

**Towards Sri Lanka which
enables to gain optimum
Utilization of lands and
to eradicate the poverty
while protecting the rights
of the future generation**

Inquires:

Land Commissioner General
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Designed by:

**Progress control and operation section
Land Commissioner Generals Department**

Ministry of Land and Land Development



Land Commissioner General's
Department

**TAKING LOANS ON
PROVISION OF A GRANT
AS A SECURITY**

For the 75th Anniversary

1931-2006

Establishments which provide loans, guaranteed by the deed?

- ❖ Peoples Bank
- ❖ State Mortgage and Investment Bank
- ❖ Bank of Ceylon
- ❖ Lanka Development Finance Cooperation
- ❖ National Housing Development Authority.
- ❖ National Housing Commissioner
- ❖ Sri Lanka Housing development Finance cooperation Ltd.,
- ❖ Societies and companies registered under the cooperative society ordinance.
- ❖ Establishments, registered under commercial Banks Act no: 30 of 1988.
- ❖ Establishments registered under Finance Act no 11 of 1963.
- ❖ Establishments registered under Finance Act no 27 of 1979.
- ❖ Establishments registered under Finance Act (amendment) no 78 of 1988.

How to take Loans or Mortgage by a deed?

Your request should be forwarded to a divisional secretary/Deputy Land Commissioner (Inter province).He will obtain the reports from the Grama Niladari /Colonization Officer.

- The original deed, the copies of folio, obtained from the registrar office in which the deed was registered should be forwarded along with that request.
- A letter from the establishment which is expected to take loans or mortgage or keep mortgage should be forwarded to the divisional secretary /deputy land commissioner (inter province) along with a copy of the deed of contract prepared by the same establishment.
- Divisional Secretary/ Deputy Land commissioner (Inter province) will provide you a permission letter in form 5 with the approved deed of contract for giving loan.
- The approved deed of contract for giving loan with that letter too should be forwarded to the establishment which provides loan facilities.

Unless the loan settled?

- ❖ The land will be transferred to the same establishment unless the loan or mortgage settled.
- ❖ They can sell the land and recover the amount of loan.
- ❖ On that occasion irrespective of their class occupation or income can purchase the land.
- ❖ However the one who purchases the land will be required to comply with the conditions, contained in the deed.
- ❖ The one who buy the land will be required to comply with the conditions contained in the deed as he buy a land which contains a number of conditions.
- ❖ The one who purchase the land will be required to obtain a permission letter from the divisional secretary/Deputy land commissioner (Inter province) when he intends to sell the land.
- ◆ Can a deed be hypothecated as a security for Childs loan?
- ◆ Yes, of course you will be the guarantor of the loan.