G.O., No. 218

Dated 23 april

[Despatch Abstract.]

Advances under the Land Improvem

and Agriculturists Loans Acts.

Ordering the publication of a Notifn. i
the Fort St George Gazette embodying certain co
in the revised rules for —— and requesting the Ta
Telugu, Canarese & Malayalam Translator
Govt. to carry out the corrections in their
translations of the revised rules.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.		No.	Department.	Date.
Fin 623/98							
600-2721	Revenue	28-6-98.					

Government {1898} of Madras.

REVENUE.

Recd. } 1898. *Enclosures*

Regd. } *Spare copies*

G.O., No. 218, 23rd April 1898.

APRIL.

Advances under the Land Improvement and Agriculturists' Loans Acts.

Ordering the publication of a notification in the *Fort St. George Gazette* embodying certain corrections in the revised rules for — and requesting the Tamil, Telugu, Canarese and Malayalam Translators to Government to carry out the corrections in their translations of the revised rules.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—the following Proceedings of the Board of Revenue (Revenue Settlement, Land Records and Agriculture), No. 3, dated 4th January 1898:—

Read—again G.O., No. 884, Revenue, dated 22nd October 1897.

ABSTRACT.—Letter from the Government of India approving, subject to certain remarks, the consolidated rules for advances under the Land Improvement and Agriculturists' Loans Acts, communicated to the Board of Revenue, with remarks.

Resolution—No. 3, dated 4th January 1898.

Communicated to the Collectors of all districts, except Madras, for information and guidance.

2. The revised rules should be brought into force at once. The subsidiary instructions and forms 11 to 32 approved and sanctioned by Government in its Order, No. 301, Revenue, dated 25th May 1895, and communicated with B.P., No. 155-A, dated 12th June 1895, should be followed in the working of the revised rules. For form No. 15, however (register of advances and repayment under Loans Acts), should be substituted form No. XII-B printed at page 57 of B.P., No. 91, dated 9th March 1893; the Local Government having, after a full consideration of the question, decided that the annuity system of repayment should be adopted.

3. With reference to paragraph 3 of the G.O. read above and paragraph 8 of the Government of India's Resolution, the Board, so far as its experience goes, doubts whether there is much scope in this Presidency for granting loans on the joint personal security of the members of a village community or of a group of cultivators. Before offering, however, its final opinion, the Board desires to receive from all Collectors a report as to what demand, if any, exists, or may be anticipated, for loans of the sort referred to. They should also report their opinion on the suggestion that loans of limited amounts might be made under the Agriculturists' Loans Act to tenants on their own responsibility. It is presumed that in such case it is not contemplated that the loan should be made on the tenant's personal bond, but that he should possess a saleable interest in the land which he leases sufficient to meet the requirements of rule XI. On this understanding the grant of loans to such tenants would seem unobjectionable.

4. With reference to paragraph 4 of the G.O., Collectors are again enjoined to see that the prescribed registers and accounts are carefully and accurately maintained. The assistance referred to by Government should be applied for wherever it is deemed indispensable.

5. With reference to paragraph 10 of the Government of India's Resolution, the Board begs to observe that encumbrance certificates are not necessary in all cases. In the case of loans under the Land Improvement Loans Act, it has been decided that no encumbrance certificates need be obtained in respect of the lands for the benefit of which the loans are granted, as under section 7-(1) (*c*) of Act XIX of 1883, the lands can be sold free of all encumbrances. In this connection, the Board begs to refer Government to the papers noted in the margin.

G.O., No. 133, Revenue, dated 21st February 1891.
G.O., No. 1135, dated 26th November 1891.
B.P., No. 234, dated 15th April 1891.

(True Copies and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To the Collectors of all districts, except Madras.
" Secretary to Government, Revenue Department.

READ—also the following Proceedings of the Board of Revenue (Revenue Settlement, Land Records and Agriculture), No. 64, dated 7th February 1898:—

Read—the following letter from J. G. D. PARTRIDGE, Esq., Acting Collector of Madura, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated 25th January 1898, Ref. on C. No. 59-Board:—

I have the honour to submit, for Board's information, copy of letter R.C. No. 210-Collector, dated 22nd November 1897, from the Special Deputy Collector, Madura, requesting instructions in connection with the revised rules framed under section 10 of the Land Improvement Loans Act and section 4 of the Agriculturists' Loans Act and published in the *Fort St. George Gazette*, dated 21st November 1897, and copy of this office reply thereto.

ENCLOSURE No. 1.

From the Deputy Collector on special duty, Madura, to the Collector of Madura, dated 22nd November 1897, R.C. No. 210-Collector.

With reference to the notification published in pages 1332 to 1345 of the *Fort St. George Gazette*, dated 2nd November 1897, framing certain revised rules under section 10 of the Land Improvement Loans Act XIX of 1883, and section 4 of the Agriculturists' Loans Act XII of 1884, I have the honour to request to be informed when the rules are to be given effect to. The chief change is the rate of interest which is lowered from 6¼ to 5 per cent. per annum. I am adopting the safer course of drafting the loan orders at 6¼ per cent., as there will be no difficulty of altering it into 5 per cent., if so ordered.

2. In rule 7 of the original rules framed under section 10 of the Land Improvement Loans Act, it is stated that the officer charged with making the local enquiry shall, at least one week prior to the date on which he proposes to hold the same, post up a notice, setting forth briefly the nature of the loan applied for and the date on which he proposes to hold an enquiry. But the revised rules require that the 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 enquiry. As in the revised rules, the period has not been specified, I think a notice alone is necessary without reference to time.

3. In its Proceedings, No. 91 (Settlement), dated 9th March 1893, the Board has ordered that encumbrance certificates are not required in respect of the lands to be benefited in the case of loans whether under the Ordinary or Special Well rules where the ayakat itself is pledged as security. But the rules as now revised by Government, say, that a reference shall be made to the Registration Department though this did not find place in the draft rules embodied in B.P., No. 155-A, dated 12th June 1895. If it be meant that encumbrance certificates should be obtained in each case from the Registration Department, it will first involve great delay in getting reply from that department, further references to the enquiring officers to explain alleged encumbrances, which are reported by the registration officers owing to the old paimash numbers, having been at settlement included in several survey numbers, and expense to Government in the way of search fees. In most cases, the loans are for small sums and in the enquiry to be made in the villages, the encumbrances are generally known. I therefore think it is desirable and necessary not to insist on the reference to the Registration Department. If you be of opinion that the rules are imperative, I request that you will be pleased to make a reference to the Board to make the order in B.P., No. 91, dated 9th March 1893, applicable to the Periyár affected area.

4. Almost all the forms and registers to be maintained under the Loans Acts have been, to a great extent, modified as per revised rules. As it may take some time to print the necessary forms and as it may be inconvenient to open new registers in the middle of the year, I think the present registers and forms may be continued to be used till the beginning of the next official year.

5. I request the favour of early instructions.

Enclosure No. 2.

From the Collector of Madura, to the Special Deputy Collector, Madura, dated 15th December 1897, Dis. No. 4718.

With reference to your letter, R.C. No. 210-Collr., dated 22nd November 1897, I have the honour to say as follows:—

Paragraph 1 *of your letter.*—The rules referred to of course come into force from the date of notification in the official gazette.

Paragraph 2.—Notice without reference to time is sufficient—*vide* also paragraph 15 of Government Order embodied in B.P., No. 155-A, dated 12th June 1895.

Paragraphs 3 *and* 4.—The Board of Revenue will, it is expected, issue further instructions in the matter, and they may be awaited. It is not much use thinking of getting special exemption for Periyár tracts.

Resolution—No. 64, dated 7th February 1898.

The instructions issued by the Collector are approved.

2. With reference to paragraph 3 of the Special Deputy Collector's letter, the Collector will be referred to paragraph 5 of B.P., No. 3, dated 4th January 1898. Pending receipt of orders of Government thereon, the existing practice of not obtaining encumbrance certificates in respect of lands for the benefit of which the loans are granted under the Land Improvement Loans Act, should continue to be observed.

3. With reference to paragraph 4 of the Deputy Collector's letter, the Collector will be requested to indent upon the Superintendent, Government Press, for the forms required. Necessary instructions have been issued to Government Translators and the Superintendent, Government Press, for the translation and printing and publication of the revised rules and forms—*vide* B.P., No. 732, dated 1st December 1897, No. 9669, dated 2nd December 1897, and No. 10201, dated 31st December 1897. The new forms and the registers should be introduced as soon as practicable.

(True Copies and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To the Collector of Madura.
Copy to the Secretary to Government, Revenue Department.
" " Collector of other districts, except Madras.
" " Superintendent, Government Press.

Order—No. 218, Revenue, dated 23rd April 1898.

Miscellaneous.

The Government awaits the further report promised by the Board as to the feasibility of (1) granting loans on the joint personal security of the members of a village community or a group of cultivators; and (2) granting loans of limited amounts under the Agriculturists' Loans Act to tenants on their own responsibility. The Board's presumption in the penultimate sentence of paragraph 3 of its Proceedings, dated 4th January 1898, is correct.

2. As regards the question whether a reference should be made to the Registration Department for an encumbrance certificate in each case as required by rule XVI, the Government considers that, inasmuch as the proviso to section 7 (1) of the Land Improvement Loans Act specifically excepts any prior interest in the land "other than

the interest of the borrower, and of mortgagees of, or persons having charges on, that interest and, where the loan is granted under section 4 with the consent of another person, the interest of that person, and of mortgages of, or persons having charges on, that interest," it will be safer to make such reference invariably obligatory though it may cause some delay and expense.

3. The revised rules already published at pages 1332 to 1345 of Part I of the *Fort St. George Gazette*, dated 2nd November 1897, require to be altered in a few particulars with reference to rule V which, under paragraph 2 of G.O., No. 884, Revenue, dated 22nd October 1897, was restored to the form in which it originally stood. The appended notification embodying the necessary corrections will be published in the *Fort St. George Gazette*. The Tamil, Telugu, Canarese and Malayalam Translators to Government are requested to carry out the corrections in their translations of the revised rules

(True Extract.)

(Signed) G. S. FORBES,
Ag. Secretary to Government.

To the Board of Revenue (Revenue Settlement, Land Records and Agriculture).
" Translators to Government (Tamil, Telugu, Canarese and Malayalam).
" Superintendent, Government Press, with a notification.

NOTIFICATION.

His Excellency the Governor in Council is pleased to notify the following corrections in the rules under the Land Improvement and Agriculturists' Loans Acts published at pages 1332 to 1345 of Part I of the *Fort St. George Gazette*, dated 2nd November 1897:—

(i) In line 2 of rule VI and in line 1 of rule VIII after the word "Principal" add the words "and interest."

(ii) In line 1 of rule IX and in line 1 of paragraph 2 (*b*) (iii) of form No. 8 delete the words "and interest."

(iii) In clause 8 of the footnote to form No. 1 for the words "payments of" substitute the words "instalments regulated so as to repay both."

(iv) In column 2 of the statement in form No. 3 for the word "date" substitute the word "name."

(v) In the first line of paragraph 2 (*b*) (i) of form No. 8 after the word "loan" insert the words "§with interest thereon at‖ — per cent." and in the same paragraph delete the clause enclosed in square brackets.

(vi) For the statement on the reverse of Form No. 8 substitute the following:—

Sum to be repaid.		Distribution of the fixed instalment between interest and principal.		Sums repaid.			Balance due.			
Fasli.	Amount.	Interest at per cent. from the date of first 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		Instalment (i.e.), columns 3 and 4 *minus* column 5.	Principal (i.e.), difference of column 2 and column 7.	Initials of the Tahsildar.	Remarks.
					Interest.	Principal.				
1	2	3	4	5	6	7	8	9	10	11
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.		

Exd. Shaik Karim.
60 Copies.

NOTES CONNECTED WITH G.O., No. 218, REVENUE, DATED 23RD APRIL 1898.

[SUBJECT.—*Advances under the Land Improvement and Agriculturists' Loans Acts.*]

Proceedings of the Board of Revenue, Revenue Settlement, No. 3, *dated 4th January* 1898.
Proceedings of the Board of Revenue, Revenue Settlement, No. 64, *dated 7th January* 1898.

Note for orders—

In the first of the Proceedings read above, the Board of Revenue communicates to Collectors the consolidated rules * under the Land Improvement and Agriculturists' Loans Acts in the Presidency.

* In G.O., No. 884, dated 22nd October 1897.

2. The points requiring notice in the Board's Resolution are:—

(i) The feasibility of the grant of loans on the joint personal security of the members of a village community or of a group of cultivators.

Such loans appear to be contemplated by the Acts (*vide* section 9 of the Land Improvement Loans Act and section 6 of the Agriculturists' Loans Act) and their grant was urged by the Government of India for consideration in paragraph 8 of their letter No. 1884/211-7, dated 16th August 1897, communicating sanction to the adoption of the revised rules. The Board of Revenue doubts whether there is much scope for the grant of such loans in the Presidency, but before expressing its final opinion, it has called upon Collectors to report on the point. The further report may be awaited.

In some parts of India (*e.g.* North-Western Provinces) it is the village community as a community that is liable for the land revenue assessment. Hence quite naturally in such parts of the country they will undertake the responsibility for Government loans.

G.S.F.

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

G.S.F.
J.G.

(ii) The feasibility of the grant of loans of limited amounts under the Agriculturists' Loans Act to tenants on their own responsibility.

The grant of these loans also was suggested by India in the same paragraph (paragraph 8 of the Government of India letter referred to above). Collectors have been asked to express their opinion on this suggestion also. In the penultimate clause of paragraph 3 of the Board's resolution, the Board expresses the presumption that in such cases "it is not contemplated that the loan should be made on the "tenants' personal bond but that he "should possess a saleable interest in the "land which he leases, sufficient to meet "the requirements of Rule XI". The Board's presumption seems to be correct. Though loans of limited amounts may be granted to tenants on their own responsibility, *i.e.*, on personal bonds, it seems desirable that the grant of such loans should be restricted to tenants who possess a saleable interest in the lands which they lease, sufficient to meet the requirements of Rule XI, as otherwise it will be difficult to recover the loans.

E.g. a tenancy for a term of years with power to sublet.

G.S.F.

I think so.

G.S.F.

Yes.

J.G.

(iii) The question whether encumbrance certificates from the Registration Department should be obtained when loans are granted

Please see Rule XVI of the revised rules. The third clause of the rule was added by the Government of India and is to the following effect :—" A reference shall " be made to the Registration Department in Form No. 7 hereto annexed, or in some " similar form for an encumbrance certificate ". In making the addition, the Government of India observed : " Annexed to the rules is a form No. 7 headed ' refer- " ence to the 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 ". This addition and other verbal alterations made by the Government of India which are printed in italics in the revised draft forwarded by the Government of India were accepted by this Government. With reference to these alterations the Board of Revenue observes that encumbrance certificates are not necessary in all cases and refers to the orders noted on the margin in which the Government held that no encumbrance certificates need be obtained in respect of the lands to be benefited, as, under section 7 (1) (*c*) of the Land Improvement Loans Act (also under section 5 of the Agriculturists' Loans Act) the lands pledged as security can be sold in default, as if for arrears of land revenue, *i.e.*, free of all encumbrances [section 42, Revenue Recovery Act, 1864 (Madras)]. But attention is solicited to the proviso under clause 1 of section 7 of the Land Improvement Loans Act which runs as follows :—

See originals in G.O., No. 884, dated 22nd October 1897.

G.O., No. 133, dated 21st February 1891.
G.O., No. 1135, dated 26th November 1891.
Board's Proceedings, No. 234, dated 15th April 1891 in G.O., No. 5674, dated 2nd November 1891.

" Provided that no proceeding in respect of any land under clause (*c*) shall affect " any interest in that land which existed before the date of the order granting the " loan, other than the interest of the borrower and of mortgagees of, or persons having " charges on, that interest and, where the loan is granted under section 4 with the " consent of another person the interest of that person and of mortgagees of or persons " having charges on that interest ". It will be seen that the proviso specifically excepts certain prior interests vested in the land. The question of cancelling the concluding sentence of G.O., No. 1135, dated 26th November 1891 (which laid down that encumbrance certificates are not necessary in respect of lands for the benefit of which a loan is granted) was raised in paragraph 5 of the note stitched with G.O., Mis. No. 2054, dated 27th May 1896, but was subsequently dropped as under the revised rules which were then before the Government of India encumbrance certificates were intended to be obtained (*vide* note stitched with G.O., No. 2712, dated 10th July 1896).* A referrence to Registration offices for encumbrance certificates seems necessary and the delay that will occur in making the enquiry will be considerably minimized if the Registration offices are instructed to treat such references as urgent.

Yes, but not a mortgagee's, etc.
G.S.F.

* Please see at end.

N.E.M.
15-3-98.

3. In Board's Proceedings, No. 64, the second of the Proceedings read above, dated 7th February 1898, the Board of Revenue authorizes the Collector of Madura to continue the existing practice of not obtaining encumbrance certificates pending receipt of orders of Government on the first paper.

4. The revised rules which have already been published in the *Fort St. George Gazette* should be altered. These alterations are necessary with reference to Rule V which under paragraph 2 of G.O., No. 884, dated 22nd October 1897, was restored to the form in which it originally stood.

To Secretary—

Yes.

N.E.M.
15-3-98.
G.S.F.
23-3-98.
J.G.

C.R.
12-3-98.

To Secretary—

No encumbrance certificate is necessary in the case of loans under the Land Improvements Act. The Advocate-General's opinion in G.O., No. 2712, dated 10th July 1896, is clear and to the effect that the liability of the land benefited for the loan takes precedence of all mortgages. The necessity for such a certificate in these cases may therefore be dispensed with. Reference to the sub-registrars' offices for them is sure to cause great delay.

N. E. MARJORIBANKS.
15-3-98.

To the Honourable Member—

The only point is whether the reference is always necessary in order to protect Government against prior interests in the land other than those of the borrower and mortgagees or persons having a charge on the borrower's interest.

The provision in section 7, Land Improvement Loans Act, has reference mainly to superior tenures, *e.g.*, if the borrower is holding on a lease for a term, the proprietor's interest cannot be touched. So too cases of divided interest in the land.

But it would also apply to cases, I think, in which there had been a sale of the land prior to the date of the loan. If the purchaser was no party to the concealment of the sale, he could plead the proviso if the land were brought to auction under clause (*c*). Such a sale could however be ascertained from the registration books ; and the question is whether to meet such and similar cases a reference to that department should be made invariably obligatory.

Rule XVI as originally submitted to India will be found at page 28 of Board's Proceedings of 12th June 1895 under cover of G.O., No. 979, Revenue, dated 15th June 1895.

Yes.

J.G.
31-3-98.

It is certainly safest to have a reference to the Registration Department obligatory, notwithstanding it may cause some delay and increase expense.

G. S. FORBES.
24-3-98.

J. G[ROSE].
31-3-98.

Issue.

G.S.F.
21-4-98.

[*Issued at G.O., No.* 218, *Revenue, dated* 23*rd April* 1898.]

Revenue (1898) Department.

CURRENT No. 116

From The Board of R
Revenue Settl
Land Recor
Agric

Order

No. 64 Rec

Dated 7th January
Received 10 — Februa
Registered 11 — "
Enclosures 2
Spare copies

SUBJECT.

Loans

Passing orders on
letter from the Collr
Madura regarding
points raised in reg
revised Consolidated
under the — Acts.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Copy of Communication R. Le. No 210 Colly Dt.
dated 22nd November 1897 from the Deputy
Collector on Special Duty, Madura, to
the Collector of Madura.

With reference to the Notification published in pages 1332 to 1345 of the Fort St. George Gazette dated 2nd November 18
framing certain revised rules under
Section 10 of the Land Improvement
Loans Act XIX of 1883 and Section 4
of the Agriculturists' Loans Act XII
of 1884, I have the honor to request to be
informed when the rules are to be given
effect to. The chief change is the rate
of interest which is lowered from 6¼
5 percent per annum. I am adopting
the safer course of drafting the loan
orders at 6¼ percent, as there will be
no difficulty of altering it into 5 percent
if so ordered.

2. In rule 7 of the original rules framed
under Section 10 of the Land Improvement
Loans Act, it is stated that the
officer

local enquiry shall at least one week prior to the date on which he proposes to hold the same post up a notice setting forth briefly the nature of the loan applied for and the date on which he proposes to hold an enquiry. But the revised rules require that the 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 enquiry. As in the revised rules, the period has not been specified, I think a notice alone is necessary without reference to time.

3. In its Proceedings dated 9th March 1893, No. 91 (Settlement), the Board has ordered that encumbrance certificates are not required in respect of the lands to be benefited in the case of loans whether under the ordinary or special well Rules, where the ayakat itself is pledged as security. But the rules, as now revised by Government, say that a reference shall

974
15.6.95.

shall be made to the Registration Department though this did not take place in the draft rules enclosed in Board's Proceedings No. 15 of 12th June 1895. If it be meant that encumbrance certificates should be obtained in each case from the Registration Department, it would involve great delay in getting from that Department, further reference to the enquiring officers to explain encumbrances which are reported by Registration officers owing to Paimash numbers having been changed ment included in several survey numbers, and expense to Government in the way of search fees. In most cases, the loans are for small amounts and in the enquiry to be made in villages, the encumbrances are generally known. I therefore think it is unnecessary and unnecessary not to insist on such reference to the Registration Department. If you be of opinion that the reference is imperative, I request that you will be pleased to make a reference

Board to make the order in Board's Proceedings No 91 dated 9th March 1893 applicable to the Periyar affected area.

4. Almost all the forms and registers to be maintained under the Loans Acts have been, to a great extent, modified as per revised rules. As it may take some time to print the necessary forms and as it may be inconvenient to open new registers in the middle of the year, I think the present registers and forms may be continued to be used till the beginning of the next official year.

5. I request the favor of early instructions.

(Signed) E. Srinivasachari
For Acting Collector.

(True Copy)

R. V. Srinivasan
Secretary

1898
REVENUE DEPARTMENT.
Registered No. 1
Weekly No. 1164
9/1/98

Copy of Communication Dis. No 4718/ 1897, dated 15th December 1897 from the Collector of Madura to the Special Deputy Collector Madura.

With reference to your letter R.C. No 210/Collr. of 1897 dated 22nd November 1897, I have the honor to say as follows:—

Para 1 of your letter. The rules referred to of course come into force from the date of notification in the official Gazette.

Para 2. Notice without reference to time is sufficient vide also para 15 of G.O. embodied in Board's Proceedings No 1551 dated 12th June 1895.

Paras 3 and 4. The Board of Revenue will, it is expected, issue further instructions in the matter, and they may be awaited. It is not much use thinking of getting special exemption for Periyar tracts.

(Signed) E. Srinivasachari
For Acting Collector

(True copy)

R. V. Srinivasan
Secretary

(Sett. 22—2,000—11-3 97.)

REVENUE BOARD OFFICE MADRAS

Proceedings of the Board of Revenue

(Revenue Settlement, Land Records and Agriculture),

Dated 7th January 1898

No. 64 Press.

READ the following letter from the Collector of Madura, Roc. No. 59/Board of 1898, dated 25th January 1898:—

I have the honor to submit for Board's information copy of letter R.C. No. 210/Collector of 1897 dated 22nd November 1897 from the Special Deputy Collector, Madura requesting instructions in connection with the revised rules framed under Section 10 of the Land Improvement Loans Act and Section 4 of the Agriculturists' Loans Act and published in the ~~Fort~~ Saint George Gazette dated 21st November 1897 and copy of this office reply thereto.

Resolution

1902
REVENUE DEPARTMENT.
Despatch No. 2
Present No. 1164

Resolution

The instructions issued by the Collector, are approved.

3. With reference to para 3 of the Special Deputy Collector's letter, the Collector will be referred to para 5 of Board's Proceedings No 3, dated 4th January 1898. Pending receipt of orders of Government thereon, the existing practice of not obtaining encumbrance certificates in respect of lands, for the benefit of which the loans are granted under the Land Improvement Loans Act, should continue to be observed.

3. With reference to para 4 of the Deputy Collector's letter, the Collector will be requested to indent upon the Superintendent, Government Press, for the forms required. Necessary instructions have been issued to Government Translators and the Superintendent, Government Press, for the translation and printing and publication of the revised rules and forms vide Board's Proceedings

732, dated 1st December 1897, 966, dated 2nd December 1897 and 1020-1 dated 31st December 1897. The new forms and the registers should be introduced as soon as practicable.

(True copy and Extract)

R.V. Smiles
Secretary

To

The Collector of Madura

Copy to the Secretary to Government, Revenue Department

Copy to the Collectors of other districts except Madura

Copy to the Superintendent, Government Press

Same as C No 116 of 98.

REVENUE DEPARTMENT.

1898.

Board of Revenue

(Revenue Settlement, Land Records and Agriculture),

MADRAS.

Recd. } 1898. *Enclosures*

Regd. *Spare copies*

Printed February th.

Proceedings, No. 64, 7th February 1898.

FEBRUARY.

Loans.—Passing orders on letter from the Collector of Madura issuing instructions on certain points raised by the Special Deputy Collector, Periyar Project, in connection with the revised consolidated rules under the — Acts.

PROCEEDINGS OF THE BOARD OF REVENUE

(Revenue Settlement, Land Records and Agriculture).

Read—the following letter from J. G. D. PARTRIDGE, Esq., Acting Collector of Madura, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated 25th January 1898, Ref. on C. No. 59-Board :—

I have the honour to submit for Board's information copy of letter R.C. No. 210-Collector, dated 22nd November 1897, from the Special Deputy Collector, Madura, requesting instructions in connection with the revised rules framed under section 10 of the Land Improvement Loans Act and section 4 of the Agriculturists' Loans Act and published in the *Fort St. George Gazette*, dated 21st November 1897, and copy of this office reply thereto.

Enclosure No. 1.

From the Deputy Collector on special duty, Madura, to the Collector of Madura, dated 22nd November 1897, R.C. No. 210-Collector.

With reference to the notification published in pages 1332 to 1345 of the *Fort St. George Gazette*, dated 2nd November 1897, framing certain revised rules under section 10 of the Land Improvement Loans Act XIX of 1883, and section 4 of the Agriculturists' Loans Act XII of 1884, I have the honour to request to be informed when the rules are to be given effect to. The chief change is the rate of interest which is lowered from 6½ to 5 per cent. per annum. I am adopting the safer course of drafting the loan orders at 6½ per cent., as there will be no difficulty of altering it into 5 per cent., if so ordered.

2. In rule 7 of the original rules framed under section 10 of the Land Improvement Loans Act, it is stated that the officer charged with making the local enquiry shall, at least one week prior to the date on which he proposes to hold the same, post up a notice, setting forth briefly the nature of the loan applied for and the date on which he proposes to hold an enquiry. But the revised rules require that the 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 enquiry. As in the revised rules, the period has not been specified, I think a notice alone is necessary without reference to time.

3. In its Proceedings, No. 91 (Settlement), dated 9th March 1893, the Board has ordered that encumbrance certificates are not required in respect of the lands to be benefited in the case of loans whether under the Ordinary or Special Well Rules where the ayakat itself is pledged as security. But the rules as now revised by Government, say, that a reference shall be made to the Registration Department though this did not find place in the draft rules embodied in B.P, No. 155-A, dated 12th June 1895. If it be meant that encumbrance certificates should be obtained in each case from the Registration Department, it will first involve great delay in getting reply from that department, further references to the enquiring officers to explain alleged encumbrances, which are reported by the registration officers owing to the old paimash numbers, having been at settlement included in several survey numbers, and expense to Government in the way of search fees. In most cases, the loans are for small sums and in the enquiry to be made in the villages, the encumbrances are generally known. I therefore think it is desirable and necessary not to insist on the reference to the Registration Department. If you be of opinion that the rules are imperative, I request that you will be pleased to make a reference to the Board to make the order in B.P., No. 91, dated 9th March 1893, applicable to the Periyár-affected area.

4. Almost all the forms and registers to be maintained under the Loans Acts have been, to a great extent, modified as per revised rules. As it may take sometime to print the necessary forms and as it may be inconvenient to open new registers in the middle of the year, I think the present registers and forms may be continued to be used till the beginning of the next official year.

5. I request the favour of early instructions.

Enclosure No. 2.

From the Collector of Madura, to the Special Deputy Collector, Madura, dated 15th December 1897, Dis. No. 4718.

With reference to your letter R.C. No. 210-Collr., dated 22nd November 1897, I have the honour to say as follows :—

Paragraph 1 *of your letter.*—The rules referred to of course come into force from the date of notification in the official gazette.

Paragraph 2.—Notice without reference to time is sufficient—*vide* also paragraph 15 of Government Order embodied in B.P., No. 155-A, dated 12th June 1895.

Paragraphs 3 *and* 4.—The Board of Revenue will, it is expected, issue further instructions in the matter, and they may be awaited. It is not much use thinking of getting special exemption for Periyár tracts.

Resolution—No. 64, dated 7th February 1898.

The instructions issued by the Collector are approved.

2. With reference to paragraph 3 of the Special Deputy Collector's letter, the Collector will be referred to paragraph 5 of B.P., No. 3, dated 4th January 1898. Pending receipt of orders of Government thereon, the existing practice of not obtaining encumbrance certificates in respect of lands for the benefit of which the loans are granted under the Land Improvement Loans Act, should continue to be observed.

3. With reference to paragraph 4 of the Deputy Collector's letter, the Collector will be requested to indent upon the Superintendent, Government Press, for the forms required. Necessary instructions have been issued to Government Translators and the Superintendent, Government Press, for the translation and printing and publication of the revised rules and forms—*vide* B.P., No. 732, dated 1st December 1897, No. 9669, dated 2nd December 1897, and No. 10201, dated 31st December 1897. The new forms and the registers should be introduced as soon as practicable.

(True Copies and Extract.)

R. B. Sundaresa
Secretary.

To the Collector of Madura.

Copy to the Secretary to Government, Revenue Department.
" " Collector of other districts, except Madras.
" " Superintendent, Government Press.

Exd. P. Seetharam.

REVENUE DEPARTMENT.

1898.

Board of Revenue

(Revenue Settlement, Land Records and Agriculture),

MADRAS.

Recd. 31 Jany	1898.	*Enclosures*	
Regd. 1 Febry		*Spare copies*	

Printed January 5th.

Proceedings, No. 3, 4th January 1898.

JANUARY.

Loans.—Communicating, with remarks, to the Collectors of all districts, except Madras, for information and guidance, the consolidated revised rules for advances under the Land Improvement and Agriculturists' Loans Acts.

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

READ—the following G.O , No. 884, Revenue, dated 22nd October 1897 :—

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 suggestion of Mr. Nicholson's regarding the system of repayment of loans under the Loans Acts, and requesting the Board of Revenue to report upon certain points regarding Mr. Nicholson's system of accounting.

Read—also the following Proceedings of the Board of Revenue (R.S., L.R. and Agri.), No. 519, dated 20th July 1897 :—

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

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 B.P., No. 103, Revenue Settlement, dated 28th May 1896, 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 B.P., 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 interests 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.), No. 103, dated 28th May 1896, 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, No. 103, dated 28th May 1896, 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, No. 682, dated 23rd October 1891, 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—No. 519, dated 20th July 1897.

In its order, Mis. No. 1844, dated 13th May 1896, 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., 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

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 $6\frac{1}{4}$ 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.

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 (*b*) 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;

(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,
Secretary to Government.

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

APPENDIX.

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

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.

Mode of application.

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.

Local enquiry to be made in all cases.

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.

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.

XXI. If the landlord, or his local agent or manager, does not so signify his objections, or if the Collector, or other officer granting the loan, after considering such objections, is of opinion that the applicant has a transferable interest in the land specified in his application and that the value of such interest, either singly or taken jointly with other security furnished by him, is sufficient for the loan, he may either sanction it, or forward the records of the case for the sanction of the Board, or the Local Government, as the case may be.

If the applicant has no such transferable interest and there is no common understanding as to whether the tenant or the landlord is to have the right of making the improvement, the loan shall be refused unless the landlord consents to the grant thereof.

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.

Issue of loan order.

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.

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.

Disbursement of loans.

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

Inspection of works.

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.

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

From The Tahsildar of Taluk office.

To The Sub-Registrar of Taluk.

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.

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

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

Tahsildar.

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.

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 † 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 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.			SUMS REPAID.			BALANCE DUE.			
Basil.	Amount.	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 column 2.	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).	Initials of the Tahsildar.	Remarks.
				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.
[Security 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 an 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 the aggregate sum of Rs. as a loan from the Government for the purpose of (here 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 of 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 making thereof, on the date on which it may become due, it shall be lawful for the Collector to recover 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.

			IF THE PROPERTY IS HOUSE PROPERTY.				IF CULTIVABLE LAND.			
Registration district.	Registration sub-district.	Village.	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 $\frac{\text{borrower}}{\text{surety}}$.]

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 (caste) of (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) son of (caste) (calling) 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.]

RESOLUTION—No. 3, dated 4th January 1898.

Communicated to the Collectors of all districts, except Madras, for information and guidance.

2. The revised rules should be brought into force at once. The subsidiary instructions and forms 11 to 32 approved and sanctioned by Government in its Order, No. 301, Revenue, dated 25th May 1895, and communicated with B.P., No. 155-A, dated 12th June 1895, should be followed in the working of the revised rules. For form No. 15, however (register of advances and repayment under Loans Acts), should be substituted form No. XII-B printed at page 57 of B.P., No. 91, dated 9th March 1893; the Local Government having, after a full consideration of the question, decided that the annuity system of repayment should be adopted.

3. With reference to paragraph 3 of the G.O. read above and paragraph 8 of the Government of India's Resolution, the Board, so far as its experience goes, doubts whether there is much scope in this Presidency for granting loans on the joint personal security of the members of a village community or of a group of cultivators. Before offering, however, its final opinion, the Board desires to receive from all Collectors a report as to what demand, if any, exists, or may be anticipated, for loans of the sort referred to. They should also report their opinion on the suggestion that loans of limited amounts might be made under the Agriculturists' Loans Act to tenants on their own responsibility. It is presumed that in such case it is not contemplated that the loan should be made on the tenant's personal bond, but that he should possess a saleable interest in the land which he leases sufficient to meet the requirements, of rule XI. On this understanding the grant of loans to such tenants would seem unobjectionable.

4. With reference to paragraph 4 of the G.O., Collectors are again enjoined to see that the prescribed registers and accounts are carefully and accurately maintained. The assistance referred to by Government should be applied for wherever it is deemed indispensable.

5. With reference to paragraph 10 of the Government of India's Resolution, the Board begs to observe that encumbrance certificates are not necessary in all cases. In the case of loans under the Land Improvement Loans Act, it has been decided that no encumbrance certificates need be obtained in respect of the lands for the benefit of which the loans are granted, as under section 7-(1) (c) of Act XIX of 1883, the lands can be sold free of all encumbrances. In this connection, the Board begs to refer Government to the papers noted in the margin.

G.O., No. 133, Revenue, dated 21st February 1891.
G.O., No. 1135, dated 26th November 1891.
B.P., No. 234, dated 15th April 1891.

(True Copies and Extract.)

R. K. Srinivasan
Secretary.

To the Collectors of all districts, except Madras.
„ Secretary to Government, Revenue Department.

Exd. A. F. Eccleston.

Read (1) Board's Progs.No.3,d/4-1-98
(2)- (C.No.837) and B.P.No.64,d/7-1-98(C.No.1167)

Note:

In the first of the Progs.read above, the Board of Revenue communicates to Collectors the consolidated rules under the Land Improvement and Agriculturists' Loans Acts in the Presy.

2. The points requiring notice in the Board's Resolution are:-

(1) the feasibility of the grant of loans on the joint personal security of the members of a village community or of a group of cultivators.

Such loans appear to be contemplated by the Acts (vide section 9 of the L.I.L.Act and Section 6 of the A.L.Act) and their grant was urged by the Govt.of India for consideration in para 8 of its letter No. 1884/211-7, d/16-8- communicating sanction to the adop n of the revised rules. The Board of Revenue doubts whether ther is much scope for the grant of such loans in the Presy.but before expressing its

final opinion it has called upon Collrs. to report on the point. The further report may be awaited.

(ii) the feasibility of the grant of loans of limited amounts under the Agri. Loans Act to tenants on their own responsibilty.

The grant of these loans also was suggested by India in the same para (para 8 of the Govt.of India letter referred to above). The Collectors have been asked to express their opinion on this suggestion also. In the penultimate clause of para 3 of the Board's Resolution, the Board expresses the presumption that in such cases "it is not contemplated that the loan should be made "on the tenants' personal bond but that "he should possess a saleable interest in "the land which he leases, sufficient to "meet the requirements of Rule XI". The Board's presumption seems to be correct. Though loans of limited amounts may be granted to tenants on their own responsibility, i.e.on personal bonds, it seems desirable that the grant of such loans should be restricted to tenants who possess a saleable interest in the lands which they lease, sufficient to meet the requirements of Rule XI, as otherwise it will be difficult to recover the loans.

(iii) The question whether encumbrance certificates from the Registration Dept. should be obtained when loans are granted.

Please see Rule XVI of the revised rules. The third clause of the rule was added by the Govt.of India and is to the following effect:- "A reference shall be "made to the Registration Dept.in Form No. "7 hereto annexed, or in some similar form "for an encumbrance certificate". In making the addition, the Govt.of India observed: "Annexed to the rules is a form No.7 "headed Reference to the Registration "Dept.for encumbrance certificate". It is "gathered from the terms of head No.10 "paragraph 2 of the form of report pres-"cribed (No.6) that such a reference is "variably to be made; and on the unders-"ing that this is the intention of the "Madras Govt. the word "shall" has been

used in the addition which has been inserted after the first sentence of the "rule". This addition and other verbal alterations made by the Govt.of India which are printed in italics in the revised draft forwarded by the Govt.of India were accepted by this Govt. With reference to the alterations the Board of Revenue observes that encumbrance certificates are not necessary in all cases and refers to the orders noted on the margin in which the Govt.held that no encumbrance certificates need be obtained in respect of the lands to be benefited as under section 7(1)(c) of the Land Improvement Loans Act (also under section 5 of the Agri.Loans Act) the lands pledged as security can be sold in default, as if for arrears of land revenue i.e.free of all encumbrances [Section 42, Revenue Recovery Act,1864(Madras).] But attention is solicited to the proviso under clause 1 of section 7 of the L.I.L.Act which runs as follows:-

"Provided that no proceeding in respect "of any land ~~shall affect~~ under clause (c)

See originals in So 584 D 27/11/93

G.O.133,d/21-2-91
G.O.1135,d/26-11-91
B.P.234,d/15-4-91 ~~printed~~ in
in G.O.5674,d/2-11-91

"shall affect any interest in that land "which existed before the date of the order "granting the loan, other than the interest "of the borrower and of mortgagees of, or "persons having charges on, that interest "and, where the loan is granted under section 4 with the consent of another person "the interest of that person and of mortgagees of or persons having charges on ~~th~~ "that interest". It will be seen that the proviso specifically excepts certain prior interests vested in the land. The question of cancelling the concluding sentence of G.O.d/26-11-91,No.1135, (which laid down that encumbrance certificates are not necessary in respect of lands for the benefit of which a loan ~~a loan~~ is granted) was raised in para 5 of the note stitched with G.O.d/27-5-96,No.2054 Mis,.but was subsequently dropped as under the revised which were then before the Govt.of India encumbrance certificates were intended to be obtained (vide note stitched with G.O. d/10-7-96 No.2712) A reference to Registration Offices for encumbrance certifi-

Yes but not ~~a borrower's~~ mortgagee's &c

Please see above.

certificates seems necessary and the delay that will occur in making the enquiry will be considerably minimized if the Registration Offices are instructed to treat such references as urgent.

3. In the second current B.P.No.64,d/ 7-2-98, the Board of Revenue authorized the Colr. of Madura to continue the existing practice of not obtaining encumbrance certificates pending receipt of orders of Govt. on the first paper.

4. The revised rules which have already been published in the Fort St.George Gazette should be altered as indicated in pencil in the copy annexed. These alterations are necessary with reference to Rule V which under para 2 of G.O.No.884,d/ 22-10-97, was restored to the form in which it originally stood.

Sec'y
12/3/98.

No encumbrance certificate is necessary in the case of loans under the Land Improvement Act. The Advocate General's opinion in G.O.No.710-7-96 vs 2712 is clear & to the effect that the liability of the land benefited for the loan takes precedence of all mortgages

Sec'y
Yes
12/3

Flag F

Flag A

28/3/98

delivered with. Reference to the subscription slips in them is sure to cause great delay..

15/3/98

Hon.

The only point is whether the reference is always necessary in order to protect Govt. against prior interests in the land other than those of the borrowers & mortgagees or persons having a charge on the borrower's interest.

The provisions of L.I. loan act mainly to superior tenures eg. if the borrower is holding on a lease for a term, the proprietors interest cannot be touched. So too cases of divided interest in the land But it would also apply to cases

I think in such. there had been a sale of the land prior to the date of the loan. If the purchaser was no party to the concealment of the sale, he could plead the provisions if the land were brought to auction under "use (e)". Such a sale could however be ascertained from the Registrar's books; & the

q

Q^n is whether to meet such similar cases a reference to Revt dept shd be made invariably obligatory.

Rule XVI as originally submitted to Govt will be found at p. 28 of R^P of 12 June 95 under cover of S^y No. 15 June 95 no 979 Rev.

It is certainly safest to have a reference to the Regr Dept obligatory, notwithstanding ... it may cause some delay & increase expense

31/3/98

Read 1st. 3/4-1-98 (C. No. 837)
" 64/7-2-98 (C. No. 1167)

G.O. No. 2486 / 23rd April 1898

The Government awaits the further report promised by the Board as to the feasibility of ~~the grant of~~ (1) making loans on the joint personal security of the members of a village community or a group of cultivators & (2) granting loans of limited amounts under the Agriculturists Loans Act to tenants on their own responsibility. The Board's presumption in the penultimate sentence of para 3 of its Pro. of 24th January '98 is correct.

2. As regards the question whether a reference should be made to the Registration Dept. for an encumbrance certificate in such cases as required by rule XVI, the Government considers that, inasmuch as the proviso to Section 7 (1) of the Land Improvement Loans Act specifically excepts any prior interest in the land other than the interest of the borrower, of mortgagees, or persons having

"person, the interest of that person, of
"mortgagee of, or persons having charge
"on that interest", it will be safest to
make such reference invariably obligatory
though it may cause some delay and
~~inconvenience~~ expense.

3. The revised rules already published
at pp. 1332 to 1345 of Part I of the
Fort St. George Gazette of 2 November '09
require to be ~~slightly~~ altered in a few particulars
~~and some alterations~~ with reference
to rule V which under para 2 of Go
of 22 October 1897 No 884 Rev. was
restored to the form in which it
originally stood. The appended notification
~~will be published in the~~ embodying the
necessary corrections will be published
in the Fort St. George Gazette. The Tamil
Telugu, Canarese & Malayalam Translations
to Government are requested to carry
out the corrections in their translations
of the revised rules.

13/12/09

Q.
7/12/09.

Dy Sec
14.5.09

Notification

H.E. the Governor in Council is pleased
to notify the following corrections in
the rules under the Land Improvement
& Agriculturists' Loans Acts published
at pp. 1332 to 1345 of Part I of the
Fort St. George Gazette of 2 November '09):-

(i) In line 2 of rule VII & in line 1 of rule VIII
after the word "Principal" add the words
"and interest".

(ii) In line 1 of rule IX & in line 1 of
para 2 (b) (iii) of form No 8 delete the
words "and interest".

(iii) In clause 8 of the footnote to form No 1
for the words "payments of" substitute
the words "instalments regulated so as
to repay both".

(iv) In col. 2 of the statement in form No 3
for the word "date" substitute the word
"name".

(v) In the first line of para 2 (b) (i) of
form No 8 after the word "loan" insert the
words "& with interest thereon at ___ per cent"
& in the same para delete the clause
enclosed in square brackets.

(vi) For the statement on the reverse
of form No 2 substitute

Sum to be repaid.		Distribution of the fixed instalment between interest and principal.		Sums repaid.			Balance due.		Initials of the Tahsildar.	Remarks.
Fasli.	Amount.	Interest at per cent. from the date of loan to date of first instalment, and at subsequent years for one year, on the amount shown in column 2.	Principal.	Amount paid in the year.	Credited to		Instalment (i.e.), columns 3 and 4 *minus* column 6.	Principal (i.e.), difference of column 2 and column 7.		
					Interest.	Principal.				
1	2	3	4	5	6	7	8	9	10	11
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.		

10/4/98

18/2/98

8/5 21/4/98

31.3.25-II

First copy sent to Press.

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Despatched to print

From Again G.O., No.
19

Present No

Enclosure to G. No.

Letter of Government

Letter of Government

Statement with bills

(4)

Papers not filed up, being meant for operation in original.

N.B.—
A = Print in full.
B = Not to be printed.
P = Print abstract only.
Q = Print heading only.