

# THE LAND IMPROVEMENT LOANS ACT (1883)

[Repealed by the Law for the Repeal of Laws (19 February 1992)]

India Act XIX, 1883

12 October, 1883

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3. In this Act, "Collector" means the Collector of land-revenue of a district, or the Deputy Commissioner or any officer empowered by the President of the Union by name or by virtue of his office to discharge the functions of a Collector under this Act.

4. (1) Subject to such rules as may be made under Section 10, loans may be granted under this Act, by such officer as may, from time to time, be empowered in this behalf by the President of the Union, for the purpose of making any improvement, or, with the consent of that person, to any other person.

(2) "Improvement" means any work which adds to the letting value of land, and includes the following, namely:-

(a) the construction of wells, tanks and other works for the storage, supply or distribution of water for the purposes of agriculture or for the use of men and cattle employed in agriculture;

(b) the preparation of land for irrigation;

(c) the drainage, reclamation from rivers or other waters, or protection from floods or from erosion or other damage by water, of land used for agricultural purposes or waste-land which is culturable;

(d) the reclamation, clearance, enclosure or permanent improvement of land for agricultural purposes;

(e) the renewal or reconstruction of any of the foregoing works, or alterations therein or additions thereto; and

(f) such other works as the President of the Union may, from time to time, by notification in the Gazette, declare to be improvements for the purposes of this Act.

5. (1) When an application for a loan is made under this Act, the officer to whom the application is made may, if it is, in his opinion, expedient that public notice be given of the application, publish a notice, in such a manner as the President of the Union may, from time to time, direct, calling upon all persons objecting to the loan to appear before him at a time and a place fixed therein and submit their objections.

(2) The officer shall consider every objection submitted under sub-section (1), and make an order in writing either admitting or overruling it;

Provided that, when the question raised by an objection is, in the opinion of the officer one of such a nature that it cannot be satisfactorily decided except by a Civil Court, he shall postpone his proceedings on the application until the question has been so decided.

6. (1) every loan granted under this Act shall be made repayable in installments (in the form of an annuity or otherwise) within such period from the date of the actual advance of the loan, or when the loan is advanced in installments, from the date of the advance of the last installment actually paid as may, from time to time, be fixed by the rules made under this Act.

(2) The period fixed as aforesaid shall not exceed thirty-five years.

(3) The President of the Union, in making the rules fixing the period, shall, in considering whether the period should extend to thirty-five years, or whether it should be extended beyond thirty-five years, have regard to the durability of the work for the purpose of which the loan is granted, and to the expediency of the cost of the work being paid by the generation of persons who will immediately benefit by the work.

7. (1) Subject to such rules as may be made under section 10, all loans granted under this Act, all interest (if any) chargeable therein and costs (if any) incurred in making the same, shall, when they become due, be recoverable by the Collector in all or any of the following models, namely:-

(a) from the borrower-as if they were arrears of land-revenue due by him;

(b) from his surety (if any) - as if they were arrears of land-revenue due by him;

(c) out of the land for the benefit of which the loan has been granted as if they were arrears of land revenue due in respect of that land;

(d) out of the property comprised in the collateral security (if any) - according to the procedure for the realisation of land-revenue by the sale of immoveable property other than the land on which that revenue is due:

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 mortgages or, or persons having charges on, that interest.

(2) When any sum due on account of any such loan, interest or costs is paid to the Collector by a surety or an owner of property comprised in any collateral security, or recovered under

sub-section (1) by the Collector from a surety or out of any such property, the Collector shall, on the application of the surety or the owner of that property (as the case may be), recover that sum on his behalf from the borrower, or out of the land for the benefit of which loan has been granted, in manner provided by sub-section (1).

(3) It shall be in the discretion of a Collector acting under this section to determine the order in which he will resort to the various modes of recovery permitted by it.

8. A written order under the hand of an officer empowered to make loans under this Act granting a loan to, or with the consent of, a person mentioned therein for the purpose of carrying out a work described therein, for the benefit of land, specified therein, shall for the purposes of this Act be conclusive evidence:

- (a) that the work described is as an improvement within the meaning of this Act;
- (b) that the person mentioned had at the date of the order a right to make such an improvement; and
- (c) that the improvement is one benefiting the land specified.

9. When a loan is made under this Act to the members of a village community or to any other persons on such terms that all of them are jointly and severally bound to the Government for the payment of the whole amount payable in respect thereof, and a statement showing the portion of that amount as among themselves each is bound to contribute is entered upon the order granting the loan and is signed by each of them and by the officer making the order, that statement shall be conclusive evidence of the portion of that amount which as among themselves each of those persons is bound to contribute.

10. The President of the Union may, from time to time, by notification in the Gazette, make rules consistent with this Act to provide for the following matters, namely:-

- (a) the manner of making applications for loans;
- (b) the officers by whom loans may be granted;
- (c) the manner of conducting inquiries relative to applications for loans and the powers to be exercised by officers conducting those inquiries;
- (d) the nature of the security to be taken for the due application and repayment of the money, the rate of interest at which, and the conditions under which, loans may be granted, and the manner and time of granting loans;
- (e) the inspection of works for which loans have been granted;

- (f) the installments by which, and the mode in which, loans, the interest charged on them and the costs incurred in the making thereof, shall be paid;
- (g) the manner of keeping and auditing the accounts of the expenditure of loans and of the payments made in respect of the same; and
- (h) all other matters pertaining to the working of the Act.

11. When land is improved with the aid of a loan granted under this Act the increase in value derived from the improvement shall not be taken into account in revising the assessment of land-revenue on the lands:

Provided as follows:-

- (1) where the improvement consists of the reclamation of waste-land or irrigation of land assessed at unirrigated rates, the increase may be so taken into account after the expiration of such period as may be fixed by rules to be framed by the President of the Union;
- (2) nothing in this section shall entitle any persons to call in question any assessment of land-revenue otherwise than as it might have been called into question if this Act had not been passed.

12. The powers conferred on the President of the Union by sub-section (1) of section 4, sub-section (1) of section 5 and section 10 may be exercised in the like manner and subject to the like conditions by the financial Commissioner.

Provided that rules made by the Financial Commissioner shall be subject to the control of the President of the Union.