

***Displaced Persons (Compensation and Rehabilitation) Act, 1954***  
***Act 44 of 1954***

***hl124***

***An Act to provide for the payment of compensation and rehabilitation grant 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 (Compensation and Rehabilitation) Act, 1954.

### ***Object & Reasons***

**Statement of Objects and reasons** - "Negotiations have been in progress with the Government of Pakistan for more than six years with a view to arrive at an equitable solution of the problem of immovable evacuee property. The Government of India have all through been of the view that the immovable evacuee properties including agricultural land in India and Pakistan should be exchanged in lump on Government to Government basis, the debtor country paying to the creditor for the difference between the values of such properties in the two countries. The proposals made by the Governments of India from time to time have, however, been turned down by Pakistan. There has been a persistent demand from displaced persons that these properties should be transferred to them in permanent ownership. The properties have been fast deteriorating and many of them have already been declared unfit for habitation or have crumbled down. To halt further deterioration and to facilities the rehabilitation of displaced persons from West Pakistan this Bill provides that the right, title and interest of evacuee in evacuee properties in India should be acquired by Government. The compensation to be paid to displaced persons will be confined to the utilisation of the acquired evacuee property in India as well as any amount realised from Pakistan on account of the difference between the values of evacuee properties in the two countries. The loans so far advanced to displaced persons from West Pakistan, the properties built by the Government for their rehabilitation and the provision made till May, 1953 for their rehabilitation for the future under the Five Year Plan or otherwise will be utilised for rehabilitation by giving grants. The Bill provides for the payment of rehabilitation grants.

2. The Bill provides for the appointment of a Chief Settlement Commissioner, Settlement Commissioners and Settlement Officers who will determine and pay the amount of compensation and rehabilitation grant payable to persons having verified claims. Managing Officers and managing corporations will be entrusted with the custody, management and

disposal of the assets in the pool.

The Bill provides for the setting up of the Displaced Persons Welfare Corporation for the purpose of providing educational and medical facilities to displaced persons from West Pakistan and rendering assistance to institutions engaged in such activities. The payments due to educational and medical trusts with verified claims will be placed at the disposal of this corporation along with properties for being utilised for the above mentioned purpose".  
Gazette Ind., 1954, Extra ,Part II-Section 2, page 322.

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

- (a) "compensation pool" means the compensation pool constituted under section 14;
- (b) "displaced persons" means any person who, on account of the setting up of the Dominions of India and Pakistan, or on account 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 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:
- (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),
- (d) "public dues" in relation to a displaced persons, includes -
  - (i) arrears of rent in respect of any property allotted or leased to the displaced person by Central Government or a State Government or the Custodian;
  - (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;
  - (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 of any property or interest therein by-
    - (a) the Central Government; or
    - (b) any State Government; or
    - (c) any body corporate or other authority or person financed by the Central Government or a State Government for the purpose of the

acquisition, development or construction of any immovable property for the rehabilitation of displaced persons;

- (iiia) any dues payable, whether in one lump sum or in instalments, to a co-operative society, registered as such under any law for the time being in force, by the displaced person on account of loans granted to him by the co-operative society, where such loans have been granted out of funds placed at the disposal of the co-operative society by the Central Government or a State Government and such dues have been declared by the Central government, by notification in the Official Gazette, to be public dues;
  - (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 persons;
- (e) "verified claim" means any claim registered under the Displaced Persons (Claims) Act, 1950 (XLV 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), and includes any claim registered on or before the 31st day of May, 1953 under the East Punjab Refugees (Registration of Land) (Claims) Act, 1948 (East Punjab Act, XII of 1948) or under the Patiala Refugees Registration of Land (Claims) Ordinance, 2004 ( Order 10 of 2004 Bk) and verified by any authority appointed for the purpose by the Government of Punjab, the Government of Patiala or the Government of Patiala and East Punjab States Union, as the case may be, which has not been satisfied wholly or partially by the allotment of any evacuee land under the relevant notification specified in section 10 of this Act, 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) except in the case of a banking company for the purposes 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;
  - (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;
- (g) " West Pakistan" means the territories of Pakistan excluding the Province of East Bengal and includes the tribal area of Tochi and

Kurram and such other tribal areas adjoining the North West Frontier 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**

### ***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 and as many Deputy Chief Settlement Commissioners, Settlement Commissioner, 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.

(2) Subject to the provisions of this Act, the Joint Chief Settlement Commissioners, all Deputy Settlement Commissioners, Settlement Commissioners, Additional Settlement Commissioners, Assistant Settlement Commissioners Settlement Officers, Assistant Settlement Officers and Managing Officers shall perform the functions as assigned to them by or under this Act under general superintendence and control of the Settlement Commissioner.

**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.

(2) Every displaced persons 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.

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

(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;
- (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 the 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 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 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 claims 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) 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 (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 (XLV 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 enquiry 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 circumstance 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 to which any communication is received from tribunal under section 52 that Act;
- (c) where any communication is received from any tribunal under section 52 of the Displaced Persons (Debts Adjustment) Act, 1951 (LXX 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 share 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:-

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

- (b) the scales according to which, the form and manner in which, and the instalment 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 person;
- (d) any other matter which is to be, or may be prescribed.

**8A. Payment of compensation in case of mortgaged properties. - (1)**

Where any compensation is payable to any displaced persons in lieu of property abandoned by him in West Pakistan which on date of his migration from West Pakistan was subject to a mortgage in favour of person who is not resident in India, the Settlement Commissioner shall, after giving a reasonable notice to the displaced, person, determine the principal sum of which the property was so mortgaged and such portion of the principal sum so determined as bears 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 that mortgaged property shall be deductible from the compensation payable in respect of the mortgaged property:

Provided that where compensation has been paid to any displaced person without such deduction having been made, the displaced person shall pay to the Central Government the amount of such deduction within three months of the determination thereof or such longer period as may be prescribed:

Provided further that the where compensation has been paid to any displaced person by sale or any other mode of transfer to him of any property from the compensation pool, the displaced person may, within the aforesaid period of three months or, as the case may be, within the aforesaid prescribed period-

- (a) either retain the property on his paying in cash the aforesaid amount,
- or
- (b) surrender a portion of that property of a value equivalent to the amount of such deduction, such value being determined by the Settlement Commissioner in the prescribed manner.

(2) If any displaced person fails to pay any amount which is liable to be deducted from his compensation under sub-section (1), or fails to surrender the property of the value equivalent to such amount, such amount may be recovered in the same manner as an arrears of land revenue.

**9. Payment of compensation in cases of disputes. -** Where there is any disputes as to the person or person 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 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 to 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. 4895-S or 4891-S, dated the 8th July, 1959, 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 compensations 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 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 notification of the Government of Patiala and East Punjab States Union No. 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 Evacuee (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 notification shall not be invalid and shall be deemed never to have been invalid merely by reasons 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 notification 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 under such conditions and to such extent and in such form and manner as may be prescribed.

(2) Sub-section 2 omitted by Act No. 86 of 1956.

### **CHAPTER III**

#### ***Compensation Pool for purposes of payment of compensation and rehabilitation grants to displaced persons***

**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 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 right, title and interest of any evacuee in the evacuee property specified in the notification shall, on the 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.

(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
- (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.** - 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 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;
- (d) such other asserts as may be prescribed.

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

**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.

**16. Management of compensation pool.** - 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 provisions of this Act -

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

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

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

**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 the general superintendence and control of the Chief Settlement Commissioner.

(2) Subject to the provision 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.

(3) An 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 the 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 reasons 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 lease 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 any person, -

- (a) has ceased to be entitled to the possession of any evacuee property by reason of any action taken under sub-section (1), or
- (b) is otherwise in unauthorised possession of any evacuee property or any other immovable property forming part of the compensation pool,

he shall, after he has been given a reasonable opportunity of showing cause against his eviction from such property, surrender possession of the property on demand being made in this behalf by the managing officer or managing corporation or by any other person duly authorised by such officer or corporation.

(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.

(4) Where a managing officer or managing corporation is satisfied that any person, whether by way of allotment or lease, is, or has at any time been, in possession of any evacuee property acquired under this Act to which he was not entitled, or which was in excess of that to which he was entitled, under the law under which such allotment or lease was made or granted, then, without prejudice to any other action which may be taken against that person, the managing officer or the managing corporation may, having regard to such principles of assessment of rent as may be specified in this behalf by the Central Government, by order, assess the rent payable in respect of such property and that person shall be liable to pay the rent so assessed for the period for which the property remain or has remained in his possession:

Provided that no such order shall be made without giving to the person concerned a reasonable opportunity of being heard.

(5) Where any person is, or has at any time been, in unauthorised possession of any evacuee property acquired under this Act, the managing officer or the managing corporation may, having regard to such principles of assessment of damages as may be specified in this behalf by the Central Government, assess the damages on account of the use and occupation such property and may, by order, require that person to pay the damages within such time and in such instalments as may be specified in the order:

Provided that no such order shall be made without giving to the person concerned a reasonable opportunity of being heard.

**20. Power of 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.
- (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;
- (d) in the case of an evacuee in a company, by transfer of such share to a displaced person or any association of displaced persons whether incorporated or not, or to any other person, notwithstanding anything to the contrary contained in the Indian Companies Act, 1913 (7 of 1913) or in the memorandum or articles of association of such company;
- (e) in such other manner as may be prescribed.

(1A) For the purpose of transferring any property out of the compensation pool under sub-section (1), it shall be lawful for the managing officer or the managing corporation to transfer the same to a displaced person jointly with any other person or an association of displaced persons or otherwise.

(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).

(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 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 arrears of land revenue.

**20A. Utilization of compensation pool in connection with restoration of evacuee property in certain cases.** - Where any evacuee or his heir is entitled to the restoration of any evacuee property on an application made by him in this behalf under section 16 of the Administration of Evacuee Property Act, 1950 (31 of 1950), hereinafter in this section referred to as Evacuee Property Act, and the Central Government is of opinion that it is not expedient or practicable to restore the whole or any part of such property to the applicant by reason of the property or part thereof being in occupation of a displaced person or otherwise, then, notwithstanding anything contained in the Evacuee Property Act, and this Act, it shall be lawful for the Central Government -

- (a) to transfer to the applicant in lieu of the evacuee property or any part thereof, any immovable property in the compensation pool or any part thereof being in the opinion of the Central Government as nearly as may be of the same value as the evacuee property or the case may be, any part thereof, or
- (b) to pay to the applicant such amount in cash from the compensation pool in lieu of the evacuee property or part thereof, as the Central Government having regard to the value of the evacuee property of part thereof, may, in the circumstances, deem fit.

*Explanation* - The provisions of this sub-section shall apply, whether or not a certificate for the restoration of the evacuee property has been issued to the applicant under sub-section (1) of section 16 of the Evacuee Property Act, as in force immediately before the commencement of the Administration of Evacuee Property (Amendment) Act, 1956, if the evacuee property has not in fact been restored to the applicant.

(2) Where in pursuance of sub-section (1) any evacuee or his heir has been granted any immovably property from the compensation pool or has been paid any amount in cash from the compensation pool, his application under section 16 of the Administration of Evacuee Property Act for the restoration of the evacuee property shall be deemed to have been disposed of, and his right, title and interest in such evacuee property shall be deemed to have been extinguished but such extinguishment shall not a effect the power of the Central Government to acquire the evacuee property under section 12 of this Act.

**20B. Restrictions on restoration of certain property.** - (1) Where any person is entitled to the restoration of any property by virtue of an order made by the Custodian General under section 27 of the Administration of Evacuee Property Act, 1950 (31 of 1950), or by the competent officer to the appellate officer under the Evacuee Interest Separation Act, 1951(64 of 1951), and the Central Government is of opinion that it is not expedient or practicable to restore the whole or any part of such property to that person by reason of the property or part thereof being in occupation of a displaced person or otherwise then, notwithstanding anything contained in the said Act or this Act, it shall be lawful for the Central Government -

- (a) to transfer to that person in lieu of the property to be restored or any part thereof, any immovable property in the compensation pool or any part thereof being in the opinion of the Central Government as nearly as may be of the same value as the property to be restored or, as the case may be, any part thereof, or
- (b) to pay to that person such amount in cash from the compensation pool in lieu of the property to be restored or part thereof, as the Central Government, having regard to the value of the property to be restored or part thereof, may in the circumstances deem fit.

(2) Where in pursuance of sub-section (1) any person has been granted any immovable property from the compensation pool or has been paid any amount in cash from the compensation pool, his right, title and interest in the property to be restored shall be deemed to have been extinguished.

**21. Recovery of certain sums as arrears of land revenue.** - (1) Any sum payable to the Government or to the Custodian in respect of any evacuee property, under any agreement, express or implied, lease or other document or otherwise howsoever, for any period prior to the date of acquisition of such property under this Act, which has not been recovered under section 48 of the Administration of Evacuee Property Act, 1950, and any sum payable to the Government in respect of any property in the compensation pool may be recovered in the same manner as an arrears of land revenue.

(2) If any question arises whether a sum is payable to the Government or to the Custodian within the meaning of sub-section (1) in respect of any property referred to herein, it shall be referred to the Settlement Commissioner within whose jurisdiction the property is situated and the Settlement Commissioner shall after making such inquiry as he may deem fit and giving to the person by whom the sum is alleged to be payable an opportunity of being heard decide the question; and the decision of the Settlement Commissioner shall, subject to any appeal or revision under this Act, be final, and shall not be called in question by any Court or other authority.

(3) For the purposes of this section, a sum shall be deemed to be payable to the Custodian, notwithstanding that its recovery is barred by the Indian Limitation Act, 1908 (9 of 1908), or any other law for the time being in force, relating to limitation of actions.

## **CHAPTER IV**

### ***Appeal, revision and powers of officers under the Act***

**22. Appeals to Chief 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:

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.

(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



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 order in relation thereto as he deems fit.

**23. Appeals to 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 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 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 facts, then notwithstanding anything 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 arrears 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 of 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 thereto 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. Power 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 commission for 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 481 of the Code of Criminal Procedure, 1898 (Act V of 1898).

(1A) Every officer appointed under this Act may for the purpose of making an inquiry under this Act and generally for the purpose of enabling him satisfactorily to discharge any of the duties imposed on him by or under this Act, require any person to submit to him such accounts, books or other documents or to furnish to him such information relating to any evacuee property acquired under this Act as he may reasonably think necessary

(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 ejection to certain classes of persons.** - 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 provision 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 rendered 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, 1882 (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 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.** - (1) 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 arrears of land revenue.

(2) Notwithstanding anything contained in sub-section (1) if the Chief Settlement Commissioner is of the opinion that a person is refusing, or neglecting or has refused or neglected, to pay any sum due under this Act, he may, after giving such person an opportunity of being heard, by order in writing stating the grounds therefor, direct that the provisions of sub-section (1) shall not apply to him, and thereupon such person shall cease to be entitled to the exemption conferred by that sub-section.

**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 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 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.

(5) If at any time the Central Government is of opinion that the continued existence of the Board is unnecessary, it may, by notification in the Official Gazette, declare that the Board shall be dissolved with effect from such date as may be specified in the notification and the Board shall be deemed to be dissolved accordingly.

**32. Power to give directions.** - The Central Government may give direction 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 to 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, a 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 proceedings 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 the 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 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.
- (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;

- (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;
  - (hh) the manner in which any dispute as to who are the successors-in-interest of any deceased claimant to a rehabilitation grant or other grant, and as to the apportionment of such grant among persons entitled thereto, may be determined;
- (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;
- (k) the procedure to be followed by officers appointed under this Act for making enquiries under this Act;
- (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 application for review or revision;
- (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;
  - (nn) the fees payable in respect of appeals, revisions or other application made under this Act;
- (o) any other matter which is to be or may be prescribed under this Act.

(3) Every rule made under this section shall be laid as soon as may be after it is made before each House of Parliament while it is in session for a period of thirty days which may be comprised in one session or in two successive sessions and if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule, or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case made be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.