secretary, Ministry of Rehabilitation.*

## SECRETARIAT

Shri A. L. Rai, *Under Secretary.*

3. The Minister for Rehabilitation suggested that the principle for the management of compensation pool as laid down in clause 15 of the Bill may be discussed at the outset. This was necessitated by the desire of some members that this work should be done by a Central Executive Board and several Regional Boards consisting mainly of nominated non-officials. If that principle were accepted, the Bill would have to be recast.

After the Minister for Rehabilitation had explained the mode in which the compensation pool will be managed under clause 15, the Committee felt that for expeditious and effective management and control of the pool it should be done as provided in the Bill.

The Committee felt nevertheless that a body of non-officials like the Bakshi Tek Chand Committee may be provided by statute for consultation by the Government on matters of policy arising out of the administration of this Act.

The Draftsman was directed to make an appropriate provision in the Bill for appointment of a Central Advisory Board.

4. The Committee thereafter took up clause by clause consideration of the Bill.

5. *Clause 2.*—The following suggestions were made :

- (1) in sub-clause (c) the words 'or is deemed to have been declared' may be deleted ;
- (2) that the following may not be treated as 'public dues' :—
  - (a) Loans advanced by the Rehabilitation Finance Administration ;
  - (b) Interests on loans mentioned in (d) (ii) ; and
  - (c) maintenance allowance granted to old widows and persons.
- (3) that verified claims should mean :—
  - (a) A claim preferred by an individual, displaced person, bank, trust or other institution.
  - (b) A claim which may be verified hereafter.
  - (c) A claim preferred by displaced banks in respect of mortgage rights verified or to be verified under the Displaced Persons Claims Act, 1950.

As regards suggestion (1) mentioned above the Committee was of the opinion that these words were intended to include those properties which had been acquired before the passing of the Administration of Evacuee Property Act, 1950, or were declared to be Evacuee properties under the said Act and the new proposed Bill seeks to exclude the further declaration of properties as evacuee property.

The Committee felt that writing off loans or postponement in their realisation would reduce the assets of the compensation pool (e.g. Rehabilitation Finance Administration has been advanced about 7 crores of Rupees) and delay the payment of compensation. Furthermore a uniform policy ought to be adopted for all loans.

However the Committee felt that the Government should deal leniently with deserving hard hit displaced persons by partial or non realisation of loans from them.

The Committee was of the view that the authority given to the banks also deserved proper consideration, and provision ought to be made for them. The Minister of Rehabilitation agreed to bring forward an amendment to this effect.

The Committee was of the view that the authority given to the Central Government under (d) (iv) to declare 'any other dues' as 'public dues' was very wide and that it should be limited to the dues of the Central Government, State Government, Local Government or the Custodian.

The Committee was of the view that claims for verification should not now be invited from persons who had failed to file them before 31st August, 1952. There would be no finality about it and it would be impossible to differentiate between spurious and genuine cases. The Government can pay rehabilitation grants under clause 10 of the Bill to genuine cases who had failed to file their claims within the prescribed period.

However displaced persons who have migrated from Pakistan after the 15th October, 1952, stood in a different category and they should be allowed to have their claims verified. Verification in their cases would be easy as they possess migration certificates.

The clause was adopted subject to above observations.

6. *Clause 3.*—It was pointed out that the cost of the entire establishment under this Bill will be met out of the budget of the Ministry of Rehabilitation as mentioned in the Financial Memorandum and there was no ground for thinking that it would be a burden on the compensation pool.

The clause was passed without an amendment.

7. *Clause 4.*—The Minister of Rehabilitation explained that the intention was not to invite class-wise applications after the 31st October, 1954. The procedure of paying compensation class-wise was adopted to satisfy the most needy in the beginning and to avoid administrative congestion. It was expected that all the remaining applications would be invited together region-wise by the 30th June, 1955.

The Committee felt that a provision to that effect should be made in the Bill, and any person who was included in the categories so far invited to tender applications for compensation but had not done so should be permitted to put in an application when the rest of the displaced persons were asked to send in their applications.

The Government agreed to bring forward an amendment to that effect.

8. The Committee agreed to sit both in the morning and afternoon from their next meeting.

9. The Committee adjourned at 1-5 P.M. to meet again at 9 A.M. on Monday, the 9th August, 1954.



### Fifth Meeting

The Fifth Meeting of the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, was held on Monday, the 9th August, 1954, at 9 A.M. in Room No. 73, Parliament House, New Delhi.

2. The following were present:

#### MEMBERS

##### *Lok Sabha*

1. Pandit Thakur Das Bhargava—*Chairman*.
2. Shrimati Subhadra Joshi.
3. Lala Achint Ram.
4. Shri Hira Singh Chinaria.
5. Shri Naval Prabhakar.
6. Shri Bibhuti Mishra.
7. Shri Ram Chandra Majhi.
8. Dr. Pashupati Mandal.
9. Shri Rameshwar Sahu.
10. Shri Khushi Ram Sharma.
11. Shri Venkatesh Narayan Tivary.
12. Shri Raghubar Dayal Misra.
13. Shri Ramraj Jajware.
14. Shri Krishna Chandra.
15. Shri Shankar Rao Telkikar.
16. Shri P. Kakkan.
17. Shri T. R. Neswi.
18. Shri K. G. Deshmukh.
19. Sardar Hukam Singh.
20. Shri Pisupati Venkata Raghavaiah.
21. Shri Nikunja Behari Chowdhury.
22. Shri Bahadur Singh.
23. Sardar Lal Singh.
24. Shri M. Hifzur Rahman.
25. Shri Jagannathrao Krishnarao Bhonsle.
26. Shri Ajit Prasad Jain.

##### *Council of States*

27. Shri H. P. Saksena.
28. Moulana Mohammad Faruqi.
29. Dr. Raghubir Singh.
30. Shri Jagannath Kaushal.
31. Shrimati Mona Hensman.

- 32. Shri I. B. Beed.
- 33. Syed Mazhar Imam.
- 34. Shri H. C. Dasappa.
- 35. Shri N. R. Malkani.
- 36. Shri Joginder Singh Mann.
- 37. Shri Abdur Rezzak Khan.

Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*

Shri N. C. Srivastava, *Joint Secretary, Ministry of Rehabilitation.*

#### SECRETARIAT

Shri M. Sundar Raj, *Deputy Secretary.*

Shri A. L. Rai, *Under Secretary.*

3. The Committee considered the two Memoranda that had been submitted by Shri Sultan Yar Khan, M.L.A., and Shri Radha Raman, M.P. and decided that there was no need for inviting a deputation to give evidence before the Committee on the Memoranda.

4. Thereafter the Committee took up clause by clause consideration of the Bill.

5. *Clauses 5 and 6.*—The Committee was of the view that determination of compensation payable to displaced persons might be delayed as the number of Settlement Commissioners was limited. In order to meet such a contingency the Government should provide in the rules for enhancement of the powers of the Settlement Officers as far as possible so that the work may not be held up.

The Committee was further of the view that sub-clause 6(2) (c) was wide and if there were any other dues which a Settlement Commissioner ought to deduct from the determined compensation those should be enumerated. Therefore, it was decided to omit it.

Clauses 5 and 6 were passed subject to above-mentioned omission, and remarks.

6. *Clause 7.*—It was suggested that payment of compensation to displaced persons should be made in the form and manner that was acceptable to them and not by bonds or shares or debentures of a company. The Minister for Rehabilitation pointed out that the Government did not intend to issue any Government bonds for making payment to displaced persons. Those bonds which had become part of the evacuee pool, e.g., compensation for abolition of zamindari in U.P., would only be allotted to persons whose claims range above a certain limit. Some of the shares or debentures in companies also become part of the evacuee pool.

The Committee decided that the mode of payment to displaced persons whose claims were small should be generally speaking according to their choice and Government bonds and shares or debentures should only be issued to refugees whose claims exceeded a certain limit. The Government agreed to provide this in the Rules.

It was also suggested that sub-clause (2) should form part of clause 36. However, the matter was left to the discretion of the Draftsman.

Clause 7 was adopted without amendment.

7. *Clause 8.*—Revised clause 8 (Annexure A) drawn up in the light of the general discussion that had previously taken place on the provisions of this Bill was considered. It was then suggested that all the powers that were exercisable by a subordinate officer may also be exercisable by a higher officer in case of appeals etc., and the Draftsman was directed to make a provision in this regard in the Bill.

The new clause was adopted without amendment subject to above observation.

8. *Clause 9.*—On page 5 in lines 11 and 12 the following words were omitted:

“in such manner and in such rights and to such extent as may be prescribed’.

The clause was adopted as amended.

9. *Clause 10.*—It was suggested that the Government should not make rehabilitation or other grants to public institutions out of the compensation pool, but should do so out of the general budget.

The Committee accepted this suggestion and in sub-clause (1), the following words were omitted:—

‘and to any public institution administered for the benefit of displaced persons.’

The Committee felt that the maintenance allowances paid out of the general revenues to widows etc., who had verified claims, should not be recovered from the compensation pool as the amount of the pool was already meagre. They decided to make a strong recommendation to the Government to that effect in their Report.

The clause was passed subject to the above-mentioned amendment.

10. *Clause 11.*—The Minister for Rehabilitation gave an assurance that provision would be made in the rules that composite evacuee properties, properties in respect of which restoration applications were pending and properties in respect of which appeals or revisions are pending before a Custodian or Custodian-General, shall not be acquired till after the disposal of pending cases.

11. The Committee adjourned at this stage for lunch and met again at 3 P.M.

12. *Clauses 11 and 12.*—Clauses 11 and 12 were adopted without amendment.

13. *Clause 13.*—Certain suggestions were put forward that it should be stated clearly in the Report that in the opinion of the Committee the amount available in the compensation pool was too small and that the Government should augment it so that at least fifty per cent. of the verified claims could be paid.

The Committee decided that a strong recommendation should be made to the Government to make further substantial contributions to the compensation pool, so as to give general satisfaction to the refugees.

The clause was adopted without amendment.

14. *Revised Clause 14.*—The Minister for Rehabilitation said that he intended to have this clause revised again, in order to improve it.

15. *New Clause 28A.*—The Clause 28A (Annexure B) which had been drafted according to the Committee's decision dated the 7th August, 1954, (*Para. 3 of Minutes dated the 7th August, 1954*), was adopted without amendment.

16. *Clause 15.*—The Government moved the following proviso empowering the Central Government to dissolve a managing corporation when its work is completed:

“Provided that where the Central Government is satisfied that any such Managing Corporation has completed the work entrusted to it, the Central Government may, by order in writing, dissolve the Corporation and thereupon any property vested in the Corporation shall vest in the Central Government for the purposes of this Act.”

The Committee felt that at least 1/3rd the number of members on the managing corporation should be displaced persons. The Draftsman was directed to amend the clause accordingly.

The clause as amended subject to the inclusion of the above provision later by the Draftsman was adopted.

17. *Clause 16.*—The clause was omitted as verified claims of trusts should not be payable out of the compensation pool.

18. *Clause 17.*—The clause was adopted without amendment.

19. *Clause 18.*—The Committee was of the opinion that the power of a managing officer or managing corporation to vary or cancel leases or allotment of any property should be subject to rules to be provided for the purpose. The Draftsman was directed to carry out the necessary amendment.

The clause was adopted subject to the incorporation by the Draftsman of this decision of the Committee.

20. *Clause 19.*—The Government moved that the following may be substituted for sub-clause 1(b) and (c):

“(b) by lease of any such property to a displaced person or an association of displaced persons, whether incorporated or not, or to any other person;

(c) by allotment of any such property to a displaced person or an association of displaced persons whether incorporated or not, or to any other person on such valuation as the Settlement Commissioner may determine.”

The clause as amended was adopted.

21. *Clause 20.*—As desired by the Committee, Government moved the following proviso to this clause:

“Provided that no such person shall be arrested in pursuance of any process issued for the recovery of such sum.”

The clause as amended was adopted.

22. *Clause 21.*—The Minister for Rehabilitation stated that the Central Government will specify by Rules that the amount for the purposes of appeal under this clause shall be Rs. 250/-.

The Committee decided that appeals to a Settlement Commissioner should also lie from the orders of a managing officer.

The Draftsman was asked to make the necessary amendment.

23. *Clause 22.*—The Committee thought that appeals should lie to a Chief Settlement Commissioner against the orders of a managing corporation. The Draftsman was asked to make the requisite amendment.

The clause was passed subject to this being later incorporated by the Draftsman.

24. *Clause 23.*—The Committee considered that the Chief Settlement Commissioner should be vested with a certain amount of discretion in deciding the nature of the order to be passed, depending on the circumstances of each case. The Committee, therefore, directed that the words 'subject to such conditions as may be deemed fit' may be added after the words 'or allotment granted to him,' in sub-clause (2).

The Committee were also of the view that where the Chief Settlement Commissioner, while exercising his revisionary powers, orders the payment of half the amount of compensation or less the order should be subject to confirmation by the Government.

The Draftsman was directed to insert the above-mentioned provisions in the clause.

The clause was passed subject to above directions.

25. *Clause 24.*—The Government moved that the following be substituted for sub-clause (2) which was adopted:

"Clerical or arithmetical mistakes in any order passed by any officer or authority under this Act or errors arising therein from any accidental slip by the omission made, at any time, be corrected by such officer or authority."

The Committee felt that the power of review should also be vested in a successor in office.

The Draftsman was directed to carry out the above amendments in this clause.

26. *Clauses 25 and 26.*—These clauses were adopted without amendment.

27. *New Clause 5A.*—Discussion on this clause had not ended when the Committee adjourned at 6 P.M. to meet again on Wednesday, the 11th August, 1954, at 9 A.M.

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## VI

### Sixth Meeting

The Sixth Meeting of the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, was held at 9 A.M. on Wednesday, the 11th August, 1954, in Room No. 73, Parliament House, New Delhi.

2. The following were present:

#### MEMBERS

#### Lok Sabha

1. Pandit Thakur Das Bhargava—*Chairman.*
2. Lala Achint Ram.

3. Shrimati Subhadra Joshi.
4. Shri Hira Singh Chinaria.
5. Shri Naval Prabhakar.
6. Shri Bibhuti Mishra.
7. Shri Ram Chandra Majhi.
8. Dr. Pashupati Mandal.
9. Shri Rameshwar Sahu.
10. Shri Khushi Ram Sharma.
11. Shri Venkatesh Narayan Tivary.
12. Shri Raghubar Dayal Mishra.
13. Shri Ramraj Jajware.
14. Shri Krishna Chandra.
15. Shri Shankar Rao Telkikar.
16. Shri T. R. Neswi.
17. Shri K. G. Deshmukh.
18. Sardar Hukam Singh.
19. Shri Pisupati Venkata Raghavaiah.
20. Shri Nikunja Behari Chowdhury.
21. Shri Bahadur Singh.
22. Shri Choithram Partabrai Gidwani.
23. Sardar Lal Singh.
24. Shri M. Hifzur Rahman.
25. Shri Jagannathrao Krishnarao Bhonsle.
26. Shri Ajit Prasad Jain.

*Council of States*

27. Shri H. P. Saksena.
  28. Dr. Raghubir Sinh.
  29. Shri Jagannath Kaushal.
  30. Shrimati Mona Hensman.
  31. Shri I. B. Beed.
  32. Shri C. L. Verma.
  33. Syed Mazhar Imam.
  34. Shri H. C. Dasappa.
  35. Shri N. R. Malkani.
  36. Shri Joginder Singh Mann.
  37. Shri Abdur Rezzak Khan.
- Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*
- Shri N. C. Srivastava, *Joint Secretary, Ministry of Rehabilitation.*

SECRETARIAT

- Shri M. Sundar Raj, *Deputy Secretary.*
- Shri A. L. Rai, *Under Secretary.*

3. *New Clause 5A.*—The Committee adopted a new clause 5A (as per Annexure C).

4. *Clause 2.*—In consequence of the insertion of Clause 5A in the Bill, and omission of clause 16 the following was added to Clause 2 after sub-clause (e):

“but does not include—

- (i) any such claim registered in respect of property held in trust for a public purpose of a religious or charitable nature;
- (ii) any such claim made by or on behalf of any body corporate or incorporate;
- (iii) any such claim made by a mortgagee or other person holding a charge or lien on any immovable property belonging to a displaced person in West Pakistan.”

5. The Committee felt that a person who fails to make an application for payment of compensation within the prescribed period should be allowed to do so even later on if he can explain to the satisfaction of the authorities the reasons for his failure to do so in time. The Draftsman was directed to provide accordingly.

The clause subject to the inclusion of the above provision later by the Draftsman was adopted.

6. *Clause 23.*—New Sub-clause (4) to clause 23 (Annexure D) as drafted in accordance with the decision of the Committee dated the 9th August, 1954 (*Vide* Para. No. 24 dated the 9th August, 1954) was adopted without amendment.

7. *Clause 27.*—Clause 27 was adopted without amendment.

8. *Clause 28.*—The Government moved that the following be substituted for clause 28:

“Certain displaced persons not to be ejected for two-years.—Where a displaced person is in lawful possession of any property other than agricultural land comprised in the compensation pool which is transferred to another person under the provisions of this Act, then, notwithstanding anything contained in any other law, the displaced person shall, without prejudice to any other right which he may have in such property, be deemed to be a tenant of the transferee for a period of two years from the date of the transfer on the same terms and conditions as to payment of rent or otherwise on which he held the property immediately before the transfer:

Provided that no such person shall be liable to be ejected during the said period of two years except on any of the following grounds, namely:

- (a) that he has neither paid nor tendered the whole amount of arrears of rent due within one month of the date on which a notice of demand has been served on him by the transferee in the manner provided in section 106 of the Transfer of Property Act (IV of 1882);

- (b) that he has, without obtaining the consent of the transferee in writing, sublet or otherwise parted with the possession of the whole or any part of the property and that he has used the property for a purpose other than the purpose for which he was using it immediately before the transfer;
- (c) that he has committed any act which is destructive of or permanently injurious to the property."

During the discussion of the amendment the Committee expressed the view that persons displaced or otherwise who had been in lawful possession should not be ejected as it would amount to dislodging settled persons and creating further complications. On the other hand, there may be cases of displaced persons as tenants who should not have the benefit of remaining as tenants for two years, e.g., in hill stations, industrial concerns.

The Committee desired, therefore, that this clause should be substituted by an enabling clause which would empower the Government to prescribe classes of persons who required its special protection. The general principles and the nature of protection should be defined and the Ministry should incorporate those recommendations in rules for implementation.

This work was entrusted to a sub-Committee consisting of the following members which would meet on the 21st August, 1954, at 3 P.M. to consider this question:

1. Pandit Thakur Das Bhargava—*Chairman*
2. Shri Ajit Prasad Jain
3. Sardar Hukam Singh.
4. Shri M. Hifzur Rahman
5. Lala Achint Ram
6. Shri Choithram Partabrai Gidwani
7. Shrimati Subhadra Joshi
8. Shri H. C. Dasappa.

9. *Clause 29*: Clause 29 was adopted without amendment.

10. *Clause 30*: The Government moved that the following sub-clause (3) may be added to this clause:

"(3) Subject to the provisions of this Act and of the rules and orders made thereunder, a Settlement Commissioner may, by a general order or a special order, delegate all or any of his powers under this Act to an Additional Settlement Commissioner, an Assistant Settlement Commissioner or a Settlement Officer, subject to such conditions, if any, as may be specified in the order."

The clause, as amended, was adopted.

11. *Clause 31*: The period of imprisonment of two years as provided in the clause for furnishing false particulars in an application for payment of compensation was reduced to one year.

The clause, as amended, was adopted.

12. *Clause 32*: Clause 32 was adopted without amendment.



13. *Clause 33*: The amendment moved by Government that the words "Assistant Settlement Commissioner" may be added after the words "Additional Settlement Commissioner", was accepted. The Committee thought that the Managing Officers and Managing Corporations should also be deemed to be public servants for the purposes of this Bill.

The Draftsman was directed to make these amendments in the clause.

14. *Clauses 34 and 35*: Clauses 34 and 35 were adopted without amendment.

15. *Clause 36*: Government moved that the following be added as sub-clause (aa):

"(aa) the circumstances in which evacuee property may be acquired generally or with reference to any class of evacuee property or evacuee property situated in a specific area or any particular evacuee property."

The draftsman was asked to amend (2) (b) in view of the decision of the Committee to invite all applications region-wise in future. The Government moved that for sub-clause (g) the following be substituted:

"(g) the terms and conditions on which property may be transferred to displaced persons under section 9."

Consequent on the deletion of clause 16 by the Committee sub-clause (k) of this clause was also omitted.

*Sub-Clause (m)*: It was suggested that other officers may also be included besides those mentioned in this sub-clause for making enquiries under this Act.

*Sub-Clause (n)*: It was suggested that sub-clause (n) may be amended so as to add 'representations etc.' in it along with "appeals and applications for review or revision".

*Sub-Clause (o)*: The words 'vested in' were substituted by the words 'exercisable by'.

The Draftsman was asked to incorporate the above amendments in the clause.

16. The Committee also considered the recommendations of the Committee on Subordinate Legislation contained in para. 11 of their First Report. The Committee decided that suitable provision should be made in this clause to give effect to the following recommendations:

(i) that the rules shall be laid on the Table as soon as possible; and

(ii) that the rules shall be subject to such modifications as the House may like to make.

17. *Clause 1 and the Schedule*: Clause 1 and a new Schedule (Annexure E) were adopted without amendment.

The Draftsman was directed to amend the clause in the light of the above decisions of the Committee.

18. The Committee adjourned at 1-10 P.M. to meet again at 4 P.M. on Monday, the 23rd August, 1954.

**Seventh Meeting**

The Seventh Meeting of the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, was held on Wednesday, the 25th August, 1954, at 4 P.M. in the Central Hall of the Parliament House, New Delhi.

2. The following were present :

**MEMBERS*****Lok Sabha***

1. Pandit Thakur Das Bhargava—*Chairman*
2. Shrimati Subhadra Joshi
3. Shri Gurmukh Singh Musafir
4. Lala Achint Ram
5. Shri Hira Singh Chinaria
6. Shri Naval Prabhakar
7. Shri Bibhuti Mishra
8. Shri Ram Chandra Majhi
9. Dr. Pashupati Mandal
10. Shri Daulat Mal Bhandari
11. Shri Muhammed Khuda Buksh
12. Shri Rameshwar Sahu
13. Shri Khushi Ram Sharma
14. Shri Venkatesh Narayan Tivary
15. Shri Yeshwantrao Martandrao Mukne
16. Shri Raghubar Dayal Misra
17. Dr. Hari Mohan
18. Shri Ramraj Jajware
19. Shri Shankar Rao Telkikar
20. Shri T. R. Neswi
21. Sardar Hukam Singh
22. Shri Pisupati Venkata Raghavaiah
23. Shri Nikunja Behari Chowdhury
24. Shri Bahadur Singh
25. Shri Jaswantraj Mehta
26. Shrimati Sucheta Kripalani
27. Shri Choithram Partabrai Gidwani
28. Sardar Lal Singh
29. Shri M. Hifzur Rahman
30. Shri Jagannathrao Krishnarao Bhonsle
31. Shri Ajit Prasad Jain

***Rajya Sabha***

32. Shri H. P. Saksena
33. Dr. Raghubir Singh

- 34. Shri Jagannath Kaushal
- 35. Shri C. L. Verma
- 36. Syed Mazhar Imam
- 37. Shri H. C. Dasappa
- 38. Shri N. R. Malkani
- 39. Shri Joginder Singh Mann
- 40. Shri Abdur Rezzak Khan.

Shri S. K. Hiranandani, *Additional Draftsman Ministry of Law.*

Shri N. C. Srivastava, *Joint Secretary, Ministry of Rehabilitation.*

#### SECRETARIAT

Shri M. Sundar Raj, *Deputy Secretary.*

Shri A. L. Rai, *Under Secretary.*

3. The Committee took up consideration of the draft Report. The Report was considered para. by para. and adopted with certain modifications.

4. The recommendation of the sub-Committee that in the re-numbered clause 29 of the Bill as amended the words "after the date of transfer" be added after the words "rent due" in item (a) of the proviso to sub-clause (1) of that clause was accepted by the Committee. The Bill as amended by the Committee was also adopted.

5. It was decided that the Report of the Committee be presented to the House on Friday, the 27th August, 1954.

6. The Committee then adjourned at 6-30 P.M.

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MINUTES OF THE MEETING OF THE SUB-COMMITTEE OF  
THE JOINT COMMITTEE ON THE DISPLACED PERSONS  
(COMPENSATION AND REHABILITATION) BILL, 1954.

A meeting of the sub-Committee of the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, was held at 2 P.M. on Saturday, the 21st August, 1954, in the Central Hall, Parliament House, New Delhi.

2. The following were present :

MEMBERS

1. Pandit Thakur Das Bhargava—*Chairman*
2. Shri Ajit Prasad Jain
3. Sardar Hukam Singh
4. Shri M. Hifzur Rahman
5. Lala Achint Ram
6. Shri Choithram Partabrai Gidwani
7. Shrimati Subhadra Joshi
8. Shri H. C. Dasappa.

Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*

Shri N. C. Srivastava, *Joint Secretary, Ministry of Rehabilitation.*

SECRETARIAT

Shri M. Sundar Raj, *Deputy Secretary.*

Shri A. L. Rai, *Under Secretary.*

3. In accordance with the decision of the Committee dated the 11th August, 1954, (*para. 8, Minutes dated the 11th August, 1954*), the sub-Committee took up consideration of the question of substituting clause 28 by an enabling clause which would empower the Government to prescribe classes of displaced persons, requiring its special protection in accordance with the principles laid down therein.

4. The sub-Committee considered an amendment (Annexure F) to substitute original clause 28, which was moved by Government. After some discussion, the sub-Committee recommended the adoption of the Government amendment with the modification that "in line 2 of item (a) of proviso to sub-clause (1) after the words 'rent due' the words 'after the date of transfer' shall be inserted".

5. The sub-Committee then adjourned.

## **Annexure A**

"In page 4, for clause 8, substitute the following clause:—

**(8) *Payment of compensation in cases of disputes.***

Where there is any dispute as to the person or persons who are entitled to the compensation (including any dispute as to who are the successors in interests of any deceased claimant to compensation) or as to the apportionment of compensation among persons entitled thereto, such dispute shall, after such enquiry as may be prescribed, be decided—

- (a) Where the verified value of the claim does not exceed Rupees twenty thousand, by the Settlement Officer,
- (b) Where the verified value of the claim exceeds Rupees Twenty thousand, by the Settlement Commissioner,

Provided that a Settlement Officer or the Settlement Commissioner, as the case may be, may refer any such dispute to the District Judge nominated in this behalf by the State Government, whose decision thereon shall be final."

## **Annexure B**

**After clause (28) insert the following clause:—**

**“28A—Advisory Board—(1) The Central Government shall, as soon as may be, constitute a Board to advise the Central Government on matters of policy arising out of the administration of this Act.**

**(2) The Board shall consist of a Chairman and such number of other members not exceeding six as the Central Government may think fit to appoint and the members (including the Chairman) shall hold office for a period of two years and shall be eligible for reappointment.**

**Provided that the Chairman or any other member of the Board may resign his office by writing under his hand addressed to the Central Government and shall, on such resignation being accepted by that Government, be deemed to have vacated his office.**

**(3) The Board may, subject to the previous approval of the Central Government, make bye-laws fixing a quorum and regulating its own procedure and the conduct of all business to be transacted by it.**

**(4) No act or proceeding of the Board shall be invalid by reason of any vacancy or a defect in its constitution.”**

## **Annexure C**

### ***Certain banking Companies***

**5A. Relief to displaced mortgagee banks.—**(1) Where a debt due to a banking company is secured by a mortgage, charge or lien on any immovable property belonging to a displaced person in West Pakistan in respect of which compensation is payable under this Act and such mortgage, charge or lien was subsisting at the date when the claim of the banking company was registered under the Displaced Persons (Claims) Act, 1950 (XLIV of 1950), the banking company shall be entitled to relief in accordance with the provisions of this section.

(2) Where the displaced person is entitled to receive compensation in respect of any such property as is referred to in subsection (1), the banking company shall be entitled—

- (a) If the compensation to the displaced person in respect of such property is payable in cash, to receive such amount as bears to the total debt, the same proportion as the compensation payable to the displaced person bears to the value of the verified claim of the displaced person in respect of such property;
- (b) if the compensation to the displaced person is payable in the form of transfer of any property from the compensation pool, then subject to a prior charge under section (3) of section 20 to a second charge on such property for the amount which would have been payable to the banking company under clause (a) if the displaced person had been paid compensation in cash;
- (c) if the compensation to the displaced person is payable in any other form, to such relief as the Settlement Officer, having regard to the principle specified in clause (a) or clause (b), may determine.

**3. For the purpose of this section,—**

- (a) the expression 'banking company' means any of the displaced banking companies specified in the Schedule and includes any other banking company which before the fifteenth day of August, 1947 carried on the business of banking, whether wholly or partially in any area now forming part of West Pakistan, and which the Central Government may, having regard to the dislocation of such business on account of the partition of the country, by notification in the Official Gazette, specify in this behalf;
- (b) the expression 'total debt' means—

- (i) where the banking company has preferred a claim under the Displaced Persons (Claims) Act, 1950 (XLIV of

1950) and the claim has been verified, the amount of the verified claim, subject to such adjustment as the Settlement Officer, having regard to the provisions of the Displaced Persons (Debts Adjustment) Act, 1951 (LXX of 1951) applicable to secured debts, may make;

- (ii) where the banking company has preferred such claims but the claim has not been verified, such amount as the Settlement Officer, having regard to the provisions of the Displaced Persons (Debts Adjustment) Act, 1951 (LXX of 1951) applicable to secured debts, may determine.



## **Annexure D**

(4) Any person aggrieved by an order made under sub-section (2), may, within thirty days of the date of the order, make an application in such form and manner as may be prescribed to the Central Government.

The Central Government may pass such order thereon as it deems fit.

### **Annexure B**

**List of Banks notified as "displaced banks" under Section 2(7) of the Displaced Persons (Debts Adjustment) Act, 1951.**

1. The Chawla Bank Ltd.
2. The Colony Bank Ltd.
3. The Commercial Bank Ltd.
4. The First National Bank Ltd.
5. The Frontier Bank Ltd.
6. The Lakshmi Commercial Bank Ltd.
7. The National Bank of Sialkot Ltd.
8. The New Bank of India Ltd.
9. The Oriental Bank of Commerce Ltd.
10. The Prabhat Bank Ltd.
11. The Punjab and Kashmir Bank Ltd.
12. The Sahukara Bank Ltd.
13. The Simla Banking and Industrial Co. Ltd.
14. The Traders' Bank Ltd.
15. The National City Bank Ltd.
16. The Narang Bank of India Ltd.
17. The Sind National Bank Ltd.

## **Annexure F**

**29. Special protection from ejectment to certain classes of persons.—**(1) Where any person to whom the provisions of this section apply is in lawful possession of any immovable property of the class notified under sub-section (2), which is transferred to another person, under the provisions of this Act, then, notwithstanding anything contained in any other law, such person shall without prejudice to any other right which he may have in the property, be deemed to be a tenant of the transferee on the same terms and conditions as to payment of rent or otherwise on which he held the property immediately before the transfer:

Provided that notwithstanding anything contained in any such terms and conditions, no such person shall be liable to be ejected from the property during such period not exceeding two years as may be prescribed in respect of that class of property, except on any of the following grounds, namely:—

- (a) that he has neither paid nor tendered the whole amount of arrears of rent due after the date of transfer within one month of the date on which a notice of demand has been served on him by the transferee in the manner provided in section 106 of the Transfer of Property Act (IV of 1882);
- (b) that he has, without obtaining the consent of the transferee in writing:—
  - (i) sublet or otherwise parted with the possession of the whole or any part of the property, or
  - (ii) used the property for a purpose other than the purpose for which he was using it immediately before the transfer;
- (c) that he has committed any act which is destructive of, or permanently injurious to, the property.

(2) The Central Government may, from time to time by notification in the Official Gazette, specify the class of persons to whom, and the class of immovable property in the compensation pool, other than agricultural land, in respect of which, the provisions of this section shall apply and in issuing any such notification the Central Government shall have regard to the following matters, that is to say,—

- (a) The length of the period for which any such persons may have been in lawful possession of the property;
- (b) the difficulty of obtaining alternative accommodation;
- (c) the availability of any other suitable residential accommodation for the use of the transferee; and
- (d) such other matters as may be prescribed.

## APPENDIX II

### A

**Summary of the evidence tendered before the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, on the 5th August, 1954, at 10-30 a.m. in Parliament House, New Delhi.**

### WITNESSES

- (1) Shri M. R. Kohli.
- (2) Shri Sita Ram.
- (3) Shri M. L. Bagai.
- (4) Shri Raghu Raj.

on behalf of—  
The Displaced Banks' Association.

- \* (1) Shri Lal Chand Khanna.
- (2) Shri Labh Singh.
- \* (3) Shri Amar Nath Arora.
- (4) Shri Moti Ram Bhalla.
- (5) Sardar Sant Singh.
- (6) Shri Ganga Saran.
- (7) Dr. Hans Raj Virmani.

on behalf of—  
Displaced Property Owners Association.  
\*Also on behalf of—  
Refugee Protection Society.

- (1) Shri T. R. Dua.
- (2) Shri Kanshi Ram Sethi.
- (3) Shri Tulsi Nath.
- (4) Shri B. N. Kapoor.
- (5) Shri C. R. Wason.
- (6) Shri Tara Singh Pardesi.
- (7) Shri A. C. Mehra.
- (8) Shri Shanti Swaroop.
- (9) Shri Hukam Chand.
- (10) Shri Kuni Behari Lal.
- (11) Shri Gurdas Mal Anand.
- (12) Shri M. R. Luthra.
- (13) Shri Behari Lal.
- (14) Shri Takhat Ram.

on behalf of—  
Federation of Delhi State Refugee Associations.

The representatives of the Displaced Banks' Association made out the following points in the course of their evidence before the Committee on the 5th August, 1954:

(a) The displaced banks had lodged claims registered under the Displaced Persons (Claims) Act, against mortgaged properties left in

Pakistan by their displaced debtors, hoping that the claims would be verified and compensation paid by Government. Out of the total claims of Rs. 2,65,17,500/-, claims to the extent of Rs. 50,26,500/- have only been verified. The verification of the remaining claims was suspended under a directive of the Ministry of Rehabilitation. Such pending claims should be duly verified by Claims Officers.

(b) As it is proposed by Government to offer compensation for interest in properties lost by migration from Pakistan, a *pro rata* share of the compensation to be paid should be offered to those who were entitled to those properties as mortgagees.

(c) If rights to ownership of evacuee property in India are done away with, similar measures may be taken in Pakistan, as a result of which the displaced banks will be in a quandary, losing their claims to the interests in the mortgaged property in Pakistan.

(d) The principle, which has been accepted in the Displaced Persons (Debts Adjustment) Act, namely, apportionment by a tribunal of the amount of compensation between the creditor and the debtor according to the assessed value of the property and the amount of the claim thereon, should also be given legal effect in the proposed Bill so that litigation is done away with completely. A claim made by displaced banks may not be referred to the ordinary law courts as in most cases the limitation period has expired. It is therefore necessary that their claims should be decided by the Settlement Officers by extending the provisions of the Claims Act. The orders passed may be final and the Civil Courts barred from adjudicating those cases. In cases where interest of a reversionary, partner or a co-heir has to be determined, that matter may go to a Civil Court for decision.

(e) Equitable settlement of the claims of displaced banks will extend the benefit to a large number of displaced persons, who are creditors and shareholders of the Banks.

2. The representatives of the Displaced Property Owners' Association and the Refugee Protection Society made out the following points in the course of their evidence before the Committee on the 5th August, 1954.

(a) The evacuee property pool which could have contributed considerably to the compensation pool was allowed to dwindle away due to a loose definition of evacuee property in India. In Pakistan all non-Muslim property is treated as evacuee property. There are many cases where the holder of the property is in India but all the members of his family are in Pakistan, and taking advantage of the existing provisions, uncontrolled amounts are remitted to Pakistan for the purposes of their maintenance or trade. Evacuee property has been restored to Muslims in many cases solely on the statements of the claimants, without considering any other evidence. Furthermore, there is a lot of concealed property which has not been declared evacuee property either due to laxity in the enforcement of the law or slackness of the Custodian in tracing the owner.

An officer should be deputed to make a proper survey of the Muslim properties and attempts should be made to increase the evacuee pool.

(b) It is not proper that the expenses incurred by Government on the refugees during the last five or six years should be transferred to the assets side and then debited to the compensation pool as part of Government contribution.

(c) Government must bear some substantial portion of the losses suffered by the refugees. For this purpose, the claims should be separated into two parts: small claims i.e., claims of Rs. 10,000 or less; and larger claims. The entire Government contribution of Rs. 85 crores to the compensation pool must be distributed to the small claimants. The larger claimant should get nothing more than 25 per cent. of his claims from the evacuee pool of Rs. 100 crores, and, out of the rest of his claim he should be allowed to exchange his property in Pakistan with evacuee property in India. When exchange is effected, he will give 25 per cent. of the exchange value back to the evacuee pool for those whose properties have not been exchanged. The 25 per cent. quota may be paid to the claimants by issuing unredeemable bonds bearing 2 to 3 per cent. interest. It should be ensured that the evacuee property remains intact to facilitate exchange and that their claims to property in Pakistan are not annulled by consequent retaliatory action.

(d) Consequent upon the Government announcement of the 7th May, 1954, all the Muslims who are intending evacuees can sell their property and go to Pakistan. This will be an economic drain on the national exchequer. The sale by Muslims of their property should be prohibited. In two or five years the owners of the property, finding that they cannot sell their property or allow their nominees (most of them being old) to stay in India for an indefinitely long period and themselves being unable to subsist for long without income from their property, will have no other recourse, except to come round and agree for exchange of their property with the displaced persons' property in Pakistan.

(e) A deputation to Pakistan of 7 to 10 persons consisting of some Members of Parliament and non-officials should be arranged to explore the possibilities of exchanging property in Pakistan.

(f) Clause 11 of the Bill should be so amended that instead of extinguishing the complete title of the evacuee, it should be partially left in the hands of the executive so that, when conditions in Pakistan permit it, the ownership of the evacuee property may be revived.

3. The representatives of the Federation of Delhi State Refugee Associations made out the following points in the course of their evidence before the Committee on the 5th August, 1954:

(a) The quantum of and the manner in which compensation is payable to the displaced persons should be specified. In the Punjab, the Government have given land to the displaced persons to the extent of 66 per cent. of their claims. It will be a great consolation to refugees from urban areas if a similar percentage of compensation could be given immediately to them or an assurance to that effect is given by the Centre.

(b) Compensation claims of rural areas are being devaluated by 50 per cent. There is no justification for this action as the rural

claims were also verified judiciously like urban claims. The claimants from rural areas should be paid compensation on a par with those of urban areas.

(c) In calculating the prices of the houses given to refugees for purposes of debiting the same to the compensation pool, the actual cost at which land was acquired plus the actual cost of development should be charged whereas it appeared according to the proposed arrangement that the houses would be valued at enhanced prices in accordance with the current market rate. Increasing the compensation pool by levying enhanced prices on the displaced persons is not fair.

(d) Regarding clause 10, maintenance allowance to the displaced persons who have lodged claims should be recovered by Government out of the compensation pool only to the extent of the amount adjustable against the claims of such grantees. The maintenance allowance paid to the old, infirm, unemployed and widows who had no claims should not be replenished from the compensation pool. Government should undertake the responsibility of maintaining all such persons from other sources.

(e) The idea of forming a Managing Corporation and a Welfare Corporation should be dropped because they will be a burden on the pool. Alternatively, there is no objection for providing educational or medical facilities particularly for displaced persons over and above those normally provided to other citizens of India, provided it is made clear in the clause that the facilities are specifically given to displaced persons over and above the normal concession available to other citizens.

(f) As regards clause 19(a), there should be no discrimination between the allottees of shops in one market and those of an adjoining market who have already been given shops at cost price by the Ministry of Rehabilitation. Government built property in the occupation of the displaced persons should be sold to them on a "no profit, no loss" basis and not by auction. The displaced persons cannot compete with moneyed men in auctions.

(g) As regards clause 20, no arrears of rent should be recovered from the infirm and widows who have no source of income. The total rent paid so far by refugees should be refunded or be reckoned as part of the price which is calculated for the building given to the refugees in settlement of their claims.

(h) As regards clause 28, in case of transfer of the Government built property to a person other than the present occupant, the latter should be deemed to be a tenant of the transferee from the date of transfer, for the period he desired to remain tenant subject to a maximum period of 10 years, and subsequently by their mutual agreement. Upto 10 years from the date of transfer of the property, the transferee shall be debarred from raising the rate of rent fixed by Government.

(i) Those displaced persons whose claims for agricultural lands have been verified but who have not been allotted any land during the last seven years should be either allotted land in exchange in

the State in which they have permanently settled or in the adjoining areas. Otherwise they should be granted in cash the value of their claim.

(j) A further period of three months should be allowed for submission of claims by those who have not preferred any claims within the specified period for some reason or the other.

(k) The plots given on lease for 99 years, should be converted into freeholds by charging the requisitioned price of such plots from those individuals. The cost of the land should be assessed along with the house and the same procedure should be adopted regarding industrial plots.

(l) Rehabilitation loans should be returnable in easy instalments and should not be adjusted in one lot while paying compensation to those persons. No interest should be charged on such loans.

(m) Joint claims preferred by different claimants for the purpose of convenience, should be treated as separate claims in respect of each of the joint claimants for purposes of compensation.

(n) With regard to succession certificates a provision should be made empowering the Regional Settlement Officer to decide cases of dispute without the necessity of going to court. If it happens that one of the aggrieved party decides to go to Court, Court fees should be waived.

(o) Small claimants who have been given loans to the extent of Rs. 1000 should be exempted from refunding of the loan, which should be treated as a rehabilitation grant.

## B

**Summary of the evidence tendered before the Joint Committee on the Displaced Persons (Compensation and Rehabilitation) Bill, 1954, on the 6th August, 1954, at 10-30 a.m. in Parliament House, New Delhi.**

## WITNESSES

- |  |   |   |
|--|---|---|
| <ul style="list-style-type: none"> <li>(1) Lala Feroz Chand.</li> <li>(2) Shri M. R. Kohli.</li> <li>(3) Shri C. L. Virmani.</li> <li>(4) Shri Suraj Bhan.</li> <li>(5) Deewan Sushilchand.</li> <li>(6) Maharaj Nihal Singh.</li> <li>(7) Shri Ishar Singh Grover.</li> </ul> | } | on behalf of—<br>All India Refugee Association. |
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The representatives of the All India Refugee Association made out the following points in the course of their evidence before the Committee on the 6th August, 1954:

(a) As the compensation payable to the displaced persons under the proposed arrangement is meagre, Government's contribution to the compensation pool should be enhanced especially in view of the assurances which were given by the late Shri N. Gopalaswamy Ayyangar that substantial contributions would be made by Government to the pool.



(b) Government should guarantee and underwrite the amount of Rs. 185 crores which formed the compensation pool as there are misgivings that the value of the evacuee property which is to contribute considerably to the pool, when actually sold and the investments when actually realized may not yield Rs. 185 crores as estimated.

(c) The level of urban compensation should be for the present the same as has been accepted in the Punjab—PEPSU scheme for agricultural compensation i.e., at an average of two thirds.

(d) Further contributions should be made by Government to the compensation pool so that the compensation payable to urban displaced persons might come up to the level of the rural allottees.

(e) There was no particular sanctity about particular proportion of the compensation as compared to rural compensation. The payment of 50 per cent. of the value of urban immovable property claims would be better than the present proportion.

(f) Culturable waste lands can be utilised and added to the compensation pool without any serious financial strain on the Government.

(g) It is not proper that all vital details in respect of the scheme should be left to be decided by the executive by orders, notifications or through rules to be made under this Act. All important provisions should, as far as possible, be incorporated in the Act itself.

(h) The price in all cases where Government built rehabilitation houses are to be adjusted against compensation dues should be calculated on the basis of the actual cost of acquisition of land plus actual cost of development and actual cost of superstructure, with no supervision charges where the construction is entrusted to a contractor. The departmental charges should not be taken into account in fixing the cost nor should the current market price be taken as the criterion for fixing the price. It should be remembered that places where the rehabilitation houses are built were formerly wildernesses, and the cost of acquisition of land was negligible. That the houses now command a good price is because of the refugees' initiative, industry and drive.

(i) Auction of property in Government built refugee townships, colonies and shopping centres where it becomes unavoidable should not be thrown open to non-refugees.

(i) Clause 2(d)(iv) of the Bill should be deleted. It should be declared by Government that the displaced persons should not be harassed on account of warrants that are received against them from Pakistan regarding their dues to that country. The assessment or demand notes received from Pakistan should, at least, not be considered as public dues under the purview of this Act.

(k) Provision may be made for the filing of claims by people who came up after a particular date and also by persons like widows etc., who, through ignorance, had failed to file claims, the number of such cases being expected to be about twenty to twenty-five thousand.

(i) *Clause 10(2)*? The maintenance allowances that have been paid so far should be treated as ordinary rehabilitation grants and should not be debited to the compensation pool.

(m) *Clause 15*: No case has been made out for the establishment of Managing Corporations which would be a strain on the compensation pool, and would not also be responsible to the Legislature. Government could make what arrangements they deem necessary under clause 19(b).

(n) *Clause 16*: Government at the Centre or the States should grant money to Welfare Corporation from the Education Funds and Public Health Funds and not out of the compensation pool.

(o) *Clause 20*: Refugees should not be harassed by being imprisoned while recovering money from them as arrears of land revenue. Moreover, such a provision is *ultra vires* of the Constitution according to a recent ruling of the Madras High Court. A clause may be added that the arrears should not be recovered as public revenue unless the person is found to possess money or property and is proved to have wilfully defaulted, when he was in a position to pay.

(p) *Clause 28*: The difficulties arising in places where there are no safeguards provided by tenancy law should be kept in view. Industrial undertakings have to be treated differently.

(q) There should be some time limit for calling in claims and the payment of interim compensation. All applications should be sent at once and payment may be made categorywise subsequently. All payments should be completed within two years. In complicated cases or where other difficulties arise, some negotiable bonds may be issued to the claimant of the value to which he is entitled so that he can get some money to live until a final decision is reached.

(r) Private transactions of property with nationals of Pakistan are not likely to solve the problem.

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