

REVENUE DEPARTMENT.

(Rules under the Land Improvement Loans Act, 1883.)

No. 145

Dated Rangoon, the 12th December 1907.

[Amendment : 18.06.1989]

No. 145.- In exercise of the powers conferred by sections 10 and 11 of the Land Improvement Loans Act, 1883, the Lieutenant-Governor is pleased to make the following rules. Revenue Department Notifications No. 162, dated the 3rd August 1891, No. 309, dated the 6th August 1900, and No. 438, dated the 10th November 1900, are hereby superseded.

Rules under the Land Improvement Loans Act, 1883.

Section 10 (a).

1. Applications for loans may be presented to the Township Officer or to the Subdivisional Officer through the village headman or direct.
2. Every application shall be in writing and shall be in Form A attached to these rules. Copies of the form in English and Myanmar may be obtained free of charge from any Revenue Officer.

When a Subdivisional or Township Officer receives an application, he shall go over each item in Form A and satisfy himself that the entry made by the applicant has been understood by him and gives full and true particulars according to the requirements of the form.

<Amendment 18.06.1989>

Section 10 (b).

3. (1) Deputy Commissioners may, within the limits of the funds allotted to them, grant loans, not exceeding Rs. 500 each, for purposes specified in the Act. (2) Subdivisional Officers if specially empowered by the Deputy Commissioner may grant loans, not exceeding Rs. 300 each. If a loan exceeds Rs. 500, the sanction of the Commissioner, and if it exceeds Rs. 2,000, that of the Financial Commissioner, is necessary.

Section 10 (c).

4. The officer receiving an application for a loan shall himself make, or cause to be made, a local enquiry for the purpose of ascertaining the particulars mentioned on the reverse of Form A.

The officer making a local enquiry under this rule may exercise such of the powers referred to in section 28 of the Myanmar Boundaries Act, 1880, as may be necessary.

<Amendment 18.06.1989>

Section 5 (1).

5. Every notice published under section 5, sub-section (1), of the Act shall be published by affixing a copy of it to the house of the headman or the notice board of the village nearest to the land in respect of which the loan is applied for.

The officer receiving the application shall also cause a copy of the notice to be served on any person who is believed to hold a mortgage on the land, or to have any charge on it.

Section 10 (c).

6. After completing the local enquiry under Rule 4 the officer making the enquiry shall submit the application, with the particulars endorsed thereon, to the officer to whom he is immediately subordinate, unless he is empowered to dispose of it himself.
7. The applicant and every surety by whom immovable property is tendered as security shall be examined as to the incumbrances existing on any immovable property tendered as security by such applicant or surety and shall be bound to answer truly. The officer making the enquiry shall also make investigations through the office for the Registration of Deeds and otherwise, and shall prepare a list of the incumbrances which he finds to be existing.
8. On receiving an application under Rule 6 the Subdivisional Officer, if empowered to grant loans, or the Deputy Commissioner may make, or cause to be made, such further enquiry as he may consider necessary, and may cause to be prepared such detailed plans and estimates of the proposed work, and may obtain such professional opinion on the project for which the loan is required as he may think fit.
9. After the completion of any further enquiry ordered by him, and after obtaining the information, if any, which he requires under Rule 8, the Subdivisional Officer if empowered to grant loans or the Deputy Commissioner shall pass orders on the application. In considering applications he shall first decide whether the need for the loan is established and the security sufficient. For reasons recorded the Deputy Commissioner may reject any application made under these rules, but a Subdivisional Officer who is of opinion that an application should be rejected shall submit it for the order of the Deputy Commissioner.

10. If the amount of the loan required exceeds Rs. 500, and if the Deputy Commissioner does not reject the application under Rule 9, he shall submit the application, with the record of all proceedings connected with it and with a statement of his own opinion, to the Commissioner.
11. The provisions of Rules 8, 9 and 10 shall, mutatis mutandis, regulate the procedure of the Commissioner on receiving an application under Rule 10. If the amount of the loan required exceeds Rs. 2,000, the application, if not rejected by the Commissioner, shall be forwarded to the Financial Commissioner for orders.

Section 10 (d).

12. Loans may be issued in instalments, and they shall usually be so issued when the amount is large. When a loan is issued in instalments, subsequent instalments after the first shall not be issued until the Deputy Commissioner is satisfied by local inspection, which may be made by any officer deputed for that purpose, that work to the value of the previous instalments has been executed.
13. The amount of every loan shall ordinarily be sufficient to cover so much of the total outlay required to construct the improvement as the borrower is unable to provide from his own resources. If the sanctioning authority does not think fit to make a loan sufficiently large for this purpose, the application shall ordinarily be rejected.
14. (1) No collateral security shall be required where one-half the present market value of the borrower's interest in the land to be improved is sufficient to cover the loan. In calculating the borrower's interest, incumbrances shall be deducted.
(2) Where such moiety is not sufficient to cover the loan, further security shall be required which may consist of other land belonging to the applicant, or of land belonging to other persons who are willing to become his sureties.
(3) Where a loan is applied for by a group of cultivators on their joint security, the Deputy Commissioner may, at his discretion, advance on such security an amount not exceeding one half the estimated market value of the land held by the applicants after deducting incumbrances.
(4) Where loans are issued to run for not more than three years, personal security only may be accepted by the Deputy Commissioner.
(5) The officer granting the loan shall satisfy himself that the security accepted is sufficient to guarantee the repayment of the loan.

15. A loan may be granted to any borrower who is in arrears for land revenue or for a previous loan under the Land Improvement Loans Act or the Agriculturists' Loans Act, if the security offered is otherwise satisfactory.
16. An order granting a loan shall be in Form B annexed, and shall be signed by the applicant in token that he understands and agrees to the conditions contained therein. When the sureties, if any, whom the applicant furnishes, give personal security only the bond to be executed by them shall be in Form C annexed. When immovable property is given as collateral security, the security bond shall be in Form D annexed.
17. Interest at the rate of 5 per cent, per annum shall be charged on all loans from the date on which the loan is issued to the borrower.
18. In the case of overdue equated instalments of principal and interest penal interest at the rate of 5 per cent, per annum shall be charged in respect of the whole instalment for every month or fraction of a month for which there is delay. Provided that if the delay does not exceed seven days, no penal interest shall be levied.

The Deputy Commissioner may remit or reduce penal interest in cases in which he is satisfied that the failure is due to inability to pay and that the levy of such interest would be productive of hardship.

Section 10 (e).

19. The Deputy Commissioner, or any officer appointed by him for the purpose, shall be entitled at any time to enter upon and inspect any work which is being carried out by means of a loan made under these rules.

If the work for which the loan was sanctioned is not being duly executed, the Deputy Commissioner may, with the previous sanction of the Commissioner, direct that the amount of the loan already paid shall be recovered, with the interest and costs (if any), either forthwith or in such instalments as he may think fit.

Section 10 (f).

20. The officer who grants a loan shall fix the dates on which, and the instalments by which, it shall be repaid.

The date of the payment of the last instalment shall not, without the sanction of the Financial Commissioner, exceed 20 years from the date on which the loan, or if the loan is paid to the borrower by instalments, the last instalment of the loan is paid to the borrower.

But the term shall in any case be fixed with reference to the durability of the improvement.

The Financial Commissioner may sanction a period not exceeding 35 years for repayment.

21. Loans shall be discharged by equated repayments of principal and interest combined. Such repayments, after the first, shall be made either annually or half-yearly as the borrower may decide.

Tables giving the amounts payable for various terms of years on this system shall be shown and explained to the borrower, who shall be asked to state which table of payments he will adopt. The date for payment by the borrower of the first instalment shall not, without the sanction of the Financial Commissioner, exceed two and a half years from the date of the issue of the loan or when it is issued in instalments, from the issue of the last instalment, and shall be fixed with reference to the time when the improvement may be expected to begin to yield such a return that the profits may be expected to cover the payment. In this interval no charge for interest shall be realized as the interest for the period is included in the calculation of equated payments.

22. When any portion of a loan is found to be irrecoverable, a special report shall be made by the Deputy Commissioner. The Commissioner is empowered to write off irrecoverable loans up to a limit of Rs. 1,000. The Financial Commissioner is empowered to write off irrecoverable loans up to any amount without restriction.
23. Where a work fails from causes beyond the borrower's control and when the recovery of a loan in full would occasion serious hardship, the Commissioner may remit the loan or any instalment thereof, subject to a limit of Rs. 1,000 in any one case. In similar circumstances the Financial Commissioner may remit up to any amount without limit.
24. The Deputy Commissioner may suspend for any period not exceeding one year the repayment of any instalment of a loan on proof of failure of crops or other exceptional calamity. When the payment of instalments is suspended under this rule, the date of payment of the remaining instalments shall be re-adjusted by excluding the period during which the payment has been suspended. Suspensions for periods exceeding one year require the sanction of the Commissioner.
25. The plans and estimates, if any, required by Rule 8 shall be prepared by the applicant for the loan or at his expense. The Deputy Commissioner may cause the plans and estimates to be prepared if the applicant gives security for the payment of the cost; and, if the loan is granted, the cost may, if the Deputy Commissioner so direct, be added to the amount of the loan and repaid with interest in the manner provided in Rules 20 and 21.

26. The period after the expiration of which the increase in value derived from the improvement may be taken into account in revising the assessment of land revenue on land improved with the aid of a loan granted under these rules shall be as follows:

(a) Where the improvement consists of the reclamation of waste-land-

(i) Land reclaimed for the purpose of planting palms and fruit-bearing trees.

	Years.
If planted with betelnut or cocoanut plams	15
If planted with any other palm trees, except dhani, or with durion, marion, or spices	10
If planted with fruit trees of any other kind, except custard-apples, papayas, or plantains	8
If planted with custard-apples, papayas, or dhani palms	5
If planted with plantains	1

(ii) Land reclaimed for the cultivation of any products other than those mentioned above.

	Years.
If covered with large trees exceeding 1 foot in diameter at 3 feet above the ground	6
If covered with small trees not exceeding 1 foot in diameter at 3 feet above the ground	4
If covered with reeds, elephant grass, or bushes	3
If covered with grass	1

(b) Where the improvement consists of the irrigation of land assessed at unirrigated rates-

	Years.
(i) Where the expenditure on the improvement does not exceed Rs. 250	5
(ii) Where the expenditure on the improvement exceeds Rs. 250, but does not exceed Rs. 500.	7

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| (iii) | Where expenditure on the improvement exceeds Rs. 500, but does not exceed Rs. 1,000. | 10 |
| (iv) | Where the expenditure on the improvement exceeds Rs. 1,000, but does not exceed Rs. 2,000. | 15 |
| (v) | Where the expenditure on the improvement exceeds Rs. 2,000 | ... 20 |

27. The Local Government may, for special reasons, extend the periods specified in Rule 26.

28. The Financial Commissioner may prescribe the forms of all returns, registers, accounts, and agreements relating to advances under the Land Improvement Loans Act which are not provided for by rules made under the said Act.

G. F. ARNOLD,
Rev. Secy. to the Govt. of Myanmar.

----- Attachment -----

[ATTACH LIST 1] 01 FORM A. Application for Land Improvement Loan.

[ATTACH LIST 2] 02 FORM B. Order granting a loan under the Land Improvement Loans Act, 1883.

[ATTACH LIST 3] 03 FORM C. Security Bond to be used when sureties give personal security only.

[ATTACH LIST 4] 04 FORM D. Security Bond to be used when immovable property is given as collateral security. (Rule 16.)