REVENUE.

1897. } *Enclosures*
Spare copies

G.O., No. 884, 22nd October 1897.

OCTOBER.

Loans.

m the Government of India approving, subject to certain remarks, the consolidated ices under the Land Improvement and Agriculturists' Loans Acts, communicated f Revenue with remarks.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

Read—again G.O., No. 301, Revenue, dated 25th May 1895.

Abstract.—Approving, subject to certain modifications, the amendments suggested by the Board of Revenue in the draft revised rules under the Loans Acts.

Read—again G.O., No. 1844, Revenue, dated 13th May 1896.

Abstract.—Agreeing with the Board of Revenue in its opinion on a sug
Mr. Nicholson's regarding the system of repayment of loans under the Loans Act, an
ing the Board of Revenue to report upon certain points regarding Mr. Nicholson's
accounting.

Read—also the following Proceedings of the Board of Revenue (Revenue S
Land Records and Agriculture), dated 20th July 1897, No. 519:—

Read—again Proceedings of the Board of Revenue (R.S., L.R. and Agri.), dated 28th May 1896, No. 103.

Abstract.—Communicating to the Collector of Anantapur Government Order agreeing with the opinion of the Board in regard to the annuity system of repayments under the Land Improvement Loans Act; and calling for report from Collectors of certain districts regarding the practicability of Mr. Nicholson's suggestion that the duty of distributing repayments under the annuity system between principal and interest should be entrusted to a skilled accountant in the Collector's office and not to taluk gumastahs.

Read—also the following letter from A. C. TATE, Esq., Collector of Cuddapah, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated 14th July 1896, Dis. No. 3129-Rev.:—

In reply to paragraph 2 of Board's Proceedings, No. 103, dated 28th May 1896, Revenue Settlement, calling for a report regarding the practicability of entrusting the duty of distributing repayments under the annuity system between principal and interest to a skilled accountant in the Collector's office, I have the honour to state that the proposal seems a good one, but an extra accountant would be required in this district to carry it out as the number of final loan orders is very large.

Read—also the following letter from H. BRADLEY, Esq., Collector of Coiml
the Secretary to the Commissioner of Revenue Settlement and Direc
Department of Land Records and Agriculture, dated 13th Ju
Dis. No. 2289-Rev.:—

I have the honour to submit the report called for in Board's Proceedings,
dated 28th May 1896.

2. Mr. Nicholson in paragraph 3 of his second letter embodied in t
Proceedings suggests that the duty of distributing between principal and
repayments under the annuity system made under the Special Well Rules s
entrusted to a skilled accountant in the Collector's office. He also remarks th
will secure accuracy and at the same time relieve the taluk gumastahs wh
often ignorant, are always overworked. The taluk gumastah would simply

annually to the Collector's office the amount paid by each individual and the distribution work would be done there as is now done by a single clerk in the case of the 800 odd separate toddy shops of the district. Moreover, by the use of easily made tables such as are in use in all European land banks (where the fixed annuity system is invariably adopted), the work and the chances of error are reduced to a minimum."

3. The Board desires a report as to the practicability of this suggestion.

4. It is clear that the taluk establishment is to be practically relieved altogether of the work of distribution, wh will have to be attended to by a Huzur clerk. This clerk will have to maintain the requisite registers, viz., * XII-B, I and II separately for each taluk. But it will number ossible to dispense with the similar registers maintained in the taluks, as it is in accordance with them that processes are issued. Moreover, as XVII-A is kept for individual loans, there will be no very great saving of labour in the taluk office.

* Board's Proceedings, No. 91, dated 9th March 1893.

5. The taluk office will have to furnish either daily or once a week an extract from register No. XI relating to repayments under the Special Well Rules to the Collector from which the Huzur clerk will proceed to work out figures for register XII-B, section II. As instalments under the Special Well Loans are payable in this district on the 10th April of each year (*vide* Rule 19 of the Special Well Rules), there will be ample time for a clerk to work out figures for columns 3 and 4 for the next year. There is not, however, the same facility as regards columns 6 to 10 for which figures must also be worked out. It will not be possible for the clerk to get the entries made within the month of April for all the cases in this district, which now amount to some 3,000 and are likely to increase annually, even if every borrower pays his dues on the 10th of April, which is very unlikely.

6. This will certainly prevent any attempt at punctuality in the submission of the monthly † returns due to and by, the Collector, if the returns contain particulars as to interest and principal of the repayments under the Special Well Rules. The Tahsildars will have to depend upon the Huzur for the distribution of collection, between interest and principal, and the taluk clerk besides sending extracts from the daily collection statement to the Huzur will have to post the result of the distribution, so that there will be no material reduction in his work.

† XV. Monthly *plus* and *minus* memorandum accompanying statement No. XVII-B.
XVII-B. Monthly statement of advances and recoveries of loans, monthly account current and the appendix, page 10.

7. If it is decided to adopt Mr. Nicholson's proposal, it will be necessary to pre- that the returns for April, May and June need not contain the particulars, the nt collected being shown in a lump under the head "Suspense Accounts" in the nt current. The apportionment can be easily made in the account current for June a July by an adjustment by credit and debit to the respective heads of service erned.

8. I can see no other difficulty in giving effect to the suggestion of Mr. Nicholson, on the whole, although there may be some increase of accuracy in the taluk es, I do not believe there will be any relief to the taluk gumastah.

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ad—also the following letter from A. W. B. HIGGENS, Esq., Collector of Tinnevelly, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated 29th July 1896, Dis. No. 1384-Genl. Rev.:—

With reference to Board's Proceedings, No. 103, dated 28th May 1896, I have honour to report that, in my opinion, the proposal to entrust the duty of distributrepayments under the annuity system between principal and interest to a skilled ountant in the Collector's office is both unnecessary and impracticable. The calcuon of interest is not beyond the comprehension of a taluk gumastah. The ections of the registers of outstanding advances in the several taluks in past years

have not brought to light any serious errors in calculation, except in one case in the Ambásamudram taluk in which the errors in distribution were made by a new gumastah who had not carefully studied the rules. With the supervision that is exercised by Divisional Officers and Collectors, the chances of error are few.

2. Mr. Nicholson proposes that repayments made by grantees should be reported annually to the Collector's office in view to distribution being made between principal and interest. He does not, however, state how the payments made in the course of the year are to be credited in the treasury accounts. Under his scheme, the exhibition of principal and interest separately in the treasury accounts and in the monthly statement of advances and recoveries is not possible. The repayments must evidently be exhibited in a lump under principal, and this will involve numerous alterations at the end of the year when the distribution is made in the Collector's office.

3. Mr. Nicholson draws an analogy between the work done in Collector's office in connection with the checking of the shopwar demand of abkári shops and the proposed distribution of principal and interest in regard to loan. The former item of work consists in merely checking the lists of shopwar demand and collections submitted by Tahsildars. The work in connection with loans, however, involves considerable labour and adds materially to the work of the Collector's office. Besides, special establishments have been sanctioned in each district for abkári work in Collector's offices, while there is no such establishment for loan work.

Read—also the following letter from A. E. CASTLESTUART STUART, Esq., Collector of South Arcot, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated Cuddalore, 15th August 1896, No. 567-Acc. :—

With reference to paragraph 2 of Board's Proceedings (R.S., L.R. and Agri.), dated 28th May 1896, No. 103, I have the honour to state that I am in favour of the adoption of Mr. Nicholson's suggestion, that the duty of distributing repayments under the annuity system between principal and interest should be entrusted to a skilled accountant in the Collector's office instead of being left to taluk gumastahs. No practical difficulty would, in my opinion, be experienced in the working of this scheme which would, as Mr. Nicholson observed, "secure accuracy and, at the same time, relieve the taluk gumastahs."

Read—also the following letter from G. S. FORBES, Esq., Collector of Chingleput, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated Saidapet, 12th September 1896, Dis. No. 2604 :—

I have the honour to reply to Board's Proceedings, dated 28th May 1896, No. 103, calling for a report on the practicability of entrusting the duty of distributing repayments of loans under the annuity system between principal and interest to a skilled accountant in the Collector's office instead of leaving the work to unskilled and over-worked taluk clerks.

2. I understand the reference to relate to the existing annuity cases under the old rules, the Government concurring with the Board having finally decided (declined) to adhere to the annuity system either as the sole or an alternative system under the new rules.

3. The suggestion is to have the distribution of the repayments between principal and interest under the annuity system made in the Collector's office, the amou repaid by each borrower being reported annually to that office by the Tahsilda The annuity system is worked in respect of all loans granted under the Special W Rules and the annual instalments fall due with the last kist of the fasli. The distribution of these instalments between principal and interest in columns 3 and 4 of form No. XII-B may be made in advance in the Collector's office immediately after the close of the fasli when the register can be spared from the taluk office without inconvenience. The register may then be returned to the taluk office where the distribution of actual repayments in columns 7 and 8 can easily be carried out and entered, as interest is the first claim on any repayment. In the Collector's office, when the register returns, this distribution can be again checked.

4. There is in this district another class of loans in respect of which the annuity system is worked. Under Board's Proceedings, dated 23rd October 1891, No. 682, the cases of loans granted under the ordinary system at $6\frac{1}{4}$ per cent. interest between the 1st January and 28th July 1891 were converted, as a matter of concession in consideration of the adverse season, into loans at 3 per cent. with the period of repayment extended as in the case of the Special Well Rules. In five of the six taluks of this district, the annuity system has been applied to these loans and the number of such cases amounts to 308. In all these cases, the instalments are repayable at different dates in the course of the year according to the dates of disbursement of the loan, and the arrangement proposed in the preceding paragraph is not suited to them. In regard to these cases, I would therefore suggest that the Tahsildars be required to furnish to the Collector's office at the beginning of each month, an extract from the register XII-B relating to cases, the instalments of which fall due in the succeeding month and to have the distribution checked.

5. No additional establishment will be necessary in the Collector's office.

Resolution—dated 20th July 1897, No. 519.

In its order, dated 13th May 1896, Mis. No. 1844, Government while expressing concurrence in the Board's opinion that the mode of recovery of loans by equal annual instalments of principal may be substituted for the annuity system of fixed annual payments in discharge of both principal and interest, called for a report as to the practicability of a suggestion made by Mr. Nicholson that the duty of distributing repayments between principal and interest should be entrusted to a skilled accountant in the Collector's office instead of being left to taluk gumastahs. It was not clear from the Government Order whether this scheme was to apply only to loans granted under the annuity system of repayment or to all loans under the Loans Acts. The Board understood the reference in the former sense and invited the opinion of Collectors of the marginally-noted districts, in which the transactions under the Loans Acts during the past years had been large. The letters read above are their replies.

Cuddapah.
Chingleput.
South Arcot.
Tinnevelly.
Coimbatore.

2. The Collectors of Cuddapah and South Arcot state that they are in favour of the proposal; but they do not state how it is to be worked. The former merely says that the proposal seems a good one, while the latter thinks that no practical difficulty would be experienced in the working of the scheme.

3. The Collector of Chingleput reports that the distribution of instalments between principal and interest, in columns 3 and 4 of loan register No. XII-B, may be made in advance in the Collector's office immediately after the close of the fasli, when the register can be spared from the taluk office without inconvenience and that the distribution of actual repayments in columns 7 and 8 can easily be carried out and entered in the taluk office and can again be verified in the Collector's office, when the register returns. This system may work well enough in those cases in which the borrowers pay the fixed instalments punctually and regularly, but ryots are generally unpunctual in the payment of their dues and often pay a little more or less than the instalment due; and in such cases, the distribution between principal and interest and the calculation of penal interest, when payment is delayed, must still continue to be done by the taluk gumastah, though they may subsequently be checked by the skilled accountant in the Collector's office. Moreover, as pointed out by the Collector, the annuity system has been applied in his district to a large number of loans, which were granted under the Ordinary Rules at $6\frac{1}{4}$ per cent. between 1st January and 28th July 1891, and which were converted, as a matter of concession in consideration of

the then adverse season, into loans at 3 per cent. with the period of repayment extended as in the case of Special Well Rules. In these cases, the instalments are repayable at different dates in the course of a year according to the dates of disbursement of the loan, and the arrangement above proposed will not be suitable to them. The Collector suggests that in these cases Tahsildars may be required to furnish to the Collector's office at the beginning of each month an extract from register No. XII-B relating to the cases in which the instalments fall due in the succeeding month and to have the distribution checked.

4. The Collector of Tinnevelly considers that the scheme is both unnecessary and impracticable. He states that the inspection of the registers of outstanding advances in the several taluks in the past years have not brought to light any serious errors in the calculation of interest; which, he says, is not beyond the comprehension of taluk gumastahs, and he adds that Mr. Nicholson does not state how the payments made in the course of the year are to be credited in the treasury accounts. The repayments, he observes, must evidently be exhibited in a lump under "principal," and this will involve numerous alterations at the end of the year when the distribution is made in the Collector's office.

5. The Collector of Coimbatore points out various difficulties in the working of Mr. Nicholson's scheme. He shows how the scheme which is intended practically to relieve the taluk establishment altogether of the work of distribution, will really multiply its work in several ways. The adoption of the scheme will also, he says, interfere with the punctual submission of returns due to and by Collectors, if the returns are, as now, to contain particulars as to principal and interest. He thinks that, on the whole, there will be no relief to the taluk gumastah though the adoption of the suggestion will result in some increase of accuracy in the taluk figures.

6. Though three, out of the five Collectors consulted, are in favour of adopting Mr. Nicholson's scheme, they have not discussed the merits thereof as fully as the other two have done, who are against it, and the Board is inclined to agree with the latter in considering that the scheme instead of reducing the work in the taluk office will only add to it, and that in view of this fact and of the various difficulties pointed out by them in the working of the scheme, it is not worth while to introduce the scheme for the sake of ensuring complete accuracy in the distribution of repayments between principal and interest.

7. The Board would add that, under the instructions issued in G.O., No. 189, Revenue, dated 11th March 1891, the calculation of interest is not more difficult under the annuity system than under the other system of repayment; that if Mr. Nicholson's scheme is to be adopted for ensuring greater accuracy in the loan accounts, there is no reason for limiting it to cases of loans granted under the former system, and that if the scheme is to be applied to all loans, the work to be done in the Collector's office will, in many districts, necessitate the entertainment of a large staff of special accountants.

(True Copies and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To the Secretary to Government, Revenue Department.

Copy to all Collectors, except Madras.

Read—also the following letter from DENZIL IBBETSON, Esq., C.S.I., Secretary to the Government of India, Department of Revenue and Agriculture (Land Revenue), to the Secretary to the Government of Madras, Revenue Department, dated Simla, 16th August 1897, No. 1884—211-7:—

I am directed to reply to your letter No. 301-A, dated 25th May 1895, with which you forwarded, for the sanction of the Government of India, a set of revised rules under the Land Improvement Loans and Agriculturists' Loans Acts XIX of 1883 and XII of 1884.

2. I am to say that the Government of India regret the delay which has occurred in passing orders on these rules; and the more so as the Government of Madras have

conspicuous for the attention which they have devoted to this matter, and for success which has attended their efforts. The consideration of the rules was in the first instance postponed, in order that it might be taken up in connection with the question of improvement of the system of agricultural loans under both Acts: the question upon which the interesting enclosures to your letter are calculated to throw light. The treatment of this question has, however, been unavoidably deferred, as there have been more urgent matters for consideration. The Government of India have therefore determined to deal with the Madras Revised Rules separately.

2. As stated in your letter of the 25th May 1895, there are at present four sets of rules under the two Acts in force in Madras, viz.:—

(1) Ordinary rules under the Land Improvement Loans Act XIX of 1883.
(2) Special well rules.
(3) Ordinary rules under the Agriculturists' Loans Act XII of 1884.
(4) Special rules for times of distress.

The Government of Madras have combined these four sets of rules in one.

4. The Government of India approve of the consolidated rules, which are in their opinion a great improvement upon those at present in force. They have, however, subjected them to some revision, the extent of which will be seen from the enclosed re-draft. The alterations are indicated in italics, and are for the most part verbal. It is necessary therefore to notice only the more important alterations.

5. In paragraph 7 (iii) of your letter, it is proposed to charge on all loans, except those granted for the relief of distress which will be charged interest at 3 per cent., a uniform rate of 5 per cent. interest instead of, as now, 4 per cent. on loans granted under the special rules and 6¼ per cent. on other loans. The Government of India agree with the Governor in Council that one uniform rate of interest will prove convenient, and that it is not likely to have any deterrent effect; and they therefore approve of the proposal.

The last clause of Rule III has been amended so as to make clear what apparently was the intention of the Government of Madras, that the Local Government alone can grant loans in special cases at reduced interest, or without interest.

6. In paragraph 7 (v) of your letter, it is proposed to extend to 35 years the maximum period for the repayment of loans granted for the construction or repair of wells. This was the original period, which was reduced to 30 years with reference to the orders * issued by the Government of India in 1889. In a subsequent Financial Department Resolution No. 3600-A, dated 26th August 1896, it was laid down that "the advances should be repaid within as short a period as possible, not exceeding 20 years, except with the sanction of the Government of India, which will be granted only under very special circumstances;" and in your letter No. 4065, dated 10th October 1896, you inquire whether these orders are intended to govern the existing rules under the Land Improvement Loans Act. I am to explain that these executive orders will not affect the validity of rules having the force of law, and issued under an Act with the sanction of the Government of India. But as regards the new rules, the Government of India would prefer that the existing maximum limit of 30 years should not be extended; and Rule V has been modified accordingly.

* Financial Department Resolution No. 13, dated 1st January 1889.
Letter of the Department of Revenue and Agriculture, No. 625-R—115-3, dated 26th August 1889.

7. In paragraph 7 (vi) (*a*) of your letter, it is proposed to abolish the annuity system of repayment, and to adopt in all cases the ordinary system under which the principal is paid off by equal annual instalments and the interest varies with the unpaid balance of the loan. The change is proposed on the ground that the annuity system is not understood by either the people or the subordinate officials, and has rendered the special rules which enforce it unpopular.

8. The annuity system is in force in most other Indian provinces, where it is found to work satisfactorily. A serious objection to the ordinary system is, that the payments for interest are heaviest in the early years of the improvement, when the benefit from it is often least. This is, however, a point which the Government of India are not disposed to press, should the Government of Madras on further consideration adhere to their opinion that the change is desirable.

the then ad

No. 884, Revenue, 22nd October 1897.

8. I am to suggest, for the consideration of the Madras Government, that the strictness of Rule XI, which prescribes the nature of the security to be taken, might be somewhat relaxed in the case of loans to joint applicants under section 9 of the Land Improvement or section 6 of the Agriculturists' Loans Acts; and that advances of limited amounts might be made under the Agriculturists' Loans Act to tenants on their own responsibility. I am to append to this letter copies of No. 7 of the Assam Rules and No. V of the Central Provinces Rules under the Agriculturists' Loans Act. Especially, the Government of India believe that loans may be most safely made on the joint personal security of the members of a village community or of a group of cultivators. Among such a body the desire is strong to return trust for trust, and to hold to their engagements with the Government who has come to their aid.

9. To the rules as drafted by the Madras Government are appended certain forms and account statements, which apparently form an integral portion of the rules, but to which no reference is made in the text. This seems to be inconvenient; and references to the forms have therefore been incorporated in the body of the rules. At the same time, it will probably be desired not to bind the Government to the precise wording of the present forms; and words have therefore been added which preserve the necessary liberty in the matter.

10. *Rule XVI.*—Annexed to the rules is a form (No. 7) headed "Reference to Registration Department for encumbrance certificate." It is gathered from the terms of head No. 10, paragraph 2, of the form of report prescribed (No. 6), that such a reference is invariably to be made; and on the understanding that this is the intention of the Madras Government, the word "shall" has been used in the addition which has been inserted after the first sentence of the rule.

11. *Rule XXVII.*—This rule has been altered as follows:—

"Every Tahsildar shall keep a register of loans and repayments relating to his taluk in Form No. 2 hereto annexed, or in some similar form, and such other accounts and statements as may, from time to time, be prescribed by the Board."

There are twenty-two forms of accounts and statements annexed to the rules, but not specifically referred to in them. If they are to be prescribed by the Local Govern- ment, the latter part of the above rule should run "and other accounts and statemen in forms 11 to 32 hereto annexed, or in some similar forms." But tively; Government will probably prefer to leave these forms to be prescribing omitted and in that case the rule might run as above, the twenty-t- by the B- of the rules under the Act, and have the subsidiary instru- from the enclosed re-draft; as it will be more convenient that they should be issued separately as executive orders.

13. If the alterations which have been embodied in the enclosed re-draft commend themselves to His Excellency in Council, the rules as amended may be published with the notification which is prefixed to the re-draft.

14. In conclusion, I am to remark that, in the opinion of the Government of India, there is much in the correspondence accompanying your letter of 25th May 1895 to show how greatly the existence of a complete record-of-rights in land would diminish the trouble and delay which at present attend the grant of loans under the Acts, and would render the value of the security more certain than at present, and how seriously the difficulty and risk of granting loans to tenants are increased by the absence of a tenancy law.

ENCLOSURE.

Copy of No. 7 of the Assam Rules under the Agriculturists' Loans Act, 1884.

* * * * *

7. No loan under these rules made to any such applicant as is described in clause (*h*) of rule 4 shall, save with the special sanction, in the Assam Valley districts of the Commissioner and elsewhere, of the Chief Commissioner, exceed—

(i) if the applicant is a settlement holder, as defined in clause (*h*) of section 3 of the Assam Land and Revenue Regulation, 1886 (I of 1886), and not a landholder, twice the annual revenue assessed upon the lands held by him within the district;

No. 884, Revenue, 22nd October 1897.

(ii) in other cases, twice the annual rentals of the holdings of the applicant within the district:

Provided that, if the applicant furnishes a surety or sureties of the same class of occupiers as himself, then the loan may, without the special sanction aforesaid, amount to one-and-a-half times the annual revenue or rentals of the holdings within the district of himself and his surety or sureties.

Copy of No. V of the Central Provinces Rules under the Agriculturists' Loans Act, 1884.

* * * * *

V. Without the special sanction of the Commissioner, no loan made under Rule III (*b*) shall exceed—

(1) in the case of an occupancy tenant, three times the annual rental of the holding;
(2) in the case of an ordinary tenant, twice the annual rental.

Provided that if the loan be made on the joint and several security of two or more tenants, its amount shall not, without the special sanction of the Commissioner, exceed—

(1) in the case of occupancy tenants, twice the sum of their annual rentals;
(2) in the case of ordinary tenants, one-and-half times the sum of their annual rentals.

ORDER—No. 884, Revenue, dated 22nd October 1897.

Miscellaneous.

Communicated to the Board of Revenue (Revenue Settlement, Land Records and Agriculture). The Board will, as suggested by the Government of India, issue the subsidiary instructions together with the forms now omitted from the rules as executive orders.

2. With reference to paragraph 7 of the Government of India Resolution and Board's Proceedings, No. 519, dated 20th July 1897, the Government on a full consideration of the question is of opinion that the objections to the system of repayment of loans by equal annual instalments are not such as to outweigh its manifest advantages. The annuity system is in force in other provinces where it is found to work satisfactorily, and, as pointed out by the Board of Revenue, the calculation of the interest under that system is not more difficult than under the ordinary system. The Government is, therefore, of opinion that Rule V should be restored to the form in which it originally stood. The revised rules as thus amended will be published in the Fort St. George and all District Gazettes.

3. The Government of India enquires whether the rule as to the nature of the security to be taken in the case of loans to joint applicants prescribed in Rule XI might not be relaxed, and forwards copy of the rules in force on the subject in other provinces. The Government is inclined to relax the requirements of the rule in cases in which the joint personal security of the members of a village or a group of cultivators is given, but before coming to a decision, it desires to have the views of the Board on the subject.

4. His Excellency the Governor in Council desires to impress upon the Board the imperative necessity of maintaining accuracy and order in the accounts. The Government will be prepared to strengthen the taluk staff, if it is found that the adoption of the new forms of accounts increases work to such an extent that the ordinary taluk establishments cannot get through it without difficulty; temporary assistance will also be given from time to time to work the rules when applications for loans are numerous.

(True Extract.)

(Signed) G. STOKES,
Ag. Secretary to Government.

To the Board of Revenue (Revenue Settlement, Land Records and Agriculture).
„ the Superintendent, Government Press.

[Appendix.

APPPENDIX.

In exercise of the powers conferred by section 10 of the Land Improvement Loans Act, 1883 (XIX of 1883), and section 4 of the Agriculturists' Loans Act, 1884 (XII of 1884), and, with the previous sanction of His Excellency the Governor-General in Council, His Excellency the Governor in Council is pleased to make the following rules under the said Acts :—

Rules framed under section 10 of the Land Improvement Loans Act XIX of 1883, and section 4 of the Agriculturists' Loans Act XII of 1884.

Objects for which loans may be granted.

I. Loans of the amounts specified hereunder may be granted to owners and occupiers of land for the following objects :—

	Amount which may be granted.	
	Maximum.	Minimum.
(A) Under the Land Improvement Loans Act, *1883*,— for the construction or repair of wells, or tanks, the reclamation of waste or any other work by which the letting value of land for the purposes of agriculture will be permanently increased.	No limit.	Rs. 50
B.—Under the Agriculturists' Loans Act, *1884*,— (i) for the purchase of seed-grain, ploughing cattle and stallions, or the rebuilding of houses destroyed by fire or flood	Rs. 1,000	No minimum.
(ii) for other agricultural objects, such as purchase of fodder for domestic and agricultural cattle; erection of sugarcane mills, indigo vats and such like appliances for dealing with raw agricultural produce; erection of double mhotes or other contrivances for raising water ...	,, 2,000	Do.
(iii) for the relief of distress when the existence of such distress has been recognized by the Local Government, to enable owners and occupiers of land and their dependants to subsist until the ripening of the next harvest	,, 200	Do.

Officers by whom loans may be granted, and the maximum amounts admissible.

II. Tahsildars (including Deputy Tahsildars in independent charge), Divisional officers and Collectors shall be competent to sanction loans not exceeding the sums specified below :—

	Rs.
Tahsildars	250
Divisional officers	500
Collectors	1,000

Loans of sums exceeding Rs. 1,000 shall be sanctioned by the Board of Revenue, and of sums exceeding Rs. 5,000 by the Local Government.

Explanation.—An officer is not precluded by this rule from granting several loans to the same individual, although the aggregate amount thereof may exceed the maximum prescribed. Such loans shall, however, be for distinct purposes and be covered by separate and independent security.

Rate of interest.

III. The rate of interest charged shall be 5 per cent. per annum, except on loans granted for the relief of distress under the Agriculturists' Loans Act, 1884, which shall be charged interest at 3 per cent., the Collector having the discretion to remit the charge in case of borrowers who are known to be poor.

The Local Government may, if it sees fit, grant loans in special cases at reduced interest or without interest.

IV. Interest shall accrue from the date of disbursement of the loan. If the loan is disbursed in instalments, interest on each instalment shall run from the date of the disbursement of such instalment.

Period allowed for repayment and method of recovery.

V. Loans shall be repayable by equal annual instalments discharging both principal and interest.

The time allowed for repayment of the loans and the amount of instalments shall be fixed by the Collector (or other officer granting the loan) with reference to the convenience of the borrower and the circumstances of the case, regard being had to the probable durability of the improvement proposed to be effected, and the value or sufficiency of the security tendered, but so as not to exceed the maximum limits specified below :—

(A) In the case of loans under the Land Improvement Loans Act, 1883,—
- (i) for the construction or repair of wells,—30 years.
- (ii) for other purposes—
  - if the loan does not exceed Rs. 500,—10 years.
  - if the loan exceeds Rs. 500 but does not exceed Rs. 1,000,—15 years.
  - if the loan exceeds Rs. 1,000,—20 years.

(B) For loans under the Agriculturists' Loans Act, 1884,—
- (i) if for the purchase of seed,—1 year.
- (ii) if for the relief of distress,—3 years.
- (iii) if for any other purpose,—10 years.

The time for repayment specified above shall count from the date of the payment of the loan, or where the loan is paid by instalments from the date of payment of the last instalment.

The time allowed for repayment is liable to revision under Rule XXVI.

Provided that nothing in this rule shall be taken to preclude a borrower from discharging the loan at an earlier period by payment of a larger amount than the annual instalment. The excess so paid shall be credited at once in reduction of principal and the number of future instalments shall, if necessary, be decreased, but no alteration in the amount of subsequent instalments shall be allowed, nor shall postponement of payment of subsequent instalments be permitted.

VI. The date for payment of each annual instalment shall be fixed so as to coincide with the date of one of the land revenue kists of the district; but the first repayment of principal shall not be demanded within less than twelve months and shall not be put off for more than twenty-four months from the date of disbursement of the first instalment of the loan. When commencement of repayment is thus postponed for more than twelve months, simple interest shall be realized in the interim as the kist date selected comes round. The first payment of interest will be for the broken period between the date of disbursement of the loan (or, of each instalment thereof) and such kist date.

If in any special case the sanctioning authority considers that the work for which the loan is given is such that a longer time than twenty-four months must elapse before it begins to yield a return, a longer interval, not exceeding five years, may be allowed. In the case of loans granted by Tahsildars the sanction of their Divisional officers shall be obtained for such extension. In every case, however, the amount of the annual instalment shall be fixed so as to repay the whole loan with interest within the maximum period from the date of disbursement of the last instalment of the loan shown in Rule V.

VII. Repayment may be made either at the treasury of the taluk or to the village officers of the village in which the land to be improved is situated. The Collector may, if he sees fit, authorise repayment at any other Government treasury.

VIII. Interest at 6¼ per cent. will be charged on all instalments of interest or of principal overdue.

In calculating interest under this rule, a broken period of a month shall be taken as half a month or one month according as it is less or not less than fifteen days and a fraction of a rupee as half a rupee or one rupee according as it is less or not less than 8 annas.

Postponement of repayment and remissions.

IX. The repayment of the annual instalment and interest may be suspended by the Collector on proof of failure of the crops of the borrower or other exceptional calamity. The Collector shall report all such cases to the Board of Revenue who will pass such orders thereon as it may deem proper.

The suspended instalment shall be collected in the year following the termination of the period of suspension, with the instalment, if any, payable for that year, and in no case shall the maximum period fixed for the repayment of instalments be exceeded. Simple interest at 5 per cent. per annum shall be charged on all suspended instalments of principal and interest up to the date of collection.

X. In the case of loans granted for the construction or repair of wells, if the borrower fails to strike water, or if the well runs dry or otherwise becomes useless from causes beyond the

loan in such instalments as it thinks fit, interest at the ... being charged from the expiration of the period al... well, or."

borrower's control, the Board may, upon a full report of all the circumstances of the case being submitted to it through the Collector, remit the whole or a portion of the unpaid balance of the loan.

Security.

XI. No loan shall be granted unless the value of the security offered exceeds by at least one-fourth the amount of the loan applied for.

The nature of the security to be required shall be as follows:—

(A) Under the Land Improvement Loans Act, 1883.—The land to be improved which must include the site of the work to be constructed.

If the value of the applicant's interest in the land to be improved does not exceed by one-fourth the amount of the loan applied for, collateral security shall be required.

Collateral security shall consist—

(i) of other lands belonging to the applicant; or

(ii) of land belonging to other persons who are willing to become his sureties; or

(iii) both.

(B) Under the Agriculturists' Loans Act, 1884.—The lands belonging to the applicant.

If the value of the applicant's interest in the land does not exceed by one-fourth the amount of the loan applied for, collateral security shall be required. Collateral security shall consist of immoveable property, except in the case of loans repayable within two years or of those granted for the relief of distress, for which personal security may be accepted.

XII. If at any time the Collector or other officer granting the loan is satisfied that any person who has received a loan has failed to perform any of the conditions on which it was made, he may, after recording in writing the grounds for his decision, and subject to the control of the Board of Revenue, proceed to recover forthwith from such person or from any surety of such person the entire unpaid balance of the loan, together with any interest payable thereon and costs, as arrears of land revenue:

Provided that such officer may at his discretion so recover any sum less than the whole balance of the loan without prejudice to his right to recover the remainder of such balance at any subsequent time.

XIII. An application for a loan may be made, orally or in writing to any Revenue officer of a grade not lower than that of Revenue Inspector. If written, it shall be in Form No. I hereto annexed (printed copies of which can be obtained at all cutcherries and from Revenue Inspectors free of cost), or in some similar form, and may be presented in person or sent by post. If an oral application is made, the officer to whom it is preferred shall cause it to be recorded in the prescribed form and signed by the applicant.

Mode of application.

XIV. No loan shall be granted without a local enquiry. On receipt of an application a Revenue Inspector or higher officer shall notify and publish in the village by tom-tom that he intends to hold the enquiry, and shall as soon as possible thereafter inspect the land and make summary inquiry in the village as to the correctness of the entries in the application, submitting a report in Form No. 6 hereto annexed or in some similar form. When the amount applied for exceeds Rs. 500, the local inquiry shall be conducted by an officer of not lower rank than that of Deputy Tahsildar.

Local enquiry to be made in all cases.

XV. The personal attendance of the applicant is not necessary, but he may be required, by notice in Form No. 4 hereto annexed or in some similar form, at any time to appear, in person or by duly authorized agent at his option, and in case of default the application may be rejected.

XVI. Attention shall be particularly directed to ascertaining the bona fides and the solvency of the applicant and the sufficiency of the security offered. Careful enquiry shall be made regarding the rights of the applicant in the lands to be improved, and the lands (if any) offered as collateral security, in view to ensuring that the applicant is the real owner, and that the land is free from encumbrances or is not burdened with arrears of land revenue or is not already hypothecated to Government for a loan previously obtained. A reference shall be made to the Registration Department, in Form No. 7 hereto annexed or in some similar form, for an encumbrance certificate. Similar enquiry shall be made in the case of lands offered by sureties as collateral security, care being taken to see that the surety is not only the registered holder, but the real owner of the land, and that, if he has a divided interest in the land, it is not charged beyond the extent of his own individual interest therein excepting with the written consent of the joint owners.

XVII. Applications from mortgagees, though in possession, for loans for the improvement of land, shall not, ordinarily, be complied with.

XVIII. When the applicant for a loan is a tenant and proposes to furnish, as security for the loan, any interest alleged to be transferable, which he claims to possess in the land to be

improved, or any other adequate security, the Collector or other officer granting the loan shall serve a special notice of the application, in Form No. 3 hereto annexed or in some similar form, on the landlord personally; or, if service on him, personally, cannot be effected, a copy of the notice shall be affixed to some conspicuous place in the office of the Collector or other officer as aforesaid and on the house in which the landlord resides; or, if he does not reside in the district in which the application is made, or, if his residence is not known, the notice shall be served on the person who acts as the local agent for the landlord in respect of the said land. A copy of the notice shall also be affixed on the land and at the village chavadi.

XIX. No such notice shall be deemed to have been served, unless the service is acknowledged by the landlord, or his agent, or the fact of its having been duly made is otherwise established to the satisfaction of the Collector or other officer granting the loan. In any case in which the ownership of the land vests in more than one person and any shareholder therein, or other person, acts as a manager on behalf of the shareholders, service on the manager shall be deemed to be service on each of the shareholders.

XX. Every such notice shall specify the sum applied for, the nature of the improvement to be made, and the nature of the security proposed for the loan, and shall inform the landlord that, if he desires to make any objections to the loan, he must, within one month after service of notice, signify them in writing, to the Collector or other officer granting the loan.

... manager does not so signify his objections, ... objections, is of

as to whether the tenant or the ... loan shall be refused unless the landlord consents to the grant ...

XXII. When the work to be undertaken will cost more than Rs. 5,000 and is one requiring professional skill, the applicant may be required to submit to the officer making the local enquiry an accurate plan, specification and estimate for the work. If the applicant is unable to furnish such plan, specification and estimate, the Collector may cause them to be prepared on behalf of the applicant, first requiring him to deposit such sum of money as may, in the opinion of the Collector, be sufficient to cover the cost, or, if he thinks fit, calling upon him to give security for the repayment of the same.

XXIII. If, after local enquiry and such further investigation as may be deemed necessary, the Collector, or other officer granting the loan, is satisfied that the loan may be granted, he shall record a decision to the effect that the loan asked for, or a less sum, may be given and shall then at once issue an order granting the loan. In the case of loans exceeding Rs. 1,000 the loan order will be issued by the Collector after obtaining the sanction of the Board or the Government, as the case may be, under Rule II.

Issue of loan order.

XXIV. An order granting a loan shall be in Form No. 8 hereto annexed and shall be signed by the applicant in token that he understands and agrees to the conditions contained therein. The security bound to be taken when collateral security is offered shall be in one or other of Forms Nos. 9 and 10 hereto annexed or in some similar form.

An order rejecting an application for a loan shall be intimated to the applicant by a notice in Form No. 5 hereto annexed or in some similar form.

XXV. Loans shall ordinarily be advanced in two instalments. Loans for the relief of distress shall be disbursed monthly or once every two months.

Disbursement of loans.

XXVI. The Collector of the district may make provision for the proper inspection of works in course of construction for which loans have been made, and for ascertaining and securing that such loans are duly applied to the purpose for which they are made.

Inspection of works.

All works for which loans are made by instalments shall be inspected and reported upon before each instalment subsequent to the first is paid.

All works shall be inspected and reported on as soon as possible after the date fixed for their completion in the order granting the loan.

If it should then be found that the work has not been carried out in substantial conformity with the proposals made, the officer granting the loan may either require immediate repayment of the whole amount advanced with interest at 5 per cent. and costs, if any, or alter the instalment, fixed under Rule V, so as to ensure repayment of the loan within the period for which the improvement is likely to last. In such case the original loan order shall be cancelled and a fresh loan order issued, the former being recovered from the borrower, if possible.

XXVII. Every Tahsildar shall keep a register of loans and repayments relating to his taluk in Form No. 2 hereto annexed or in some similar form, and such other accounts and statements as may from time to time, be prescribed by the Board.

FORMS.

No. 1.—Form of Application for Loans under the Land Improvement / Agriculturists' Loans Act, 1883. / 1884.

(See Rule XIII.)

1. Name, father's name and residence of applicant.
2. Amount of loan required.
3. Object for which the loan is required.

Particulars of the land to be benefited.			The nature and extent of the applicant's right in the land and whether he is the registered holder and whether the land is in his enjoyment.	Rights of others in the land.		Security offered.							Name of the person who agrees to offer the land as security and the nature of his right in it.	Whether any arrears are due on land to be benefited or offered as security.	Proposed time of repayment.	Remarks.
						If personal.	If land.				Other immoveable property.					
Village survey number and letter, wet or dry.	Extent.	Assessment.		Name.	Nature and extent of right, whether as co-sharer, mortgagee, &c.	Name, father's name and residence of the surety.	Survey number.	Extent.	Assessment.	In whose name registered.	Extent.	Description.				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	ACS.	RS.							RS.		ACS.					

Note.—1. Columns 1 to 6 should be left blank in the case of loans under the Agriculturists' Loans Act, *1884*, and column 7 in the case of loans under the Land Improvement Loans Act, *1883*.
2. Full information as to applicant's right to improve the land should be entered in column 4, and as to the right of the party who consents to give other lands as security in column 14.
3. In column 16 should be entered the number of years from the date of payment of the loan within which the applicant proposes to re-pay the loan. This will not prevent his discharging the loan sooner if he chooses.
4. The State will grant loans of money to owners and occupiers of Land (A) under the Land Improvement Loans Act, *1883*, for the construction or repair of wells or tanks, the reclamation of waste or any other work by which the letting value of land for purposes of agriculture will be permanently increased (B) under the Agriculturists' Loans Act, *1884*, for the purchase of seed-grain, ploughing cattle and stallions, rebuilding houses destroyed by fire or flood, for other agricultural objects such as purchase of fodder for domestic and agricultural cattle, erection of sugarcane mills, indigo vats and such like appliances for dealing with raw agricultural produce, erection of double mhotes or other contrivances for raising water, and for the relief of distress when the existence of such distress has been recognised by the Local Government to enable owners and occupiers of land and their dependants to subsist until the ripening of next harvest.
5. Loans under the Land Improvement Loans Act, *1883*, are subject to no maximum, but the minimum limit will be Rs. 50; loans under the Agriculturists' Loans Act, *1884*, are subject to a maximum of Rs. 200 for loans granted for the relief of distress; of Rs. 1,000 for loans for the purchase of seed grain, ploughing cattle or stallions and for rebuilding houses destroyed by fire or flood; and of Rs. 2,000 for loans for other agricultural objects. There is no minimum limit as regards loans under this Act.
6. Application for a loan may be presented or sent by post or otherwise to any Revenue officer of a grade not lower than Revenue Inspector. It may also be made orally. The application will be free of stamp duty.
7. The rate of interest charged shall be 5 per cent. per annum, except on loans granted for the relief of distress under the Agriculturists' Loans Act, *1884*, which shall be charged interest at 3 per cent., the Collector being granted discretion to remit the charge in the case of borrowers who are known to be poor.
8. The loan may be discharged by ~~annual payments of~~ principal and interest within the time allowed.
9. Time allowed for repayment will be liable to be shortened if the work on completion be found not sufficiently durable.
10. If the grantee of the loan misappropriates the whole or any portion of the loan or otherwise fails in any of the conditions of the grant, the whole unpaid balance of the loan with interest and costs will be liable to summary recovery.

No. 2.—Register of Applications for loans under the Land Improvement / Agriculturists' Loans Act, 1883. / 1884.

Taluk of District of for the Fasli year.

(See Rule XXVII).

Serial number of application.	Date of receipt of application in the taluk.	If application is received through other officers.		Name, father's name and residence of applicant.	Name of village in which the loan is to be utilized.	Amount of loan required.	Purposes for which required.	References.			Whether loan sanctioned or refused. (If refused, brief reasons for refusal). Number and date of disposal.	Amount sanctioned, number and date of loan order, as per register of repayments.	Remarks.
		Officer from whom received.	Number and date of reference.					To whom.	Date of reference.	Date of receipt of reply.			
1	2	3	4	5	6	7	8	9	10	11	12	13	14
						RS. A. P.							

Index to Application Register under

Note.—Cases disposed of should be denoted by enclosing the number by a circle thus (19)

No.	Names of villages in alphabetical order.	Numbers of cases in the Application Register.	Total in each village.
1	2	3	4

Note.—This register should be kept in two sections (but in the same bound volume) one for each Act.

No. 3.—Notice to Landlord under Land Improvement Loans Act, 1883, or Agriculturists' Loans Act, 1884.

(*See rule XVIII.*)

Name
Son of
Residing at

You are hereby informed that (name) son of residing at and reported to be your tenant having a transferable interest in the lands described below has put in an application for a loan of Rs. from Government for the purpose of and has offered his interest in the said lands as security for the same; and that if you desire to make any objections to the loan, you must do so in writing to the undersigned within one month from the date of service of this notice, failing which the loan will be made to the said on the security offered.

Village.	Number and date of the land.	Dry or wet.	Extent.	Assessment.	Remarks.
			Acs.	Rs. A. P.	

Camp
Date.

Tahsildar.

Note.—The person entrusted to serve this notice is to deliver a copy to the landlord, and where there are more shareholders than one, to any shareholder. If service in this way cannot be effected, a copy of the notice shall be affixed to some conspicuous place in the Collector's office and on the house in which the landlord resides. If he does not reside in the village, or if his residence is not known, the notice shall be served on the person who acts as local agent for the landlord in respect of the said lands. A copy of the notice shall also be affixed on the land and at the village chavadi.

No. 4.—Notice to applicant under Land Improvement Loans Act, 1883, or Agriculturists' Loans Act, 1884.

(*See rule XV.*)

To son of residing at
hamlet of village

Whereas you are required to appear personally or by agent to give the following information regarding your application for a loan of Rs. [here enter particulars] or to execute the necessary documents and receive payment of the loan applied for, you should appear before the on date at

If you fail to appear, your application will be rejected.

Camp
Date.

Tahsildar.

Note.—This notice is to be sent in duplicate; one copy is to be delivered to the applicant or to some adult male member of his family at his usual place of abode, or to his authorised agent and the other is to be returned to the Tahsildar with the signature of the applicant or his agent. If service cannot be made, the notice must be returned with a note to this effect giving the reasons for failure. Wherever convenient, this notice may also be sent to the party by post.

No. 5.—Notice intimating rejection of application under Land Improvement Loans Act, 1883, and Agriculturists' Loans Act, 1884.

(*See rule XXIV.*)

Application No. of on the file of the Tahsildar of
Taluk District.

(Name) of Village is hereby informed that his application for a loan of Rs. under the Land Improvement Loans Act, 1883, or under Agriculturists' Loans Act, 1884, has been rejected for [state here briefly the grounds of rejection]

Vide this office order, dated on application No.

Station
Date.

Tahsildar.

Note.—This notice should be prepared in duplicate and one copy delivered to the party, or if he could not be found, it should be left for him with some adult male member of his family residing with him or with the head of the village in which he lives. The other copy should be returned to the Tahsildar with the certificate under the hand of the server as to the mode in which the service was effected. Wherever convenient, this notice may also be sent to the party by post.

No. 6.—Report of Officer conducting local inquiry.

(*See rule XIV.*)

1. Serial number of application.

2. (i) Name and village of applicant.
(ii) Amount of loan applied for.

3. (i) Village, survey number, description (dry or wet), area, assessment of land to be improved.
(ii) Purpose for which loan is sought.

4. (i) Is the applicant the sole owner of the land or does he own it in common with any others? and if the latter, is he the managing member of the family?

(ii) If the applicant is a joint pattadar, have the other joint holders consented to the proposed improvement in writing? what is the extent of the applicant's interest in the joint holdings, and whether they consent to have the applicant's share sub-divided?

(iii) If the applicant is a tenant, does he possess any, and if so what, transferable interest in the land, and has notice under rule 18 been served on the landlord, and has he given his consent in writing under the attestation of two witnesses?

(iv) If the application has been made on behalf of a minor, is the application signed by his legally constituted guardian? The same particulars as to the extent and nature of the minor's interest in the land as under 3 (i) should be added here.

(v) If the applicant is a Hindu widow, do her reversionary heirs consent to the improvement?

5. Is the application *bonâ fide* and is the applicant solvent?

6. Is he in arrears to Government for land revenue or for any instalment of a loan previously obtained?

7. Security—

(*a*) If it is the land to be benefited—

(i) Does the site of the proposed improvement lie in the land to be improved?

(ii) The present value of the applicant's interest in it with grounds for the valuation.

(iii) Are there any pre-existing encumbrances? What are the names of the mortgagees and the amount of their claims?

(*b*) If personal—

(i) Names, status and solvency of sureties.

(ii) Amount agreed to be secured.

(*c*) If lands other than the land to be benefited—

(i) Survey number, description, extent and assessment of the land and the estimated present value of the applicant's or the surety's interest with grounds for the valuation.

(ii) Whether the lands are registered in the name of the applicant or the surety and whether they are in his possession and free from encumbrances, and the nature and extent of their interest in the land.

(iii) If the land is already encumbered, who are the mortgagees and what are the amounts? Does the excess of the value of the land over the amount of encumbrances cover the amount of advances to be made?

(*d*) If property other than land—

Its description, situation and value with proportions of building, well, trees, &c., the nature and extent of pre-existing encumbrances, if any.

Note.—Distinction should be made between land offered as security belonging to the applicant and that belonging to the sureties in case where sureties offer collateral security. If the land forms portion of a field, it should be sub-divided (Board's Proceedings, dated 22nd April 1893, No. 148).

8. Objection of third parties, if any, to the proposed improvement.

9. Date on which the improvement is expected to begin to yield profit.

10. Recommendations of officer conducting local inquiry and the amount of loan recommended.

Result of verification of the lands offered as security in the Registration and Revenue offices of the taluk.

Decision of the officer competent to sanction the loan. (If the Tahsildar is not the competent officer, his recommendations.)

Tahsildar.

No. 6.

Land Improvement Loans Acts, *1883*.

Agriculturists' Loans Act, *1884*.

Loan Application.

No.

Village

From

To

No.

Dated

Submitting report of inquiry.

No. 7.—Reference to Registration Department for Encumbrance Certificate.

(*See rule XVI.*)

No. Dated

To

The Sub-Registrar of

Name of applicant

Amount of loan required

Particulars of land for which encumbrance certificate is required

Name of village.	Wet or dry.	Survey number and letter.	Extent.		Assessment.			Corresponding paimash numbers.
			ACS.	CTS.	RS.	A.	P.	

Remarks—

Tahsildar.

No. 7.—Reference to Registration Department for Encumbrance Certificate.

(*See rule XVI.*)

No.

From Taluk office.

The Tahsildar of Taluk. Dated

To

The Sub-Registrar of

Sir,

As the undermentioned ryot has applied for a loan of Rs. from Government under I have the honour to request you to be good enough to cause the necessary search to be made for encumbrances on the lands noted below and to furnish me with an encumbrance certificate at an early date.

Number and name of village.	Name of applicant.	Particulars of land offered as security.								Remarks.
		Wet or dry.	Survey.		Extent.		Assessment.		Corresponding paimash numbers.	
			Number.	Letter.	ACS.	C.	RS.	A. P.		

I have the honour to be,
Sir,
Your most obedient servant,

Tahsildar.

From

The Tahsildar of Taluk

To

The Sub-Registrar of

Dated

No.

Subject.

Requesting encumbrance certificate for the lands mentioned within.

No. 8.—Order granting a Loan under the ~~Land Improvement Loans Act, 1883.~~ / ~~Agriculturists' Loans Act, 1884.~~

(*See rule XXIV.*)

No. of

1. The sum of Rs. is granted to , son of , residing at (with the consent of , the record of which is hereto annexed*) as a loan under the ~~Land Improvement Loans Act, 1883~~ / ~~Agriculturists' Loans Act, 1884,~~ for the purpose of † or the benefit of ‡ subject to the following conditions.

2. The conditions referred to are as follows :—

(*a*) (i) That the amount of this loan shall be paid to the aforesaid (name of the borrower) in instalments on the execution of the necessary security bonds, the first, on the production of this order at (here enter place at which this order is to be presented for payment), and the second on proof that the first instalment has been properly utilized.

(ii) that if the first instalment has not been utilized within the period of (here enter period allowed for the first instalment) ; or

(iii) if it shall be proved to the satisfaction of the Collector that any portion of the loan has been misapplied to any other purpose than that above specified or that the whole amount of the loan has not been fully applied to the purpose for which it was granted within the period of (here enter period allowed for utilization of full amount of the loan), the whole unpaid balance of the loan or such portion of it as the Collector may determine with interest at 6¼ per cent. and costs, if any, shall be deemed to at once become due.

(iv) If, however, the work should fail altogether owing to causes over which the borrower has no control, the case shall be reported for the orders of the Board of Revenue as to whether repayment in whole or in part shall be required.

(*b*) (i) That the loan shall be repaid by equal annual instalments of Rs. each, falling due with the kist of the revenue year, commencing with fasli 13 and ending with fasli 13 § ~~[and that with each such instalment the borrower shall pay interest at ‖ ——— per cent. due for the previous year on the then outstanding loan]~~. (Simple interest on the amount advanced must be paid on such kist date in fasli and fasli .) ¶ It shall be open to the Collector or the officer granting the loans to reduce the number of instalments and to increase the amount of the annual payment so as to recover the loan within a shorter period than herein allowed if he finds the work after completion not sufficiently durable to last for the period originally mentioned in the loan order.

(ii) Such annual payment shall be made to the Village officers or to the Tahsildar and is in addition to the land assessment. But ** the land assessment will not be enhanced at any future revision of assessment in consequence of the increased value derived from the improvement.

(iii) If default in the payment of annual instalments ~~and interest~~ on account of the loan occurs and recovery cannot otherwise be made, the entire unpaid balance of the loan or such portion of it as the Collector may determine shall be deemed to at once become due and the whole of the land specified under condition (*c*) or such portion of it as the Collector may deem necessary, shall be sold for the recovery of the amount, with interest thereon and expenses of sale, if any.

(*c*) †† That for the repayment of the loan with interest and costs, if any, due on the same, the immovable property specified below is [in addition to the land for the benefit of which the loan is granted], ‡‡ hypothecated as collateral security to Government.

Collector.

I have understood and agreed to the aforesaid terms and conditions.

Signature of borrower.

---

* To be inserted when the loan is being granted with the consent of the person having the right to make the improvement to person not having that right.

† Here describe the work to be carried out. ‡ Here describe the lands to be benefited.

§ To be omitted when the loan is granted free of interest.

‖ Here enter the rate of interest which is ordinarily 3 per cent. in the case of loans granted for the relief of distress and 5 per cent. in all other cases.

¶ To be used when commencement of repayment is postponed for more than 12 months under Rule VI.

** To be used only in the case of loans under Land Improvement Loans Act, 1883.

†† Note.—All immovable property hypothecated as collateral security, whether by the borrower himself or by a surety or sureties, should be specified in the margin of this clause (*c*) of the order granting the loan, and should, as well as the land to be improved, be described, as nearly as may be, in the manner prescribed in section 21 of the Indian Registration Act, 1877.

If the loan is granted for the relief of distress, substitute in condition (*a*) (i) after the words "bonds" "monthly or once every two months" and omit the words "the first" and the words "and the second" to the end of the clause.

‡‡ The words in brackets to be omitted in case of loans under the Agriculturists' Loans Act 1884.

Reverse.

Recoveries.

Sum to be repaid.	Distribution of the fixed instalment between interest and principal.		Sums repaid.		Balance due.	Initials of the Tahsildar.
Fasli.	Interest at ... per cent. from the date of loan to date of first instalment, and in subsequent years for one year, on the amount shown in column 2.	Principal.	Amount paid in the year.	Credited to Interest.	... of column 6.	
1 2	3	4	5	6	8	9
A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.		

(vi) the statement on the reverse of Form No. 8 sub

k Karim.

No. 9.—Land Improvement Loans Act, 1883, or Agriculturists' Loans Act, 1884.

[Security bond to be used when immovable property is mortgaged as security]

(*See rule XXIV.*)

Whereas ... has / have received from the Collector of ... order under the Land Improvement Loans Act, 1883 / Agriculturists' Loans Act, 1884, in virtue of which I am / he is entitled to ... aggregate sum of Rs. ... as a loan from the Government for the purpose ... describe the work to be carried out) for the benefit of (here describe the land to be ... and whereas security for the due application of the loan and for the punctual repayment ... same according to the terms of the order is demanded from me / him ...

I / we, the said ... mortgage to Government the immovable property ... in the schedule below as security, and agree that if I / he fails to comply with the terms on ... loan has been granted either by misapplying the same or by failing to repay any instal... the said loan, or any interest chargeable thereon, or costs, if any, incurred in the making ... on the date on which it may become due, it shall be lawful for the Collector to recover ... said property such sum as may be necessary to make good the amount which, in consequ... my / his default, may be due from me (or him).

Schedule.

Registration district.	Registration sub-district.	Village.	If the property is house property.				If cultivable land.			
			Boundaries of the property.	Description and value of buildings and how long likely to last.	Extent of building site and of vacant ground or compound.	Trees, wells, &c.	Survey number.	Wet or dry.	Extent.	Assessment.
1	2	3	4	5	6	7	8	9	10	11

[Signature of borrower / surety.]

Witness

(1) son of village of

(2) son of village of

No. 10.—Agriculturists' Loans Act, 1884, security bond to be used when personal security is taken.

(*See rule XXIV.*)

Whereas ... of ... (caste) ... (calling) ..., son of ..., residing at ... has on ... received from the Collector of ... an order under the Agriculturists' Loans Act, 1884, in virtue of which he is entitled to receive the aggregate sum of Rs. ... as a loan from the Government for (here state the object of the loan), I ... (name) ... (caste) ... (calling) ... son of ... residing at ... do hereby agree that if the said ... shall fail to comply with the terms on which the loan has been granted either by misapplying the same or failing to repay any instalment of the said loan on or before the date on which it may become due, I shall be liable to Government for such sum not exceeding the aggregate sum of Rs. ... as may be necessary to make good the amount which, in consequence of his default, he may have become liable to pay.

Signature of surety.]

Exd. C. M. Thumbuswamy.

50 Copies.

recommended that the work of calculation might be entrusted to skilled accountants in the Collectors' offices. The question was referred to the Board for remarks and its reply is contained in its Proceedings No. 519, dated 20th July 1897, in which it says that the adoption of the system would be inconvenient, if not impracticable, and that, while it increases the work in the Collectors' offices, does not afford relief to the taluk establishments.

4. The annuity system was first adopted in this Presidency in the case of Special Well Rules in 1884 at the instance of the then Revenue Secretary Sir (then Mr.) Henry Stokes. His reason for its adoption appears to have been that it should be a fixed annual charge which should be assimilated to the Land Revenue demand and be collected with it. The amount of annuity payable in any particular case cannot, of course, be arrived at independently without intricate calculation, but there is not much difficulty in applying the calculated results given in the tables to particular cases. Nor does the distribution of the annual payment between principal and interest involve any out of the way calculation when once the principle is properly understood. In 1891, I drew up a memorandum (embodied in G.O., No. 189, dated 11th March 1891) explaining how this can be most easily done, and it will be seen from this Government order that the process is not at all difficult and practically involves the same calculation as the distribution of payments in the case of ordinary loans. It is for Honourable Members to decide whether the reasons adduced by the Board are enough to decide definitely against the annuity system. The Government of India say that the system is in force in other Provinces of India and that "a serious objection to the ordinary system is that the payments for interest are heaviest in the early years of the improvement". In this connection, attention is solicited to the Hon'ble Sir Henry Bliss's remarks at pages 8 and 59 in G.O., No. 301, dated 25th May 1895, which were as follows—"I think, though, that the option of the annuity system may be allowed unless to do so would necessitate a fresh account". "I would have it optional. But I don't wish to insist on this if my colleague is strongly of the contrary opinion."

All the subordinate officials are very clever at such processes. Karnams use Rama Doss' tables for all their calculations.

G.S.
16-9-97.

In this connection too there is the objection that the yearly calculation is made an opportunity for a jamabandi present.

G.S.
16-9-97.

It does not necessitate a fresh account.

R.S.
14-9-97.

I do not think the reasons in favour of abolishing the annuity system are strong enough to warrant opposition to the opinion of the Government of India.

J.G.

Very well. India has generally agreed with us and we may be content with that.

H.B.
A.E.H.

5. *Paragraph* 8 *of the Resolution—Rule XI.*—The Government of India enquire whether the strictness of the nature of the security to be taken in the case of loans to joint applicants under section 9 of the Land Improvement Act or section 6 of the Agricultural Loans Act might not be relaxed, and forward copies of similar rules in force in Assam and Central Provinces. The Madras rules require that, under the Land Improvement Act, if the applicant's interest in the land to be improved does not exceed by one-fourth the amount of the loan applied for, collateral security should be furnished and that it should consist of other lands belonging to applicant or of lands belonging to other persons who are willing to become his sureties or both, and that in the case of loans under the Agricultural Loans Act, the collateral security should consist of immoveable property except in the case of loans repayable within two years or of those granted for the relief of distress. These rules do not provide for the grant of loans on the personal security of the applicant having a limited interest in the land or on similar security of his sureties. The Government of India believe that the loans may safely be granted on the joint personal security of the members of a village community or of a group of cultivators. In the case of an applicant having a limited interest in the land, the Assam rules provide for the grant of loans, without any special sanction, up to twice the annual rental of his holdings within the district, and if he furnishes a surety or sureties of the same class, then it may extend, without any such special sanction, up to one and half times the annual revenue

or rental of the holdings within the district of himself and his sureties. Similarly the Central Provinces rules make provision for the grant, without any sanction, of a loan to an occupancy tenant up to three times the annual rental of the holding and to an ordinary tenant up to twice the rental. If the loan be made on the joint and several security of two or more tenants, the amounts may extend, without the sanction of the Commissioner, up to twice the sum of their annual rentals in the case of occupancy ryots, and one and half times the sum of their annual rentals in the case of ordinary tenants. The Government of India have allowed our rule to stand, but remit the question for the consideration of the local Government.

I think it would be safe to relax the requirements of Rule XI, when the joint personal security of the members of a village or a group of cultivators is given; but the Board might be asked about this.

J.G.
H.B.
A.E.H.

6. *Paragraph* 9 *of the Resolution.*—The ten forms to which reference is made in the rules are noted in the body of the rules in the appropriate places and the words "or in some similar form" added in each case so as not to bind Government to the precise wording of the forms. It is submitted that there is no objection to the additions made.

No objection.

J.G.
H.B.

7. *Paragraph* 10 *of the Resolution—Rule XVI.*—In this rule the words "a reference shall be made to the Registration department in form No. 7 hereto annexed or in some similar form for an encumbrance certificate," have been added. The addition is made with reference to the requirement in rule No. 10 (paragraph 2) of form No. 6. The addition may be made.

Yes.

J.G.
H.B.

8. *Paragraph* 11 *of the Resolution.*—The Government of India desire to publish only the forms to which reference is made in the rules (it will be seen that only the first 10 forms are referred to in the rules and these are printed with them in the notification appended to the Government of India Resolution), and suggest that the remaining forms might be prescribed by the Board under executive orders.

No objection.

J.G.
17-9-97.
H.B.
A.E.H.
1-10-97.

9. *Paragraph* 12 *of the Resolution.*—The subsidiary instructions have been omitted from the draft rules, the Government of India being of opinion that it would be convenient to issue them as executive orders. This may be done.

Yes.

J.G.
H.B.
17-9-95.

10. *Paragraph* 14 *of the Resolution.*—The Government of India call attention to the absence of a complete record of rights in land and a tenancy law in this Presidency and point out that, if these existed, the trouble and delay attending at present the grant of lands and the difficulty and risk of granting loans to tenants may be obviated to a considerable extent.

R.S.
14-9-97.

The Hon'ble Mr. Grose, C.I.E.—
The Hon'ble Sir H. Bliss, K.C.I.E.—
His Excellency the Governor—

G. STOKES.
16-9-97.

Vide my note of 25th September 1894 in G.O., No. 301, dated 25th May 1895. The Board should be instructed, I think, as there proposed. It will be good policy

to make it a rule to grant extra assistance to work the rules when applications for loans are numerous, and to get all the accounts into good order once for all. Once the accounts are started, they won't be very difficult to keep going.

H. B[LISS].
17-9-97.

I agree.

A. E. H[AVFLOCK].
1-10-97.

Draft.

G.S.
2-10-97.

Issue.

G.S.
22-10-97.

[*Issued as G.O., No.* 884, *Revenue, dated* 22*nd October* 1897.]

REVENUE DEPARTMENT.

1897.

Board of Revenue

(Revenue Settlement, Land Records and Agriculture),

MADRAS.

Recd. } 1897. *Enclosures*

Regd. } *Spare copies*

Printed August th.

Proceedings, 20th July 1897, No. 519.

JULY.

Loans.—Submitting to Government report regarding Mr. Nicholson's proposal to entrust to an accountant in the Collector's office the duty of distributing repayment of — between principal and interest.

PROCEEDINGS OF THE BOARD OF REVENUE
(REVENUE SETTLEMENT, LAND RECORDS AND AGRICULTURE).

READ—again Proceedings of the Board of Revenue (R.S., L.R. and Agri.), dated 28th May 1896, No. 103.

ABSTRACT.—Communicating to the Collector of Anantapur Government Order agreeing with the opinion of the Board in regard to the annuity system of repayments under the Land Improvement Loans Act; and calling for report from Collectors of certain districts regarding the practicability of Mr. Nicholson's suggestion that the duty of distributing repayments under the annuity system between principal and interest should be entrusted to a skilled accountant in the Collector's office and not to taluk gumastahs.

READ—also the following letter from A. C. TATE, Esq., Collector of Cuddapah, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated 14th July 1896, Dis. No. 3129-Rev.:—

In reply to paragraph 2 of Board's Proceedings, No. 103, dated 28th May 1896, Revenue Settlement, calling for a report regarding the practicability of entrusting the duty of distributing repayments under the annuity system between principal and interest to a skilled accountant in the Collector's office, I have the honour to state that the proposal seems a good one, but an extra accountant would be required in this district to carry it out as the number of final loan orders is very large.

READ—also the following letter from H. BRADLEY, Esq., Collector of Coimbatore, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated 13th July 1896, Dis. No. 2289-Rev.:—

I have the honour to submit the report called for in Board's Proceedings, No. 103, dated 28th May 1896.

2. Mr. Nicholson in paragraph 3 of his second letter embodied in the above Proceedings suggests that the duty of distributing between principal and interest repayments under the annuity system made under the Special Well Rules should be entrusted to a skilled accountant in the Collector's office. He also remarks that "this will secure accuracy and at the same time relieve the taluk gumastahs who, while often ignorant, are always overworked. The taluk gumastah would simply report annually to the Collector's office the amount paid by each individual and the distribution work would be done there as is now done by a single clerk in the case of the 800 odd separate toddy shops of the district. Moreover, by the use of easily made tables such as are in use in all European land banks (where the fixed annuity system is invariably adopted), the work and the chances of error are reduced to a minimum."

3. The Board desires a report as to the practicability of this suggestion.

4. It is clear that the taluk establishment is to be practically relieved altogether of the work of distribution, which will have to be attended to by a Huzur clerk. This clerk will have to maintain the requisite registers, viz., * XII-B, I and II separately for each taluk. But it will not be possible to dispense with the similar registers maintained in the taluks, as it is in accordance with them that processes are issued. Moreover, as XVII-A is kept for individual loans, there will be no very great saving of labour in the taluk office.

* Board's Proceedings, No. 91, dated 9th March 1893.

5. The taluk office will have to furnish either daily or once a week an extract from register No. XI relating to repayments under the Special Well Rules to the Collector from which the Huzur clerk will proceed to work out figures for register XII-B, section II. As instalments under the Special Well Loans are payable in this district on the 10th April of each year (*vide* Rule 19 of the Special Well Rules), there will be ample time for a clerk to work out figures for columns 3 and 4 for the next year. There is not, however, the same facility as regards columns 6 to 10 for which figures must also be worked out. It will not be possible for the clerk to get the entries made within the month of April for all the cases in this district, which now amount to some 3,000 and are likely to increase annually, even if every borrower pays his dues on the 10th of April, which is very unlikely.

6. This will certainly prevent any attempt at punctuality in the submission of the monthly * returns due to and by, the Collector, if the returns contain particulars as to interest and principal of the repayments under the Special Well Rules. The Tahsildars will have to depend upon the Huzur for the distribution of collection, between interest and principal, and the taluk clerk besides sending extracts from the daily collection statement to the Huzur will have to post the result of the distribution, so that there will be no material reduction in his work.

* XV. Monthly *plus* and *minus* memorandum accompanying statement No. XVII-B.
XVII-B. Monthly statement of advances and recoveries of loans, monthly account current and the appendix, page 10.

7. If it is decided to adopt Mr. Nicholson's proposal, it will be necessary to prescribe that the returns for April, May and June need not contain the particulars, the amount collected being shown in a lump under the head "Suspense Accounts" in the account current. The apportionment can be easily made in the account current for June due in July by an adjustment by credit and debit to the respective heads of service concerned.

8. I can see no other difficulty in giving effect to the suggestion of Mr. Nicholson, and, on the whole, although there may be some increase of accuracy in the taluk figures, I do not believe there will be any relief to the taluk gumastah.

READ—also the following letter from A. W. B. HIGGENS, Esq., Collector of Tinnevelly, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated 29th July 1896, Dis. No. 1384-Genl. Rev.:—

With reference to Board's Proceedings, No. 103, dated 28th May 1896, I have the honour to report that, in my opinion, the proposal to entrust the duty of distributing repayments under the annuity system between principal and interest to a skilled accountant in the Collector's office is both unnecessary and impracticable. The calculation of interest is not beyond the comprehension of a taluk gumastah. The inspections of the registers of outstanding advances in the several taluks in past years have not brought to light any serious errors in calculation, except in one case in the Ambásamudram taluk in which the errors in distribution were made by a new gumastah who had not carefully studied the rules. With the supervision that is exercised by Divisional Officers and Collectors, the chances of error are few.

2. Mr. Nicholson proposes that repayments made by grantees should be reported annually to the Collector's office in view to distribution being made between principal and interest. He does not, however, state how the payments made in the course of the year are to be credited in the treasury accounts. Under his scheme, the exhibition of principal and interest separately in the treasury accounts and in the monthly statement of advances and recoveries is not possible. The repayments must evidently be exhibited in a lump under principal, and this will involve numerous alterations at the end of the year when the distribution is made in the Collector's office.

3. Mr. Nicholson draws an analogy between the work done in Collector's office in connection with the checking of the shopwar demand of abkári shops and the proposed distribution of principal and interest in regard to loan. The former item of

work consists in merely checking the lists of shopwar demand and collections submitted by Tahsildars. The work in connection with loans, however, involves considerable labour and adds materially to the work of the Collector's office. Besides, special establishments have been sanctioned in each district for abkári work in Collector's offices, while there is no such establishment for loan work.

Read—also the following letter from A. E. CASTLESTUART STUART, Esq., Collector of South Arcot, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated Cuddalore, 15th August 1896, No. 567-Acc. :—

With reference to paragraph 2 of Board's Proceedings (R.S., L.R. and Agri.), dated 28th May 1896, No. 103, I have the honour to state that I am in favour of the adoption of Mr. Nicholson's suggestion, that the duty of distributing repayments under the annuity system between principal and interest should be entrusted to a skilled accountant in the Collector's office instead of being left to taluk gumastahs. No practical difficulty would, in my opinion, be experienced in the working of this scheme which would, as Mr. Nicholson observed, "secure accuracy and, at the same time, relieve the taluk gumastahs."

Read—also the following letter from G. S. FORBES, Esq., Collector of Chingleput, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated Saidapet, 12th September 1896, Dis. No. 2604 :—

I have the honour to reply to Board's Proceedings, dated 28th May 1896, No. 103, calling for a report on the practicability of entrusting the duty of distributing repayments of loans under the annuity system between principal and interest to a skilled accountant in the Collector's office instead of leaving the work to unskilled and over-worked taluk clerks.

2. I understand the reference to relate to the existing annuity cases under the old rules, the Government concurring with the Board having finally decided (declined) to adhere to the annuity system either as the sole or an alternative system under the new rules.

3. The suggestion is to have the distribution of the repayments between principal and interest under the annuity system made in the Collector's office, the amount repaid by each borrower being reported annually to that office by the Tahsildars. The annuity system is worked in respect of all loans granted under the Special Well Rules and the annual instalments fall due with the last kist of the fasli. The distribution of these instalments between principal and interest in columns 3 and 4 of form No. XII-B may be made in advance in the Collector's office immediately after the close of the fasli when the register can be spared from the taluk office without inconvenience. The register may then be returned to the taluk office where the distribution of actual repayments in columns 7 and 8 can easily be carried out and entered, as interest is the first claim on any repayment. In the Collector's office, when the register returns, this distribution can be again checked.

4. There is in this district another class of loans in respect of which the annuity system is worked. Under Board's Proceedings, dated 23rd October 1891, No. 682, the cases of loans granted under the ordinary system at $6\frac{1}{4}$ per cent. interest between the 1st January and 28th July 1891 were converted, as a matter of concession in consideration of the adverse season, into loans at 3 per cent. with the period of repayment extended as in the case of the Special Well Rules. In five of the six taluks of this district, the annuity system has been applied to these loans and the number of such cases amounts to 308. In all these cases, the instalments are repayable at different dates in the course of the year according to the dates of disbursement of the loan, and the arrangement proposed in the preceding paragraph is not suited

to them. In regard to these cases, I would therefore suggest that the Tahsildars be required to furnish to the Collector's office at the beginning of each month, an extract from the register XII-B relating to cases, the instalments of which fall due in the succeeding month and to have the distribution checked.

5. No additional establishment will be necessary in the Collector's office.

Resolution—dated 20th July 1897, No. 519.

In its order, dated 13th May 1896, Mis. No. 1844, Government while expressing concurrence in the Board's opinion that the mode of recovery of loans by equal annual instalments of principal may be substituted for the annuity system of fixed annual payments in discharge of both principal and interest, called for a report as to the practicability of a suggestion made by Mr. Nicholson that the duty of distributing repayments between principal and interest should be entrusted to a skilled accountant in the Collector's office instead of being left to taluk gumastahs. It was not clear from the Government Order whether this scheme was to apply only to loans granted under the annuity system of repayment or to all loans under the Loans Acts. The Board understood the reference in the former sense and invited the opinion of Collectors of the marginally-noted districts, in which the transactions under the Loans Acts during the past years had been large. The letters read above are their replies.

Cuddapah.	South Arcot.
Chingleput.	Tinnevelly.
Coimbatore.	

2. The Collectors of Cuddapah and South Arcot state that they are in favour of the proposal; but they do not state how it is to be worked. The former merely says that the proposal seems a good one, while the latter thinks that no practical difficulty would be experienced in the working of the scheme.

3. The Collector of Chingleput reports that the distribution of instalments between principal and interest, in columns 3 and 4 of loan register No. XII-B, may be made in advance in the Collector's office immediately after the close of the fasli, when the register can be spared from the taluk office without inconvenience and that the distribution of actual repayments in columns 7 and 8 can easily be carried out and entered in the taluk office and can again be verified in the Collector's office, when the register returns. This system may work well enough in those cases in which the borrowers pay the fixed instalments punctually and regularly, but ryots are generally unpunctual in the payment of their dues and often pay a little more or less than the instalment due; and in such cases, the distribution between principal and interest and the calculation of penal interest, when payment is delayed, must still continue to be done by the taluk gumastah, though they may subsequently be checked by the skilled accountant in the Collector's office. Moreover, as pointed out by the Collector, the annuity system has been applied in his district to a large number of loans, which were granted under the Ordinary Rules at $6\frac{1}{4}$ per cent. between 1st January and 28th July 1891, and which were converted, as a matter of concession in consideration of the then adverse season, into loans at 3 per cent. with the period of repayment extended as in the case of Special Well Rules. In these cases, the instalments are repayable at different dates in the course of a year according to the dates of disbursement of the loan, and the arrangement above proposed will not be suitable to them. The Collector suggests that in these cases Tahsildars may be required to furnish to the Collector's office at the beginning of each month an extract from register No. XII-B relating to the cases in which the instalments fall due in the succeeding month and to have the distribution checked.

4. The Collector of Tinnevelly considers that the scheme is both unnecessary and impracticable. He states that the inspection of the registers of outstanding advances in the several taluks in the past years have not brought to light any serious errors in the calculation of interest; which, he says, is not beyond the comprehension of taluk gumastahs, and he adds that Mr. Nicholson does not state how the payments made in

the course of the year are to be credited in the treasury accounts. The repayments, he observes, must evidently be exhibited in a lump under "principal," and this will involve numerous alterations at the end of the year when the distribution is made in the Collector's office.

5. The Collector of Coimbatore points out various difficulties in the working of Mr. Nicholson's scheme. He shows how the scheme which is intended practically to relieve the taluk establishment altogether of the work of distribution, will really multiply its work in several ways. The adoption of the scheme will also, he says, interfere with the punctual submission of returns due to and by Collectors, if the returns are, as now, to contain particulars as to principal and interest. He thinks that, on the whole, there will be no relief to the taluk gumastah though the adoption of the suggestion will result in some increase of accuracy in the taluk figures.

6. Though three, out of the five Collectors consulted, are in favour of adopting Mr. Nicholson's scheme, they have not discussed the merits thereof as fully as the other two have done, who are against it, and the Board is inclined to agree with the latter in considering that the scheme instead of reducing the work in the taluk office will only add to it, and that in view of this fact and of the various difficulties pointed out by them in the working of the scheme, it is not worth while to introduce the scheme for the sake of ensuring complete accuracy in the distribution of repayments between principal and interest.

7. The Board would add that, under the instructions issued in G.O., Mis. No. 189, Revenue, dated 11th March 1891, the calculation of interest is not more difficult under the annuity system than under the other system of repayment; that if Mr. Nicholson's scheme is to be adopted for ensuring greater accuracy in the loan accounts, there is no reason for limiting it to cases of loans granted under the former system, and that if the scheme is to be applied to all loans, the work to be done in the Collector's office will, in many districts, necessitate the entertainment of a large staff of special accountants.

(True Copies and Extract.)

R. V. Srinivasa
Secretary.

To the Secretary to Government, Revenue Department.
Copy to all Collectors, except Madras.

Exd. Md. Pahilvan.

GOVT. OF MADRAS
26 AUG 97
REVENUE DEPARTMENT

1897.

File No. 211 of 1895.

Serial No. 7.

GOVERNMENT OF INDIA.

DEPARTMENT OF REVENUE AND AGRICULTURE.

LAND-REVENUE.

To

THE SECRETARY TO THE GOVERNMENT OF MADRAS,
REVENUE DEPARTMENT.

No. 1884/211—7.

Dated Simla, the 16th August 1897.

SUBJECT.

Subject to certain remarks approves generally of the consolidated rules for advances under the Land Improvement and Agriculturists' Loans Acts.

G. C. Press, Simla.—No. 748 R. & A. D.—18-7-97—84

240

No. $\frac{1884}{211-7}$.

FROM

DENZIL IBBETSON, Esq., C.S.I.,
Secretary to the Government of India,

TO

THE SECRETARY TO THE GOVERNMENT OF MADRAS,
REVENUE DEPARTMENT.

Dept. of Rev. & Agri.
Land-Revenue.

Simla, the 16th August 1897.

SIR,

I AM directed to reply to your letter No. 301-A., dated 25th May 1895, with which you forwarded for the sanction of the Government of India a set of revised rules under the Land Improvement Loans and Agriculturists' Loans Acts XIX of 1883 and XII of 1884.

2. I am to say that the Government of India regret the delay which has occurred in passing orders on these rules; and the more so as the Government of Madras have been conspicuous for the attention which they have devoted to this matter, and for the success which has attended their efforts. The consideration of the rules was in the first instance postponed, in order that it might be taken up in connection with the general question of improvement of the system of agricultural loans under both Acts: a question upon which the interesting enclosures to your letter are calculated to throw much light. The treatment of this question has, however, been unavoidably deferred, as there have been more urgent matters for consideration. The Government of India have therefore determined to deal with the Madras Revised Rules separately.

3. As stated in your letter of the 25th May 1895, there are at present four sets of rules under the two Acts in force in Madras, *viz.*:—

(1) Ordinary rules under the Land Improvement Loans Act XIX of 1883.
(2) Special well rules.
(3) Ordinary rules under the Agriculturists' Loans Act XII of 1884.
(4) Special rules for times of distress.

The Government of Madras have combined these four sets of rules in one.

4. The Government of India approve of the consolidated rules, which are in their opinion a great improvement upon those at present in force. They have,

however, subjected them to some revision, the extent of which will be seen from the enclosed re-draft. The alterations are indicated in italics, and are for the most part verbal. It is necessary therefore to notice only the more important alterations.

5. In paragraph 7 (iii) of your letter, it is proposed to charge on all loans, except those granted for the relief of distress which will be charged interest at 3 per cent., a uniform rate of 5 per cent. interest instead of, as now, 4 per cent. on loans granted under the special rules and 6¼ per cent. on other loans. The Government of India agree with the Governor in Council that one uniform rate of interest will prove convenient, and that it is not likely to have any deterrent effect; and they therefore approve of the proposal.

The last clause of rule III has been amended so as to make clear what apparently was the intention of the Government of Madras, that the Local Government alone can grant loans in special cases at reduced interest, or without interest.

6. In paragraph 7 (v) of your letter, it is proposed to extend to 35 years the maximum period for the repayment of loans granted for the construction or repair of wells. This was the original period, which was reduced to 30 years with reference to the orders issued by the Government of India in 1889. In a subsequent Financial Department Resolution No. 3600-A., dated 26th August 1896, it was laid down that "the advances should be repaid within as short a period as possible, not exceeding 20 years, except with the sanction of the Government of India, which will be granted only under very special circumstances"; and in your letter No. 4065, dated 10th October 1896, you inquire whether these orders are intended to govern the existing rules under the Land Improvement Loans Act. I am to explain that these executive orders will not affect the validity of rules having the force of law, and issued under an Act with the sanction of the Government of India. But as regards the new rules, the Government of India would prefer that the existing maximum limit of 30 years should not be extended; and Rule V has been modified accordingly.

* Financial Department Resolution No. 13, dated 1st January 1889.
Letter of the Department of Revenue and Agriculture No. 625-R.—115-3, dated 26th August 1889.

7. In paragraph 7 (vi) (*a*) of your letter, it is proposed to abolish the annuity system of repayment, and to adopt in all cases the ordinary system under which the principal is paid off by equal annual instalments and the interest varies with the unpaid balance of the loan. The change is proposed on the ground that the annuity system is not understood by either the people or the subordinate officials, and has rendered the special rules which enforce it unpopular.

The annuity system is in force in most other Indian provinces, where it is found to work satisfactorily. A serious objection to the ordinary system is, that the payments for interest are heaviest in the early years of the improvement, when the benefit from it is often least. This is, however, a point which the Government of India are not disposed to press, should the Government of Madras on further consideration adhere to their opinion that the change is desirable.

8. I am to suggest, for the consideration of the Madras Government, that the strictness of Rule XI, which prescribes the nature of the security to be taken, might be somewhat relaxed in the case of loans to joint applicants under section 9 of the Land Improvement or section 6 of the Agriculturists' Loans Acts; and that advances of limited amounts might be made under the Agriculturists' Loans Act to tenants on their own responsibility. I am to append to this letter copies of No. 7 of the Assam Rules and No. V of the Central Provinces Rules under the Agriculturists' Loans' Act. Especially, the Government of India believe that loans may be most safely made on the joint personal security of the members of a village community or of a group of cultivators. Among such a body the desire is strong to return trust for trust, and to hold to their engagements with the Government who has come to their aid.

9. To the Rules as drafted by the Madras Government are appended certain forms and account statements, which apparently form an integral portion of the rules, but to which no reference is made in the text. This seems to be inconvenient; and references to the forms have therefore been incorporated in the body of the Rules. At the same time, it will probably be desired not to bind the Government to the precise wording of the present forms; and words have therefore been added which preserve the necessary liberty in the matter.

10. *Rule XVI.*—Annexed to the Rules is a form (No. 7) headed "Reference to Registration Department for encumbrance certificate." It is gathered from the terms of head No. 10, paragraph 2, of the form of report prescribed (No. 6), that such a reference is invariably to be made; and on the understanding that this is the intention of the Madras Government, the word "shall" has been used in the addition which has been inserted after the first sentence of the rule.

11. *Rule XXVII.*—This rule has been altered as follows:—

"Every Tahsildar shall keep a register of loans and repayments relating to his taluk in Form No. 2 hereto annexed, or in some similar form, and such other accounts and statements as may, from time to time, be prescribed by the Board."

There are twenty-two forms of accounts and statements annexed to the rules, but not specifically referred to in them. If they are to be prescribed by the Local Government, the latter part of the above rule should run "and other accounts and statements in forms 11 to 32 hereto annexed, or in some similar forms." But the Madras Government will probably prefer to leave these forms to be prescribed executively; and in that case the rule might run as above, the twenty-two forms being omitted altogether from the rules, and separately issued by the Board.

12. The subsidiary instructions apparently form no part of the Rules under the Act, and have therefore been omitted from the enclosed re-draft; as it will be more convenient that they should be issued separately as executive orders.

13. If the alterations which have been embodied in the enclosed re-draft commend themselves to His Excellency in Council, the rules as amended may be published with the notification which is prefixed to the re-draft.

14. In conclusion I am to remark that, in the opinion of the Government of India, there is much in the correspondence accompanying your letter of 25th May 1895 to show how greatly the existence of a complete record-of-rights in land would diminish the trouble and delay which at present attend the grant of

loans under the Acts, and would render the value of the security more certain than at present, and how seriously the difficulty and risk of granting loans to tenants are increased by the absence of a tenancy law.

I have the honour to be,

SIR,

Your most obedient Servant,

Secretary to the Government of India.

Copy of No. 7 of the Assam Rules under the Agriculturists' Loans Act 1884.

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7. No loan under these rules made to any such applicant as is described in clause (b) of rule 4 shall save with the special sanction, in the Assam Vally Districts of the Commissioner, and elsewhere, of the Chief Commissioner, exceed,-

(i) if the applicant is a settlement holder, as defined in clause (h) of section 3 of the Assam Land and Revenue Regulation, 1886(1 of 1886), and not a landholder,- twice the annual revenue assessed upon the lands held by him within the district;

(ii) in other cases ,- twice the annual rentals of the holdings of the applicant within the district:

Provided that, if the applicant furnishes a surety or sureties of the same class of occupiers as himself, then the loan may, without the special sanction aforesaid, amount to one-and-a-half times the annual revenue or rentals of the holdings within the district of himself and his surety or sureties.

Copy of No. V of the Central Provinces Rules under the Agriculturists' Loans Act 1884.

V. Without the special sanction of the Commissioner, no loan made under Rule III (b) shall exceed-

(1) in the case of an occupancy tenant, three times the the annual rental of the holding;

(2) in the case of an ordinary tenant , twice the annual rental.

Provided that if the loan be made on the joint and several security of two or more tenants, its amount shall not, without the

V. Loans shall be repayable by equal annual instalments; and with each such in

Period allowed for repayment and method of recovery.

the borrower shall pay the interest due previous year on the loan or (if he has p portion of the loan) on the unpaid balance

The time allowed for *the* repayment of *a* loan shall be fixed by the Collector (or oth cer granting the loan) with reference to the convenience of the borrower and the circum of the case, regard being had to the probable durability of the improvement proposed effected and the value or sufficiency of the security tendered, but so as not to exc maximum limits specified below :—

(A) *In the case of* loans under the Land Improvement Loans Act, *1883*,—

(i) for *the* construction or repair of wells,—3[illegible] years.

(ii) for other purposes—

if the loan does not exceed Rs. 500,—10 years ;

if the loan exceeds Rs. 500 but does not exceed Rs. 1,000,—15 years ;

if the loan exceeds Rs. 1,000,—20 years ;

(B) For loans under the Agriculturists' Loans Act, *1884*,—

(i) *if for* the purchase of seed,—1 year.

(ii) *if for* the relief of distress,—3 years.

(iii) *if for any other purpose*,—10 years.

The time for repayment specified above *shall* count from the date of payment of the loa or, where the loan is paid by instalments, from the date of payment of the last instalment.

The time allowed for repayment is liable to revision under Rule XXVI :

Provided that nothing in this rule shall be taken to preclude a borrower from dischargin the loan at an earlier period by payment of a larger amount than the annual instalment. Th excess so paid *shall* be credited at once in reduction of *the* principal and the number of futu instalments *shall*, if necessary, be decreased, but no alteration in the amount of subsequ instalments *shall* be allowed, nor *shall* postponement of payment of subsequent instalmen be permitted.

VI. The date for payment of *each* annual instalment shall be fixed so as to coincide wi the date of one of the land revenue kists of the district; but the first repayment of princip shall not be demanded within less than twelve months and shall not be put off for more tha twenty-four months from the date of disbursement of the first instalment of the loan. Wh commencement of repayment is thus postponed for more than twelve months, simple intere *shall* be realized in the interim as the kist date selected comes round. The first payment interest will be for the broken period between the date of disbursement of the loan (or each instalment thereof) and such kist date.

If in any special case the sanctioning authority considers that the work for which the lo is given is such that a longer time than tweny-four months must elapse before it begins yield a return, a longer interval, not exceeding five years, may be allowed. In the case of loa granted by Tahsildars the sanction of their Divisional officers *shall* be obtained for such exte sion. In every case, however, the amount of the annual instalment *shall* be fixed so as repay the whole loan with interest within the maximum period from the date of disbursemen of the last instalment of the loan shown in Rule V.

VII. Repayment may be made either at the treasury of the taluk or to the village office of the village in which the land to be improved is situated. The Collector may, if he sees fi authorise repayment at any other Government treasury.

VIII. Interest at 6¼ per cent. will be charged on all instalmen's of interest or of princip overdue.

In calculating interest under this rule, a broken period of a month shall be taken as half month or one month according as it is less or not less than fifteen days and a fraction of rupee as half a rupee or one rupee according as it is less or not less than 8 annas.

IX. The repayment of the annual instalment and interest may be suspended by the Co

Postponement of repayment and remissions.

lector on proof of failure of the crops of the bo rower or other exceptional calamity. The Collect shall report all such cases to the Board of Revenue who will pass such orders thereon as may deem proper.

The suspended instalment *shall* be collected in the year following the termination of t period of suspension, with the instalment, if any, payable for that year, and in no case sh the maximum period fixed for *the* repayment of instalments be exceeded. Simple interest at per cent. per annum *shall* be charged on all suspended instalments of principal and interest to the date of collection.

X. In the case of loans granted for the construction or repair of wells, if the borrower ails to strike water, or if the well runs dry or otherwise becomes useless from causes beyond the orrower's control, the Board may, upon *a* full report of all the circumstances of the case being ubmitted to it through the Collector, remit the whole or a portion of the unpaid balance of the oan.

XI. No loan shall be granted unless the value of the security offered exceeds by at least one-fourth the amount of the loan applied for.

Security.

The nature of the security to be required shall be as follows :—

(A) Under the Land Improvement Loans Act 1883.—The land to be improved which must include the site of the work to be constructed.

If the value of the applicant's interest in the land to be improved does not exceed by one-fourth the amount of the loan applied for, collateral security *shall* be required.

Collateral security shall consist—

(i) of other lands belonging to the applicant; or

(ii) of land belonging to other persons who are willing to become his sureties; or

(iii) both.

(B) Under the Agriculturist's Loans Act, 1884.—The lands belonging to the applicant.

If the value of the applicant's interest in the land does not exceed by one-fourth the amount of the loan applied for, collateral security *shall* be required. Collateral security shall consist of immoveable property, except in the case of loans repayable within two years or of those granted for the relief of distress, for which personal security may be accepted.

XII. If at any time the Collector or other officer granting the loan is satisfied that any person who has received a loan has failed to perform any of the conditions on which it was made, he may, after recording in writing the grounds for his decision, and subject to the control of the Board of Revenue, proceed to recover forthwith from such person or from any surety of such person the entire unpaid balance of the loan, together with any interest payable thereon and costs, as arrears of land revenue :

Provided that such officer may at his discretion so recover any sum less than the whole balance of the loan without prejudice to his right to recover the remainder of such balance at any subsequent time.

XIII. *An* application for *a* loan may be made, *orally or in writing* to any Revenue officer of a grade not lower than that of Revenue Inspector. *If written, it* shall be in *Form No. 1 hereto annexed* (printed copies of which can be obtained at all cutcherries and from Revenue In-

Mode of application.

spectors free of cost), *or in some similar form*, and may be presented in person or sent by post. If an oral application is made, the officer to whom it is preferred shall cause it to be recorded in the prescribed form and signed by the applicant.

XIV. No loan shall be granted without a local enquiry. On receipt of an application a Revenue Inspector or higher officer shall notify and publish in the village by tom-tom that he intends to hold the enquiry, and *shall* as soon as possible *thereafter* inspect the land and make summary inquiry in the village as to the correctness of the entries in the application, submitting a report in *Form No. 6 hereto annexed or in some similar form*. When the amount applied for exceeds Rs. 500, the local inquiry shall be conducted by an officer of not lower rank than that of Deputy Tahsildar.

Local enquiry to be made in all cases.

XV. The personal attendance of the applicant is not necessary, but he may be required, *by notice in Form No. 4 hereto annexed or in some similar form*, at any time to appear, in person or by duly authorized agent at his option, and in case of default the application may be rejected.

XVI. Attention *shall* be particularly directed to ascertaining the *bona fides* and the solvency of the applicant and the sufficiency of the security offered. Careful enquiry *shall* be made regarding the rights of the applicant in the lands to be improved, and the lands (if any) offered as collateral security, in view to ensuring that the applicant is the real owner, and that the land is free from encumbrances or is not burdened with arrears of land revenue or is not already hypothecated to Government for a loan previously obtained. *A reference shall be made to the Registration Department, in Form No. 7 hereto annexed or in some similar form, for an encumbrance certificate.* Similar enquiry *shall* be made in the case of lands offered by sureties as collateral security, care *being* taken to see that the surety is not only the registered holder, but the real owner, of the land, and that, if he has a divided interest in the land, it is not charged beyond the extent of his own individual interest therein excepting with the written consent of the joint owners.

XVII. Applications from mortgagees, though in possession, for loans for the improvement of land, *shall* not, *ordinarily*, be complied with.

XVIII. When the applicant for a loan is a tenant and proposes to furnish, as security for the loan, any interest alleged to be transferable, which he claims to possess in the land to be

No. 2.—Register of Applications for Loans under the $\frac{\text{Land Improvement}}{\text{Agriculturists'}}$ Loans Act, $\frac{1883.}{1884.}$ for the Fasli year.

Taluk of District of

(See Rule XXVII).

Serial number of application.	Date of receipt of application in the taluk.	If application is received through other officers.		References.			Name, father's name and residence of applicant.	Name of village in which the loan is to be utilized.	Amount of loan required.	Purposes for which required.	Whether loan sanctioned or refused. (If refused, brief reasons for refusal). Number and date of disposal.	Amount sanctioned, number and date of loan order, as per register of repayments.	Remarks.
		Officer from whom received.	Number and date of reference.	To whom.	Date of reference.	Date of receipt of reply.							
1	2	3	4	9	10	11	5	6	7	8	12	13	14
									Rs. A. P.				

INDEX to Application Register under

No.	Names of villages in alphabetical order.	Numbers of cases in the Application Register.	Total in each village.
1	2	3	4

Note.—Cases disposed of should be denoted by enclosing the number by a circle thus 10

Note.—This register should be kept in two sections (but in the same bound volume), one for each Act.

No. 3—*Notice to Landlord under* Land Improvement Loans Act, 1883 *or Agriculturists' Loans Act, 1884.*

(See rule XVIII.)

Name

Son of

Residing at

You are hereby informed that (name) son of residing at and reported to be your tenant having a transferable interest in the lands described below has put in an application for a loan of Rs. from Government for the purpose of and has offered his interest in the said lands as security for the same, and that if you desire to make any objections to the loan you must do so in writing to the undersigned within one month from the date of service of this notice, failing which the loan will be made to the said on the security offered.

Village.	Number and date of the land.	Dry or wet.	Extent.	Assessment.	Remarks.
			ACS.	Rs. A. P.	

Camp

Date.

Tahsildar.

NOTE.—The person entrusted to serve this notice is to deliver a copy to the landlord, and where there are more shareholders than one, to any shareholder. If service in this way cannot be effected, a copy of the notice shall be affixed to some conspicuous place in the Collector's office and on the house in which the landlord resides. If he does not reside in the village, or if his residence is not known, the notice shall be served on the person who acts as local agent for the landlord in respect of the said lands. A copy of the notice shall also be affixed on the land and at the village shavadi.

No. 4.

Notice to applicant under Land Improvement Loans Act, *1883*, or Agriculturists' Loans Act, *1884*.

(See rule XV.)

To son of residing at

hamlet of village

WHEREAS you are required to appear personally or by agent to give the following information regarding your application for a loan of Rs. [here enter particulars] *or* to execute the necessary documents and receive payment of the loan applied for, you should appear before the on date at

If you fail to appear, your application will be rejected.

Camp

Date.

Tahsildar.

NOTE.—This notice is to be sent in duplicate; one copy is to be delivered to the applicant or to some adult male member of his family at his usual place of abode, or to his authorised agent and the other is to be returned to the Tahsildar with the signature of the applicant or his agent. If service cannot be made, the notice must be returned with a note to this effect giving the reasons for failure. Wherever convenient, this notice may also be sent to the party by post.

No. 5—*Notice intimating rejection of application under* Land Improvement Loans Act, *1883*, and Agriculturists' Loans Act, *1884*.

(See rule XXIV.)

Application No. of on the file of the Tahsildar of

Taluk District.

(Name) of Village *is* hereby informed that his application for a loan of Rs. under the Land Improvement Loans Act, *1883*, or under Agriculturists' Loans Act, *1884*, has been rejected for [state here briefly the grounds of rejection]

Vide this office order, dated on application No.

Station

Date.

Tahsildar.

This notice should be prepared in duplicate and one copy delivered to the party, or if he could not be found, it should be left for him with some adult male member of his family residing with him or with the head of the village in which he lives. The other copy should be returned to the Tahsildar with the certificate under the hand of the server as to the mode in which the service was effected. Wherever convenient, this notice may also be sent to the party by post.

No. 6.—Report of Officer conducting local inquiry.

(*See rule XIV.*)

1. Serial number of application.

2. (i) Name and village of applicant.

(ii) Amount of loan applied for.

3. (i) Village, survey number, description (dry or wet), area, assessment of land to be improved.

(ii) Purpose for which loan is sought.

4. (i) Is the applicant the sole owner of the land or does he own it in common with any others? and if the latter, is he the managing member of the family?

(ii) If the applicant is a joint pattadar, have the other joint holders consented to the proposed improvement in writing? what is the extent of the applicant's interest in the joint holdings, and whether they consent to have the applicant's share sub-divided?

(iii) If the applicant is a tenant, does he possess any, and if so what, transferable interest in the land, and has notice under rule 18 been served on the landlord, and has he given his consent in writing under the attestation of two witnesses?

(iv) If the application has been made on behalf of a minor, is the application signed by his legally constituted guardian? The same particulars as to the extent and nature of the Minor's interest in the land as under 3 (i) should be added here.

(v) If the applicant is a Hindu widow, do her reversionary heirs consent to the improvement?

5. Is the application *bonâ fide* and is the applicant solvent?

6. Is he in arrears to Government for land revenue or for any instalment of a loan previously obtained?

7. Security—

(*a*) If it is the land to be benefited—

(i) Does the site of the proposed improvement lie in the land to be improved?

(ii) The present value of the applicant's interest in it with grounds for the valuation.

(iii) Are there any pre-existing encumbrances? What are the names of the mortgagees and the amount of their claims?

(*b*) If personal—

(i) Names, status and solvency of sureties.

(ii) Amount agreed to be secured.

(*c*) If lands other than the land to be benefited—

(i) Survey number, description, extent and assessment of the land and the estimated present value of the applicant's or the surety's interest with grounds for the valuation.

(ii) Whether the lands are registered in the name of the applicant or the surety and whether they are in his possession and free from encumbrances, and the nature and extent of their interest in the land.

(iii) If the land is already encumbered who are the mortgagees and what are the amounts? Does the excess of the value of the land over the amount of encumbrances cover the amount of advances to be made?

(*d*) If property other than land—

Its description, situation and value with proportions of building, well, trees, &c., the nature and extent of pre-existing encumbrances, if any.

Note.—Distinction should be made between land offered as security belonging to the applicant and that belonging to the sureties in case where sureties offer collateral security. If the land forms portion of a field it should be subdivided. (Board's Proceedings, dated 22nd April 1893, No. 148.)

8. Objection of third parties, if any, to the proposed improvement.

9. Date on which the improvement is expected to begin to yield profit.

10 Recommendations of *Officer conducting local inquiry* and the amount of loan recommended.

Result of verification of the lands offered as security in the Registration and Revenue offices of the taluk.

Decision of the officer competent to sanction the loan. (If the Tahsildar is not the competent officer, his recommendations.)

Tahsildar.

N. 6.

Land Improvement Loans Acts, 1883.

Agriculturists' Loans Act, 1884.

Loan Application.

No.

Village

From

To

No.

Dated

Submitting report of inquiry.

No. 7.—Reference to Registration Department for Encumbrance Certificate.

(*See rule XVI.*)

No.

Dated

To

The Sub-Registrar of

Name of applicant

Amount of loan required

Particulars of land for which encumbrance certificate is required

Name of village.	Wet or dry.	Survey number and letter.	Extent.		Assessment.			Corresponding paimash numbers.
			ACS.	CTS.	Rs.	A.	P.	

Remarks—

Tahsildar.

No. 7.—Reference to Registration Department for Encumbrance Certificate.

(*See rule XVI.*)

No.

From

The Tahsildar of Taluq.

Dated

Taluk office.

To

The Sub-Registrar of

SIR,

As the undermentioned ryot has applied for a loan of Rs. from Government under I have the honour to request you to be good enough to cause the necessary search to be made for encumbrances on the lands noted below and to furnish me with an encumbrance certificate at an early date.

Number and name of village.	Name of applicant.	PARTICULARS OF LAND OFFERED AS SECURITY.								Remarks.
		Wet or dry.	Survey.		Extent.		Assessment.			Corresponding paimash numbers.
			Number.	Letter.	ACS.	C.	Rs.	A.	P.	

I have the honour to be,

Sir,

Your most obedient servant,

Tahsildar.

From

The Tahsildar of

To

The Sub-Registrar of

Dated

No.

Subject.

Requesting encumbrance certificate for the lands mentioned within.

No. 8.—Order granting a Loan under the Land Improvement Loans Act, 1883. / Agriculturists' Loans Act, 1884.

(*See rule XXIV.*)

No. of

1. The sum of Rs. is granted to , son of , residing at (with the consent of , the record of which is hereto annexed *) as a loan under the Land Improvement Loans Act, 1883 / Agriculturists' Loans Act, 1884 for the purpose of † for the benefit of ‡ subject to the following conditions.

2. The conditions referred to are as follows :—

(*a*) (i) That the amount of this loan shall be paid to the aforesaid (name of the borrower) in instalments on the execution of the necessary security bonds, the first, on the production of this order at (here enter place at which this order is to be presented for payment), and the second on proof that the first instalment has been properly utilized.

(ii) that if the first instalment has not been utilized within the period of (here enter period allowed for the first instalment) ; or

(iii) if it shall be proved to the satisfaction of the Collector that any portion of the loan has been misapplied to any other purpose than that above specified or that the whole amount of the loan has not been fully applied to the purpose for which it was granted within the period of (here enter period allowed for utilization of full amount of the loan), the whole unpaid balance of the loan or such portion of it as the Collector may determine with interest at 6¼ per cent. and costs, if any, shall be deemed to at once become due.

(iv) If, however, the work should fail altogether owing to causes over which the borrower has no control, the case shall be reported for the orders of the Board of Revenue as to whether repayment in whole or in part shall be required.

(*b*) (i) That the loan shall be repaid by equal annual instalments of Rs. each, falling due with the kist of the revenue year, commencing with fasli 13 and ending with fasli 13 § [and that with each such instalment the borrower shall pay interest at ‖ per cent. due for the previous year on the then outstanding loan.] (Simple interest on the amount advanced must be paid on such kist date in fasli and fasli .) ¶ It shall be open to the Collector or the officer granting the loan to reduce the number of instalments and to increase the amount of the annual payment so as to recover the loan within a shorter period than herein allowed if he finds the work after completion not sufficiently durable to last for the period originally mentioned in the loan order.

(ii) Such annual payment shall be made to the Village officers or to the Tahsildar and is in addition to the land assessment. But * * the land assessment will not be enhanced at any future revision of assessment in consequence of the increased value derived from the improvement.

(iii) If default in the payment of annual instalment and interest on account of the loan occurs and recovery cannot otherwise be made, the entire unpaid balance of the loan or such portion of it as the Collector may determine shall be deemed to at once become due and the whole of the land specified under condition (*c*) or such portion of it as the Collector may deem necessary, shall be sold for the recovery of the amount, with interest thereon and expenses of sale, if any.

(*c*) †† That for the repayment of the loan with interest and costs, if any, due on the same, the immovable property specified below is [in addition to the land for the benefit of which the loan is granted],‡‡ hypothecated as collateral security to Government.

Collector.

I have understood and agreed to the aforesaid terms and conditions.

Signature of borrower.

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* To be inserted when the loan is being granted with the consent of the person having the right to make the improvement to person not having that right.

† Here describe the work to be carried out. ‡ Here describe the lands to be benefited.

§ To be omitted when the loan is granted free of interest.

‖ Here enter the rate of interest which is ordinarily 3 per cent. in the case of loans granted for the relief of distress and 5 per cent in all other cases.

¶ To be used when commencement of repayment is postponed for more than 12 months under rule VI.

** To be used only in the case of loans under Land Improvement Loans Act, *1883*.

†† NOTE.—All immovable property hypothecated as collateral security, whether by the borrower himself or by a surety or sureties, should be specified in the margin of this clause (*c*) of the order granting the loan, and should, as well as the land to be improved, be described, as nearly as may be, in the manner prescribed in section 21 of the Indian Registration Act, 1877.

If the loan is granted for the relief of distress, substitute in condition (*a*) (i) after the words "bonds" "monthly or once every two months" and omit the words "the first" and the words "and the second" to the end of the clause.

‡‡ The words in brackets to be omitted in case of loans under the Agriculturists' Loans Act.

Reverse.

Recoveries.

Sum to be repaid.		Interest at per cent. from the date of loan to date of first instalment, and in subsequent instalment, and in subsequent years for one year, on the amount shown in col. 2.	Sums repaid.			Balance due.		Initials of the Tahsildar.	Remarks.
Fasli.	Amount.		Amount paid in the year.	Credited to		Interest (*i.e.*, column 3 minus column 4).	Principal (*i.e.*, difference of column 2 and column 6).		
				Interest.	Principal.				
1	2	3	4	5	6	7	8	9	10
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.		

No. 9.—Land Improvement Loans Act, 1883 or Agriculturists' Loans Act, 1884. [Second bond to be used when immovable property is mortgaged as security.]

(*See rule XXIV.*)

Whereas $\frac{\text{has}}{\text{have}}$ received from the Collector of order under the $\frac{\text{Land Improvement Loans Act, 1883,}}{\text{Agriculturists' Loans Act, 1884,}}$ in virtue of which $\frac{\text{I am}}{\text{he is}}$ entitled to receive aggregate sum of Rs. as a loan from the Government for the purpose of describe the work to be carried out) for the benefit of (here describe the land to be benefited and whereas security for the due application of the loan and for the punctual repayment the same according to the terms of the order is demanded from $\frac{\text{me}}{\text{him}}$

$\frac{\text{I}}{\text{we}}$, the said mortgage to Government the immovable property mentioned in the schedule below as security, and agree that if $\frac{\text{I fail}}{\text{he fails}}$ to comply with the terms on which the loan has been granted either by misapplying the same or by failing to repay any instalment of the said loan, or any interest chargeable thereon, or costs, if any, incurred in the matter thereof, on the date on which it may become due, it shall be lawful for the Collector to realize from the said property such sum as may be necessary to make good the amount which, in consequence of $\frac{\text{my}}{\text{his}}$ default, may be due from me (or him).

Schedule.

Registration district.	Registration sub-district.	Village.	If the property is house property.				If cultivable land.			
			Boundaries of the property.	Description and value of buildings and how long likely to last.	Extent of building site and of vacant ground or compound.	Trees, wells, &c.	Survey number.	Wet or dry.	Extent.	Assessment.
1	2	3	4	5	6	7	8	9	10	11
										Rs.

Witness

(1) son of village of

(2) son of village of

[Signature of $\frac{\text{borrower}}{\text{surety.}}$]

No. 10.—Agriculturists' Loans Act, 1884, security bond to be used when personal security is taken.

(*See rule XXIV.*)

Whereas of caste calling , son of , residing at has on received from the Collector of an order under the Agriculturists' Loans Act, 1884, in virtue of which he is entitled to receive the aggregate sum of Rs. as a loan from the Government for (here state the object of the loan), I (name) (caste) (calling) son of residing at do hereby agree that if the said shall fail to comply with the terms on which the loan has been granted either by misapplying the same or failing to repay any instalment of the said loan on or before the date on which it may become due, I shall be liable to Government for such sum not exceeding the aggregate sum of Rs. as may be necessary to make good the amount which, in consequence of his default, he may have become liable to pay.

Signature of surety.]

G. C. Press, Simla.—No. 749 R. & A. D.—19-8-97.—100.

... Pub... ...

... Gaz... ...

... Chief C... ...

H. E. ... Co...

...de request of 25/9/94 in
... 301
25.5.95. The Bd should be
...ected. I think, as these proposals
...ll be good policy to make it
...le to grant extra assistance
... the rules when applications
...s are numerous, and to
...ith the accounts into good order
...made. Once the ... Flag B
...ts are started, they would be
...ficult to keep going.

K.S.
17/9/97

Para 16 Flag A
7. ... Flag C ...
No 301A ...

Togus.
A.H.
1.10.97

Dep.
[illegible]

c.16/9/97

C No 7374 of 1897 & 6701/97.

[illegible]

For orders.

In the first of the currents read above, the Govt of India approves, subject to certain remarks, the consolidated rules for advances under the Land Improvements and Agricultural Loans Acts appended to G O No 301. d. 25 5 95 and which were submitted for its sanction with letter No 301A. d. 25 5 95. The points requiring orders are:

2. Para 6 of the India Resolution – R.L.

It was recommended by Govt to extend (from 30 years) to 35 years the maximum period for the repayment of loans granted for the construction or repair of wells and the recommendation was made in view ~~of providing~~ to provide a sufficient period to elapse in special cases, before repayment of the loan commences. The Govt of India prefers that the existing maximum – viz. 30 years, should not be extended. The period originally fixed was 35

that it should
and it shall consist of other
belonging to applicant or of
belonging to other persons who
willing to become his sureties
and that in similar conditi
the case of loans under the
-cultural loans act, the Collater
security should consist of im
-able property except in the
of loans repayable within 2
years or of those granted fo
relief of distress. These rules
provide for the grant of
on the personal security
applicant having a limi
the land or on similar
of his sureties. The Govt
believes that the loans
be granted on the join
security of the members
Community or of a group
In the case
or after year, with the unpaid
ce of the loan. The recom-
tion was based on the
stan

[illegible] it would be safe to
the requirements of
+1, where two joint
are security of three
ers of the village or
group of cultivators
ers; but two BDOs might
asked about this.

WS JG
9.9.61

one and half times the annual ren
or rental of the holdings within
the district of himself and his sure
-ties. Similarly the Central Provinces
Rules make provision for the
grant
-ment without any sanction, of a
loan to an occupancy tenant
up to three times the annual rental
of the holding and to an ordinary
tenant up to twice the rental of
the loan be made on the joint
several security of two or more
tenants, the amounts may extend
without the sanction of the Comm
up to twice the sum of their annu
rentals in the case of occupancy ryo
and one and half times the sum o
their annual rentals in the case of
ordinary tenants. The Govt of Ind
has allowed our rule to stan
but remit the question for the Co
-sideration of the Local Govt.
6. Para 1 of the Resolution. The 10
to which reference is made in the
rules are noted in the body of th
rules in the appropriate places an
the words' or in some similar form
in each case so as not to bind t
to the precise working of the form
Submitted. that there is no objectio

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up to twice the sum of their annu
rentals in the case of occupancy ryo
and one and half times the sum o
their annual rentals in the case of
ordinary tenants. The Govt of Ind
" claiming to lay down as a st
that the Govt would prefer to be
prescribed by the Board under
executive orders.

Para 12 of the Resolution. The subsi
diary instructions have been omitte
from the draft rules, the Govt of
India thinks that it would be
being of opinion
convenient to issue them as executive
ers. This may be done

No objection
RS
17/9/97

Yes
RS
17/9/97

10 Para 14 of the Resolution

The Govt of India calls attention
to the absence of a complete record
of rights in land and a tenancy law
in this Presidency and points out
that if these existed, the trouble
and delay attending at present
the grant of lands and the
difficulty and risk of granting
loans to tenants may be obviated
to a considerable extent.

~~No other remarks or important~~
~~changes are made in the~~
~~Rules to which exception~~
~~needs to be taken~~

~~Rules to mortgagees in possession~~

RS
14-9-97

16/9/97

that it should
[illegible]

No objection

Bombay
22/12/97

Secy.
22/12/97

C No. 6701 of 1897 P. 4/p
7374 " A.

Order (Press) No 884 of 22nd Dec. 1897.

Communicated to the Board of Revenue, Revenue Settlement, Land Records and Agriculture. The Board will, as suggested by the Govt of India, issue the subsidiary instructions together with the forms now omitted from the rules as executive orders.

2. With reference to para 7 of the Govt of India Resolution and G. P No 519 of 20-7-97, the Govt on a full consideration of the question is of opinion that the objections to the system of repayment of loans by equal annual instalments are not such as to outweigh its manifest advantages. The annuity system is in force in other Provinces where it is found to work satisfactorily and as pointed out the Board of Revenue, the calculation of the interest under the annuity systems is not more difficult than under the ordinary system. The Govt is, therefore, of opinion

that borrowers should have the option of repaying the loan under either system: Rule V should be modified accordingly. ⊗

3. The Govt of India enquires whether the rule as to the nature of the security to be taken in the case of loans to joint applicants prescribed in Rule XI might not be relaxed and forwards copy of rules in force on the subject in other Provinces. The Govt is inclined to relax the requirements of the rule in cases in which the joint personal security of the members of a village or a group of cultivators is given, but before coming to a decision desires to have the views of the Board on the subject.

4. [illegible] the Govt in Council desires to press upon the Board the imperative necessity of maintaining accuracy and order in the accounts. The Govt will be prepared to strengthen the Taluk establishments if it is found that the adoption of the new forms of accounts increases work to such an extent that the ordinary taluk establishments cannot get through it without difficulty; temporary assistance will also be given from time to time to work the rules when applications for loans are numerous.

(Sd) [illegible]

RS
11-10-94

The Board (Settlement) Proceedings No. 50/3 dated 11-11-94

Supdt. Govt Press

No objection

That rule V should be modified in accordance with the revised rules as will be published in Govt Gazette

10 Nov 94

19

Revenue Department.

NOTES CONNECTED WITH G.O., No. 884, REVENUE, DATED 22nd OCTOBER 1897.

[Subject.—*Amendment to rule XI of the consolidated rules under the Land Improvement and Agriculturists' Loans Acts.*]

Proceedings of the Board of Revenue (Revenue Settlement), No. 519, *dated* 20*th July* 1897.

Letter from the Government of India, Revenue and Agricultural Department (Land Revenue), No. 1884—211-7, *dated* 16*th August* 1897.

For Orders—

In the second of the papers read above, the Government of India approve, subject to certain remarks, the consolidated rules for advances under the Land Improvements and Agricultural Loans Acts appended to G.O., No. 301, dated 25th May 1895, and which were submitted for its sanction with letter No. 301A, dated 25th May 1895. The points requiring rders are:—

2. *Paragraph* 6 *of the Resolution of the Government of India—Rule V.*—It was recommended by Government to extend (from 30 years) to 35 years the maximum period for the repayment of loans granted for the construction or repair of wells and the recommendation was made in view to provide a sufficient period to elapse in special cases before repayment of the loan commences. The Government of India prefers that the existing maximum, viz., 30 years, should not be extended. The period originally fixed was 35 years, but it was subsequently reduced to 30 years, with reference to the Government of India Resolution, Finance and Commerce, dated 1st January 1889, No. 13, and that of Revenue and Agriculture, dated 26th August 1889, No. 625-R--115-3. The Board pointed out that this period was long enough considering the usual aversion on behalf of the ryots to hypothecate their lands for long periods. Government, however, fixed the period at 35 years so as to leave a sufficient margin in special cases, for postponing the date from which the repayment is to commence as stated above. Please see Honourable Member's notes in G.O., No. 301, dated 25th May 1895. It is submitted that in accordance with the orders of the Government of India, the period should now be reduced to 30 years.

G.O., No. 24, Financial, dated 28th January 1889.

G.O., No. 301, Revenue, dated 25th May 1895.

G.S. 15-9-97.

Yes.

J.G.
H B.
A.E.H.

3. *Paragraph* 7 *of the Government of India Resolution—Rule V.*—It was proposed in the rules to abolish, in the case of the loans under the special rules, the annuity system of repayment and to adopt the ordinary system according to which the principal is paid off by equal annual instalments and the interest varies, year after year, with the unpaid balance of the loan. The recommendation was based on the strength of the Board's views that the annuity system is not understood by either the people or the subordinate officials. Mr. Nicholson subsequently addressed Government on the advantages of the annuity system and

I never heard any complaint on the subject as a Collector.

G.S. 16-9-97.

recommended that the work of calculation might be entrusted to skilled accountants in the Collectors' offices. The question was referred to the Board for remarks and its reply is contained in its Proceedings No. 519, dated 20th July 1897, in which it says that the adoption of the system would be inconvenient, if not impracticable, and that, while it increases the work in the Collectors' offices, does not afford relief to the taluk establishments.

4. The annuity system was first adopted in this Presidency in the case of Special Well Rules in 1884 at the instance of the then Revenue Secretary Sir (then Mr.) Henry Stokes. His reason for its adoption appears to have been that it should be a fixed annual charge which should be assimilated to the Land Revenue demand and be collected with it. The amount of annuity payable in any particular case cannot, of course, be arrived at independently without intricate calculation, but there is not much difficulty in applying the calculated results given in the tables to particular cases. Nor does the distribution of the annual payment between principal and interest involve any out of the way calculation when once the principle is properly understood. In 1891, I drew up a memorandum (embodied in G.O., No. 189, dated 11th March 1891) explaining how this can be most easily done, and it will be seen from this Government order that the process is not at all difficult and practically involves the same calculation as the distribution of payments in the case of ordinary loans. It is for Honourable Members to decide whether the reasons adduced by the Board are enough to decide definitely against the annuity system. The Government of India say that the system is in force in other Provinces of India and that "a serious objection to the ordinary system is that the payments for interest are heaviest in the early years of the improvement". In this connection, attention is solicited to the Hon'ble Sir Henry Bliss's remarks at pages 8 and 59 in G.O., No. 301, dated 25th May 1895, which were as follows—"I think though, that the option of the annuity system may be allowed unless to do so would necessitate a fresh account". "I would have it optional. But I don't wish to insist on this if my colleague is strongly of the contrary opinion."

All the subordinate officials are very clever at such processes. Karnams use Rama Doss' tables for all their calculations.

G.S.
16-9-97.

In this connection too there is the objection that the yearly calculation is made an opportunity for a jamabandi present.

G.S.
16-9-97.

It does not necessitate a fresh account.

R.S.
14-9-97.

I do not think the reasons in favour of abolishing the annuity system are strong enough to warrant opposition to the opinion of the Government of India.

J.G.

Very well. India has generally agreed with us and we may be content with that.

H.B.
A.E.H.

5. *Paragraph* 8 *of the Resolution—Rule XI.*—The Government of India enquire whether the strictness of the nature of the security to be taken in the case of loans to joint applicants under section 9 of the Land Improvement Act or section 6 of the Agricultural Loans Act might not be relaxed, and forward copies of similar rules in force in Assam and Central Provinces. The Madras rules require that, under the Land Improvement Act, if the applicant's interest in the land to be improved does not exceed by one-fourth the amount of the loan applied for, collateral security should be furnished and that it should consist of other lands belonging to applicant or of lands belonging to other persons who are willing to become his sureties or both, and that in the case of loans under the Agricultural Loans Act, the collateral security should consist of immoveable property except in the case of loans repayable within two years or of those granted for the relief of distress. These rules do not provide for the grant of loans on the personal security of the applicant having a limited interest in the land or on similar security of his sureties. The Government of India believe that the loans may safely be granted on the joint personal security of the members of a village community or of a group of cultivators. In the case of an applicant having a limited interest in the land, the Assam rules provide for the grant of loans, without any special sanction, up to twice the annual rental of his holdings within the district, and if he furnishes a surety or sureties of the same class, then it may extend, without any such special sanction, up to one and half times the annual revenue

or rental of the holdings within the district of himself and his sureties. Similarly the Central Provinces rules make provision for the grant, without any sanction, of a loan to an occupancy tenant up to three times the annual rental of the holding and to an ordinary tenant up to twice the rental. If the loan be made on the joint and several security of two or more tenants, the amounts may extend, without the sanction of the Commissioner, up to twice the sum of their annual rentals in the case of occupancy ryots, and one and half times the sum of their annual rentals in the case of ordinary tenants. The Government of India have allowed our rule to stand, but remit the question for the consideration of the local Government.

I think it would be safe to relax the requirements of Rule XI, when the joint personal security of the members of a village or a group of cultivators is given; but the Board might be asked about this.

J.G.
H.B.
A.E.H.

6. *Paragraph* 9 *of the Resolution.*—The ten forms to which reference is made in the rules are noted in the body of the rules in the appropriate places and the words "or in some similar form" added in each case so as not to bind Government to the precise wording of the forms. It is submitted that there is no objection to the additions made.

No objection.

J.G.
H.B.

7. *Paragraph* 10 *of the Resolution—Rule XVI.*—In this rule the words "a reference shall be made to the Registration department in form No. 7 hereto annexed or in some similar form for an encumbrance certificate," have been added. The addition is made with reference to the requirement in rule No. 10 (paragraph 2) of form No. 6. The addition may be made.

Yes.

J.G.
H.B.

8. *Paragraph* 11 *of the Resolution.*—The Government of India desire to publish only the forms to which reference is made in the rules (it will be seen that only the first 10 forms are referred to in the rules and these are printed with them in the notification appended to the Government of India Resolution), and suggest that the remaining forms might be prescribed by the Board under executive orders.

No objection.

J.G.
17-9-97.
H.B.
A.E.H.
1-10-97.

9. *Paragraph* 12 *of the Resolution.*—The subsidiary instructions have been omitted from the draft rules, the Government of India being of opinion that it would be convenient to issue them as executive orders. This may be done.

Yes.

J.G.
H.B.
17-9-95.

10. *Paragraph* 14 *of the Resolution.*—The Government of India call attention to the absence of a complete record of rights in land and a tenancy law in this Presidency and point out that, if these existed, the trouble and delay attending at present the grant of lands and the difficulty and risk of granting loans to tenants may be obviated to a considerable extent.

R.S.
14-9-97.

The Hon'ble Mr. Grose, C.I.E.—
The Hon'ble Sir H. Bliss, K.C.I.E.—
His Excellency the Governor—

G. STOKES.
16-9-97.

Vide my note of 25th September 1894 in G.O., No. 301, dated 25th May 1895. The Board should be instructed, I think, as there proposed. It will be good policy

Revenue (1897) Department.

PRESS SERIES.

G.O., No. 885

Dated 23rd October

[Despatch Abstract.]

The draft Notification under section 4 of the Madras Forest Act, for the proposed constitution of the Chinnajeedimetta Blocks Nos. 1, 2, 3, 4 & 5 in the Kalkonda and Gajapatinagaram taluks, as Reserved Forests, ordered to be published in the Fort St. George and the Vizagapatam Dt. Gazettes.