
Madhya Pradesh Indian Contract (Amendment) Act, 1938**15 of 1938****CONTENTS**

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Madhya Pradesh Indian Contract (Amendment) Act, 1938**15 of 1938**

An Act to amend the Indian Contract Act, 1872, in its application to the 1[Madhya Pradesh]. Whereas it is expedient to provide for the setting aside of champertous agreements and to amend the Indian Contract Act, 1872 (IX of 1872), for the purpose; It is hereby enacted as follows :-- 1. Substituted for the words 'Central Provinces and Berar' vide M.P. Act No. 23 of 1958.

1. Short Title :-

This Act may be cited as The 1[Madhya Pradesh] Indian Contract (Amendment) Act, 1938.

1. Substituted for the words Central Provinces and Berar vide M.P. Act No. 23 of 1958.

2. Insertion Of Sections 19-B And 19-C In Act IX Of 1872 :-

After Section 19-A of the Indian Contract Act, 1872 (IX of 1872), the following sections shall be deemed to be inserted, namely :--

"19-B. Definition of maintainer and champertous agreement.--

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

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

19-C. Power to set aside champertous agreement.--

A champertous agreement may be set aside upon such terms and conditions as the Court may deem fit to impose."