

CHAPTER 297

LAND REFORM

Laws
Nos. 1 of 1972,
39 of 1975.

A LAW TO ESTABLISH A LAND REFORM COMMISSION TO FIX A CEILING ON THE EXTENT OF AGRICULTURAL LAND THAT MAY BE OWNED BY PERSONS, TO PROVIDE FOR THE VESTING OF LANDS OWNED IN EXCESS OF SUCH CEILING IN THE LAND REFORM COMMISSION AND FOR SUCH LAND TO BE HELD BY THE FORMER OWNERS ON A STATUTORY LEASE FROM THE COMMISSION, TO PRESCRIBE THE PURPOSES AND THE MANNER OF DISPOSITION BY THE COMMISSION OF AGRICULTURAL LANDS VESTED IN THE COMMISSION SO AS TO INCREASE PRODUCTIVITY AND EMPLOYMENT, TO PROVIDE FOR THE PAYMENT OF COMPENSATION TO PERSONS DEPRIVED OF THEIR LANDS UNDER THIS LAW AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

[26th August, 1972.]

Short title.

1. This Law may be cited as the Land Reform Law.

acres, so however that the total extent of any paddy land, if any, comprised in such fifty acres shall not exceed the ceiling on paddy land specified in paragraph (a).

Purposes of this Law.

2. The purposes of this Law shall be to establish a Land Reform Commission with the following objects :—

(a) to ensure that no person shall own agricultural land in excess of the ceiling ; and

(b) to take over agricultural land owned by any person in excess of the ceiling and to utilize such land in a manner which will result in an increase in its productivity and in the employment generated from such land.

(2) Any agricultural land owned by any person in excess of the ceiling on the date of commencement of this Law shall as from that date—

(a) be deemed to vest in the Commission ; and

(b) be deemed to be held by such person under a statutory lease from the Commission.

PART I

CEILING ON AGRICULTURAL LAND

Ceiling on agricultural land.

3. (1) On and after the date of commencement of this Law the maximum extent of agricultural land which may be owned by any person, in this Law referred to as the "ceiling", shall—

(a) if such land consists exclusively of paddy land, be twenty-five acres ; or

(b) if such land does not consist exclusively of paddy land, be fifty

(3) In the computation of the acreage of agricultural land for the purpose of applying the ceiling, the following areas situated on such land shall not be taken into account :—

(a) an area not exceeding half an acre in extent surrounding the residence of the owner of such land ;

(b) any garden surrounding staff quarters or labour lines on such land, not in excess of one-eighth of an acre in extent for every family resident in such quarters or lines ; and

(c) any area not exceeding half an acre set apart for a family burial ground.

(4) For the purpose of subsection (1)—

(a) where any land is subject to a mortgage, lease, usufruct or life interest, the mortgagor, the lessor or the person in whom the title to the land subject to the usufruct or life interest is ; and

(b) where any land is held on a permit or a grant issued under the Land Development Ordinance, the permit-holder or the alienee on such grant,

shall be deemed to be the owner of such agricultural land :

Provided, however, that where the lessor of any agricultural land under paragraph (a) of this subsection is the State, the lessee of such agricultural land shall be deemed to be the owner.

Interim order declaring possession of any agricultural land subject to the ceiling may be made by the Commission.

4. (1) Where there is a dispute between parties as to the ownership of any agricultural land which is subject to the ceiling the Commission may, after such inquiry as it may deem fit, make an interim order declaring one of such parties to be entitled to the possession of such agricultural land. Every interim order shall be published in the Gazette and shall come into force on the date of such publication.

(2) Within two weeks of the publication of the interim order in the Gazette the Commission of its own motion or any of the parties to the dispute referred to in subsection (1) may refer such dispute to a court of competent jurisdiction for final adjudication.

(3) Till the final order is made by a court on such reference, the interim order shall be valid and effectual and shall not be called in question in any court by way of writ or otherwise. So long and for so long only as the interim order is in force the person declared by such interim order to be entitled to possess the agricultural land shall be deemed for the purpose of section 3 to be the owner of such agricultural land.

(4) As long as the interim order is in force the Commission shall not alienate the agricultural land to which the interim order relates :

Provided, however, that, where no reference has been made under subsection (2), the interim order made under subsection (1) shall have the effect of a final order under subsection (3).

5. Where after the date of commencement of this Law any person becomes the owner of agricultural land in excess of the ceiling, any such land owned by such person in excess of the ceiling shall as from that date—

(a) be deemed to vest in the Commission ; and

(b) be deemed to be held by that person under a statutory lease from the Commission.

Special provisions to apply where persons become owners of agricultural land in excess of the ceiling after the date of commencement.

6. Where any agricultural land is vested in the Commission under this Law, such vesting shall have the effect of giving the Commission absolute title to such land as from the date of such vesting, and free from all encumbrances.

Effect of vesting of agricultural land in the Commission under this Law.

7. For the purposes of this Law, where any agricultural land is co-owned, each co-owner shall be deemed to own his share in such land as a distinct and separate entity.

Special provisions relating to co-owned agricultural land.

8. For the purposes of this Law, where any agricultural land is owned by a private company or co-operative society, the shareholders of such company, or society, as the case may be, shall be deemed to own such land for the purposes of section 3, in proportion to the shares held by each shareholder of such company, or society, as the case may be.

Ownership of agricultural land by body corporate.

9. No servitude over any agricultural land shall in any manner be affected by a change of ownership of such land under the provisions of this Law, unless and until such servitude has been determined by the Commission. Where such servitude is so determined, the owner of the servitude shall be entitled to such compensation for being deprived of the servitude as may be decided by the Commission.

Servitude not to be affected by change of ownership of agricultural land.

Rights of tenant cultivators not to be affected by change of ownership.

10. The rights of tenant cultivators under the Paddy Lands Act, No. 1 of 1958*, shall not be affected by a change of ownership of any agricultural land under the provisions of this Law.

Statutory lessee may surrender lease on giving the prescribed notice to the Commission.

11. (1) Subject to the provisions of subsection (3), any person who is a statutory lessee of any agricultural land under subsection (2) of section 3, paragraph (b) of section 5 or subsection (6) of section 13 may surrender such lease on giving the prescribed notice to the Commission.

(2) Where a statutory lease is surrendered under subsection (1) the Commission may manage or deal with the lands so surrendered in accordance with the provisions of this Law.

(3) The statutory lessee of any agricultural land shall not be entitled to surrender such lease under subsection (1) where such statutory lessee has in the declaration made under section 18 expressed a preference under paragraph (f) of subsection (2) thereof.

Agricultural lands subject to a mortgage, lease, usufruct or life interest.

12. (1) Where any agricultural land subject to a mortgage, lease, usufruct or life interest vests in the Commission under the provisions of this Law the mortgagee, lessee, usufructuary or the holder of the life interest, as the case may be, shall have a lien to the extent of his interest in such agricultural land on the compensation payable to the owner thereof and where such compensation is not sufficient to meet his claim, such mortgagee, lessee, usufructuary or such holder of the life interest shall be entitled to enforce his rights against any land subject to such mortgage, lease, usufruct or life interest in the hands of the owner of the agricultural land vested in the Commission after the ceiling of agricultural land is applied to him.

(2) Where on or after May 29, 1971, any agricultural land has been alienated by way of lease to or by any person who owns agricultural land in excess of the ceiling such lease shall from the date of commencement of this Law be deemed to have been terminated.

(3) Where a lease in respect of any agricultural land is deemed to have been terminated under subsection (2) the lessee shall be entitled to receive from the lessor as compensation for improvements made to such agricultural land during the period of the lease such amount as may be determined by the Commission.

13. (1) Where on or after May 29, 1971, any person who owned agricultural land in excess of the ceiling has alienated any agricultural land to any other person, such alienor shall, within three months of the date of commencement of this Law, report such alienation to the Commission in the prescribed form.

(2) Where the Commission finds that any alienation of agricultural land on or after May 29, 1971, has been calculated to defeat the purposes of this Law the Commission may by order made under its hand declare that such alienation is null and void. Every such order shall be sent by registered post to the alienor and alienee of the agricultural land to which that order relates.

(3) Any alienor or alienee aggrieved by an order made under subsection (2) may within three weeks of the receipt of such order appeal to the Minister in the prescribed form, and the Minister may on such appeal make such order as the Minister may deem fit in the circumstances of the case.

(4) The receipt of the order shall be deemed to be effected at the time at which the letter sent under subsection (2) would be delivered in the ordinary course of post.

(5) Where no appeal has been preferred under subsection (3) within the time allowed therefor against the order made under subsection (2), such order, or where an appeal has been preferred, the order as amended, varied or modified on appeal shall be published in the Gazette. The order so published shall be final and conclusive and shall not be called in question in any court, whether by way of writ or otherwise.

Certain transfers of agricultural land to be reported to the Commission within three months of the commencement of the Law and the Commission may invalidate such transfers.

* Repealed by the Agricultural Lands Law, No. 42 of 1973, itself repealed by the Agrarian Services Act (No. 58 of 1979).

(6) Where the Commission under the provisions of subsection (2) declares that any alienation is null and void, no right, title or interest shall be deemed to have passed to the alienee under the instrument of such alienation and such agricultural land shall vest in the Commission and the alienee shall be deemed to hold such land under a statutory lease from the Commission.

(7) Nothing contained in the preceding provisions of this section shall affect or be deemed to affect any transfer made by a fiduciary of his interest in any agricultural land to a fideicommissary in accordance with the provisions of the Abolition of Fideicommissa and Entails Act.

Inter family transfer of agricultural land after the commencement of this Law.

14. (1) Any person who becomes a statutory lessee of any agricultural land under this Law may within three months from such date make an application to the Commission in the prescribed form for the transfer by way of sale, gift, exchange or otherwise of the entirety or portion of such agricultural land to any child who is eighteen years of age or over or to a parent of such person.

(2) The Commission may by order made under its hand grant or refuse to grant approval for such transfer. Such order shall be made within one year of the date of application under subsection (1). Every such order shall be sent by registered post to the applicant under subsection (1). Any such applicant aggrieved by the order may appeal to the Minister within three weeks of the receipt of such order. The receipt of the order shall be deemed to be effected at the time at which letters would be delivered in the ordinary course of post.

(3) Any transfer effected in accordance with the provisions of an order made under subsection (2) or such order as amended, varied or modified on appeal shall have the effect of transferring right, title or interest in property so transferred free of the statutory lease.

(4) Any order made under subsection (2) or where an appeal has been preferred the order as amended, varied or modified on appeal shall be final and conclusive and shall not be called in question in any court, whether by way of writ or otherwise.

(5) Nothing contained in the preceding provisions of this section shall affect or deem to affect any transfer made by a fiduciary of his interest in any agricultural land to a fideicommissary in accordance with the provisions of the Abolition of Fideicommissa and Entails Act.

15. The following shall be the terms and conditions of every statutory lease of any agricultural land :—

Terms and conditions of statutory leases.

(a) The statutory lease may be terminated at any time at the option of the Commission. Unless terminated earlier such lease shall run for one year from the date of commencement of his statutory lease, and may be renewed for a further period of one year. Save and except as hereinbefore provided, no further renewals of such lease shall be given, except with the express approval of the Minister.

(b) The amount payable as lease rent per year by the statutory lessee of any agricultural land shall be—

- (i) if such land is not paddy land, one-fifteenth of the compensation payable to such lessee as the former owner of such land ; or
- (ii) if such land is paddy land, one-tenth of the compensation payable to such lessee as the former owner of such land.

(c) The statutory lessee shall be entitled to manage the land subject to the statutory lease and to appropriate the profits thereof during the period of such lease. Such lessee shall be entitled with the written approval of the Commission to develop and improve such land and to effect repairs to buildings standing thereon. Where a lessee has with the written approval of the Commission developed or improved such land or effected such repairs to buildings he shall be entitled to receive compensation therefor in cash.

- (d) The lease rent due from the statutory lessee shall be deducted from any compensation payable under the provisions of this Law.
- (e) Where the statutory lessee causes any wanton damage to the land subject to a statutory lease or to any agricultural crop or building or fixtures thereon, he shall be guilty of an offence and the Commission may withhold all or any part of the compensation payable to him. The statutory lessee may, however, with the written approval of the Commission, cut down any trees standing on the land to which the lease relates.
- (f) It shall be the duty of the statutory lessee to allow the workers who are lawfully resident on the land owned by him on the day immediately prior to the date of commencement of this Law to continue so to reside on such land and to continue the employment of the workers on such land who were in regular employment on such day.
- (g) Where anyone who was not lawfully resident on the land held by the statutory lessee on the day immediately prior to the date of commencement of his statutory lease, attempts to take or takes up residence on such land, it shall be the duty of the statutory lessee to immediately report the fact in writing to the Commission and the police officer in charge of the nearest police station.
- (h) Where any statutory lessee fails to comply with the provisions of paragraph (g) he shall be guilty of an offence and the Commission may withhold any compensation payable to such statutory lessee under this Law.
16. Upon the receipt of a report under paragraph (g) of section 15 in respect of any land subject to a statutory lease, an authorized officer or agent of the Commission may give directions to any police officer in connexion with the ejectment of all such occupiers of such land referred to in the report, and such police officer shall take all such steps and may use such force as may be necessary for securing compliance with such directions.
17. (1) Where an authorized officer or agent is unable or apprehends that he will be unable to eject the unlawful occupiers of any agricultural land held by the statutory lessee on the day immediately prior to the commencement of his statutory lease, he shall, on making an application in that behalf in the prescribed form to the Magistrate's Court having jurisdiction over the area in which that land is situated, be entitled to an *ex parte* order of the Court directing the Fiscal to eject such unlawful occupiers from that land.
- (2) Where an order under subsection (1) is issued to the Fiscal by the Magistrate's Court, he shall forthwith execute the order and shall in writing report to the Court the manner in which that order was executed.
- (3) For the purpose of executing the order issued by the Magistrate's Court under subsection (1), the Fiscal or any person acting under his direction may use such force as may be necessary to enter the agricultural land to which the report relates and to eject the unlawful occupiers, and their dependants, if any, therefrom.
- PART II
- DECLARATION IN RESPECT OF
AGRICULTURAL LAND AND VESTING AND
ALIENATION OF SUCH LAND
18. (1) The Commission may, by Order published in the Gazette and in such other form as it may deem desirable to give publicity to such Order, direct that every person who becomes the statutory lessee of any agricultural land shall, within a month from the date of the publication of the Order, or of becoming a statutory lessee under this Law make a declaration, in this

An authorized officer or agent of the Commission may issue directions to the police for the ejectment of unlawful occupiers of a land subject to a statutory lease.

Where an authorized officer or agent is unable or apprehends that he will be unable to eject unlawful occupiers of agricultural land subject to a statutory lease.

Declaration in respect of agricultural land subject to a statutory lease.

Law referred to as a "statutory declaration", in the prescribed form of the total extent of the agricultural land so held by him on such lease.

(2) The declaration shall *inter alia* specify—

- (a) (i) the name of each agricultural land owned by the declarant together with such agricultural land owned by any member of the family of the declarant on the day immediately prior to the date of commencement of this Law together with the extent of such land ;
- (ii) where the declaration is in respect of an agricultural land owned by a family within the meaning of this Law the head of such family shall make the declaration and shall specify in the declaration the total extent of the agricultural land owned by such family and the extent owned by each individual member of such family ;
- (b) the situation of each such land and the postal address thereof and directions for reaching such land ;
- (c) the nature of the crops grown on each such land together with the acreage under cultivation and any other particulars relating to the use of such land ;
- (d) the income derived from each such land within the previous five years as declared to the Commissioner-General of Inland Revenue for the purpose of income tax immediately prior to the date of commencement of his statutory lease ;
- (e) the value of each such land as declared to the Commissioner-General of Inland Revenue for the purpose of wealth tax immediately prior to the date of commencement of his statutory lease ; and

- (f) the preference or preferences, if any, of the declarant as to the particular portion or portions of each such land which he should be allowed to retain.

The declaration shall be accompanied by a survey plan or sketch map depicting the boundaries of the lands declared, and of the portion or portions, if any, which the declarant has expressed a preference to retain, and shall specify all encumbrances attached to such land. Such portion or portions shall except in exceptional circumstances be contiguous areas of land which will result in minimum fragmentation of the whole land.

(3) Where any person who has made the declaration referred to in subsection (1) by operation of law becomes the owner of any agricultural land subsequent to such declaration, or ceases to be owner of any part of any land referred to in the declaration such person shall make a further declaration in respect of his land and the provisions of subsection (1) shall apply to such declaration.

(4) Any person who becomes the owner of agricultural land in excess of the ceiling on any day after the date of commencement of this Law shall, within one month of becoming such owner, make a declaration as provided for in the preceding provisions of this section.

(5) Any person who fails to make any declaration required by any of the preceding provisions of this section, or makes a declaration knowing such declaration to be false, shall be guilty of an offence and the Commission may forfeit any compensation payable to him under this Law.

19. (1) The following provisions shall apply on the receipt by the Commission of a statutory declaration made under section 18 :—

- (a) The Commission shall, as soon as practicable, make a determination, in this Law referred to as a "statutory determination", specifying the portion or portions

Provisions applicable on the receipt by the Commission of a statutory declaration.

of the agricultural land owned by the statutory lessee which he shall be allowed to retain. In making such determination the Commission shall take into consideration the preference or preferences, if any, expressed by such lessee in the declaration as to the portion or portions of such land that he may be allowed to retain.

- (b) The Commission shall publish the statutory determination in the Gazette and shall also send a copy thereof to such lessee by registered letter through the post. Such determination shall be final and conclusive, and shall not be called in question in any court, whether by way of writ or otherwise.

(2) Before a statutory determination is made in respect of any agricultural land—

- (a) the Commission may create any class of servitude on or over such land ;
- (b) the Commission shall have the right to survey such land ; and
- (c) the statutory lessee shall be entitled to be paid such sum as the Commission may consider reasonable for fencing such land.

Effect of a statutory determination published under section 19.

20. Every statutory determination published in the Gazette under section 19 shall come into operation on the date of such publication and the Commission shall have no right, title or interest in the agricultural land specified in the statutory determination from the date of such publication.

Contents of a statutory determination published in the Gazette.

21. Every statutory determination published in the Gazette under section 19 shall *inter alia* :—

- (a) specify the extent of the agricultural land permitted by the Commission to be retained by the statutory lessee ;
- (b) make reference to a survey plan made by the Surveyor-General or

under his direction of the agricultural land permitted to be retained by the lessee under paragraph (a) ; and

- (c) specify any servitude or encumbrance attaching to such agricultural land.

22. (1) Any agricultural land vested in the Commission under this Law may be used for any of the following purposes :—

Purposes for which agricultural land vested in the Commission may be used.

- (a) alienation for agricultural development or animal husbandry by way of sale, exchange, rent purchase or lease to persons who do not own agricultural land or who own agricultural land below the ceiling ;
- (b) alienation by way of sale, exchange, rent purchase or lease to a person for agricultural development or animal husbandry, or for a co-operative or collective farm ;
- (c) alienation by way of sale in individual allotments to persons for the construction of residential houses ;
- (d) for a farm or plantation managed by the Commission ;
- (e) utilization for any public purpose ;
- (f) alienation by way of sale to persons who were minors at the time of the imposition of the ceiling on agricultural land and whose parents were dispossessed of such land in excess of the ceiling by reason of such excess land having vested in the Commission under this Law ; and
- (g) alienation to any corporation established under the State Agricultural Corporations Act or to the Sri Lanka State Plantations Corporation established under the Sri Lanka State Plantations Corporation Act.

(2) Where any agricultural land has been alienated by way of sale under paragraph (f) of subsection (1), the alienee of such land may make payment for the purchase of such land by way of bonds issued to a parent of such alienee, in respect of any agricultural land vested in the Commission.

(3) In determining the persons to whom any agricultural land vested in the Commission shall be alienated, the Commission shall, as far as practicable, comply with the provision that consideration shall be given to persons from the administrative district where such land is situated.

Category of persons to whom agricultural land shall not be alienated by the Commission.

23. Any agricultural land vested in the Commission under this Law shall not be alienated by the Commission to any of the following persons :—

- (a) persons who are not citizens of Sri Lanka ; and
- (b) any employee of the Government or of any State Corporation, or of a local authority, save and except for the purpose of construction of residential houses.

Terms and conditions of alienation of agricultural land by the Commission.

24. (1) The Commission may alienate any agricultural land to any person subject to such terms and conditions as it may deem fit and as would ensure that such land is used for the purpose for which it was alienated.

(2) Where any term or condition subject to which agricultural land is alienated to any person by the Commission is not complied with, the Commission may by endorsement on a certified copy of the instrument of alienation, cancel such alienation, and thereupon such alienation shall be determined accordingly, and such agricultural land shall re-vest in the Commission. Any determination of an alienation made under this section shall be final and conclusive and shall not be called in question in any court, whether by way of writ or otherwise.

Special provisions applicable to alienation of agricultural land by the Commission.

25. The extent of any agricultural land alienated by the Commission to an individual shall be such as to ensure as far as possible that the average income derived from the development of such land shall not be less than three hundred rupees per mensem.

26. (1) As soon as possible after the date of commencement of this Law, the Commission may, by notice published in the Gazette, call for applications in the prescribed form from persons for the alienation to them of any extent of agricultural land by the Commission.

Applications for alienation of agricultural land by the Commission.

(2) Any application received by the Commission under subsection (1) shall be scrutinized by the Commission and shall be disposed of on its merits by the Commission.

(3) No application received by the Commission under subsection (1) shall be entertained by the Commission from any person to whom the Commission is not entitled to alienate any agricultural land under this Law.

27. Where any agricultural land is alienated by the Commission—

Price at which land shall be alienated by the Commission.

- (a) by way of sale, the price at which such land is so sold shall, as far as possible, be not less than the compensation payable by the Commission to the former owner of such land under this Law ; or
- (b) by way of rent purchase, the annual rent for such land shall, as far as possible, be not less than—
 - (i) one-fifteenth of the compensation payable by the Commission to the former owner of such land if such land is not paddy land ; and
 - (ii) one-tenth of the compensation so payable if such land is paddy land.

PART III

COMPENSATION

28. (1) Compensation shall be payable by the Commission in respect of any agricultural land vested in it under this Law. The compensation so payable shall be

Compensation payable by the Commission in respect of land vested in it under this Law.

computed in accordance with the following two criteria and shall be the higher amount so calculated :—

(a) An amount not exceeding fifteen times the average annual profit on such land during the previous five years as assessed by the Commissioner-General of Inland Revenue, or where not so assessed, as declared to the Commissioner-General of Inland Revenue by the person who was the previous owner of such land on the day immediately prior to the date on which such land so vested, in this Part referred to as the "former owner", if such land is not paddy land, and ten times such average annual profit if such land is paddy land.

(b) The value of such land as assessed by the Commissioner-General of Inland Revenue for the year of assessment ending March 31, 1971, or where not so assessed, as declared by its former owner to the Commissioner-General of Inland Revenue for the purpose of wealth tax.

(2) Where any agricultural land has not been assessed for the purpose of income tax or wealth tax the Commission may, in consultation with the Chief Valuer, make its own valuation for the purpose of subsection (1).

29. Where any agricultural land is vested in the Commission, the Chairman of the Commission shall, by notice published in the Gazette and in such other manner as may be determined by him, direct every person who was interested in such land immediately before the date on which such land was so vested, to make, within a period of one month reckoned from the date specified in the notice, a written claim to the whole or any part of the compensation payable under this Law in respect of such land and to specify in the claim—

- (a) his name and address ;
- (b) the nature of his interest in such land ;

(c) the particulars of his claim ; and

(d) how much of such compensation is claimed by him.

30. (1) The Chairman of the Commission or such other officer as may be authorized by him in that behalf shall, as soon as possible after the receipt of a claim for compensation in respect of any agricultural land vested in the Commission made by any person under section 29, refer to the Chief Valuer the determination of the compensation payable in respect of such land, and such Chief Valuer shall submit his determination to the Commission for decision thereon.

Determination of compensation.

(2) Where there is any dispute as to the persons entitled to compensation in respect of any agricultural land vested in the Commission, the Chairman of the Commission or such other officer as may be authorized by him in that behalf shall defer referring to the Chief Valuer the determination as to the compensation payable in respect of such land and shall refer the dispute for decision to the appropriate court of civil jurisdiction, and shall, after such court makes its decision on such dispute, refer such claims to the Chief Valuer.

(3) The Chief Valuer shall give all claimants to compensation in respect of any agricultural land vested in the Commission an opportunity to adduce before such Valuer in person or by a representative authorized by him in that behalf evidence with regard to the value of such land, and shall make a determination as to the compensation payable for such land, having regard to the provisions of this Part.

31. (1) On receipt of the determination of the Chief Valuer, the Chairman of the Commission shall subject to such modifications, if any, make an award as to the compensation payable in respect of the agricultural land which is the subject-matter of such determination, and shall give notice of such award to the person or persons entitled to such compensation.

Commission to make an award as to the amount of compensation.

(2) For the purpose of making an award, the Chairman of the Commission or such other officer as may be authorized by

Notice to persons entitled to make claims to the compensation payable under this law in respect of any agricultural land vested in the Commission.

him in that behalf may, if such Chairman or other officer considers it necessary so to do, hold an inquiry, and such Chairman or other officer shall, by notice in writing, direct every claimant for compensation to be present on such date, at such time and place, as may be specified in the notice.

is authorized or required to so deduct or withhold under this Law.

(2) For the purposes of this section, the expression "compensation" includes any interest which has accrued due on such compensation.

Payment of compensation.

32. (1) Where no claim to the compensation payable in respect of any agricultural land vested in the Commission is received in response to the notice under section 29 from any person, other than the former owner of such land, the Chairman of the Commission shall cause such compensation to be paid to such former owner.

(2) Where any claim to the compensation payable in respect of any agricultural land vested in the Commission is received in response to the notice under section 29 from any person, other than the former owner of such land, then, if every such claimant and the former owner amicably agree in writing as to the persons entitled to the compensation and the apportionment of the compensation among them, the Chairman of the Commission shall cause the compensation to be apportioned and paid to such persons according to such agreement. If there is no such agreement, the Chairman of the Commission shall cause the compensation to be paid to any appropriate court of civil jurisdiction to be drawn by the persons entitled thereto.

Provision for cases where compensation is not accepted, &c.

33. Where any compensation payable to any person under this Law is not accepted by him when it is tendered to him, or where such person is dead or is not in existence or is not known, it shall be paid to any appropriate court of civil jurisdiction to be drawn by the person or persons entitled thereto.

Deductions from compensation.

34. (1) Where a person is entitled to compensation in respect of any agricultural land vested in the Commission under this Law, the Commission shall deduct or withhold from the amount of such compensation such sums as the Commission

35. The compensation payable in respect of any agricultural land vested in the Commission under this Law shall be considered as accruing due from the date on which that land was so vested.

When compensation accrues due.

36. (1) Where any person is dissatisfied with the amount of compensation awarded to him under section 31 such person may appeal against the award to the Board of Review constituted under the Land Acquisition Act (hereinafter referred to as "the Board of Review") which is hereby vested with jurisdiction to entertain, hear and decide such appeal.

Persons dissatisfied with the amount of compensation awarded may appeal therefrom to the Board of Review constituted under the Land Acquisition Act.

(2) Every appeal under subsection (1) shall be in writing and be addressed to the Chairman of the Board of Review and be transmitted to, or delivered at, the office of that Board.

(3) Every appeal under subsection (1) shall—

- (a) state the name and address of the appellant ;
- (b) mention as the respondent the Chairman of the Commission or other officer who made the award against which the appeal is preferred ;
- (c) contain a concise statement of the description of the agricultural land in respect of which the award was made ; and
- (d) state the amount of compensation claimed by the appellant and the reasons why he considers the amount awarded by the respondent to be insufficient.

(4) No appeal under subsection (1) shall be entertained by the Board of Review unless it is preferred within twenty-one days

after the date on which notice of the compensation under section 31 of this Law was received by the appellant.

paid shall be deducted from the amount of the compensation awarded to him under section 31.

Application of certain sections of the Land Acquisition Act in relation to appeals to the Board of Review under this Law.

37. (1) The provisions of section 24 of the Land Acquisition Act shall apply to proceedings before the Board of Review on any appeal to that Board under this Law.

(2) The provisions of section 25 of the Land Acquisition Act shall apply in relation to the decision of the Board of Review on any appeal to that Board under this Law subject to the following modifications :—

- (a) subsection (4) of that section shall have effect as though the proviso thereto were omitted ; and
- (b) subsections (3) and (4) of that section shall have effect as though for the expression "section 17" occurring in those subsections, there were substituted the expression "section 31".

Finality of an award made under this Law.

38. An award of the Chairman of the Commission, or any other officer authorized by him in that behalf, or if instead of that award, a new award has on appeal to the Board of Review been made by that Board, such new award shall be final and conclusive and shall not be called in question in any court, whether by way of writ or otherwise.

Tender and payment of compensation.

39. Where an award is made under section 31, the Chairman of the Commission shall tender to the person who is entitled to compensation according to that award the amount of compensation allowed to him by the award or, if in lieu of that amount a new amount has been allowed as compensation by a decision of the Board of Review on an appeal by him to that Board, tender that new amount to him, and shall pay the tendered amount to him if he consents to receive it.

Power of the Chairman of the Commission to pay advances on account of compensation.

40. The Chairman of the Commission may before the determination of a claim for compensation under this Law pay to a person whom he considers entitled to such compensation an advance, and any sum so

41. The Central Bank shall issue securities under the provisions of the Monetary Law Act for the purpose of satisfying any right to compensation under this Law and the securities so issued are hereinafter referred to as "Land Reform Bonds".

Central Bank to issue securities for payment of compensation under this law.

42. Compensation payable under this Law shall be so paid in cash and Land Reform Bonds in such proportion as may be determined with the concurrence of the Minister in charge of the subject of Finance. The following provisions shall apply to the Land Reform Bonds issued under section 41 :—

Mode and manner of payment of compensation.

- (a) Such bond shall be of twenty-five years duration and shall carry interest at the rate of seven *per centum* per annum.
- (b) The holder of such bond shall be entitled to surrender them before maturity with the approval of the Minister for the following purposes :—
 - (i) agricultural, industrial or other development purposes approved by the Minister ;
 - (ii) construction of residential buildings with the approval of the Minister ;
 - (iii) any other purposes as may be approved by the Minister.

- (c) The holder of such bonds shall be entitled to surrender them before maturity at par value for the payment of any Government dues such as for the payment of capital levy, estate duty and income tax.

[§ 2, Law 39 of 1975.]

PART IIIA

SPECIAL PROVISIONS RELATING TO ESTATE LANDS OWNED BY PUBLIC COMPANIES

Vesting of estate lands owned or possessed by public companies.
[§ 2, Law 39 of 1975.]

42A. (1) Every estate land owned or possessed by a public company on the date on which this Part of this Law comes into operation* shall, with effect from such date—

- (a) be deemed to vest in and be possessed by the Commission ; and
- (b) be deemed to be managed under a statutory trust for and on behalf of the Commission by the agency house or organization which, or the person who, on the day immediately prior to the date of such vesting, was responsible for, and in charge of, the management of such estate land, for and on behalf of such company, and such agency house, organization or person shall, subject to the provisions of this Part of this Law, be deemed to be the statutory trustee of such estate land.

(2) The vesting of an estate land under subsection (1) shall have the effect of giving the Commission absolute title to such estate land as from the date of vesting and, subject as hereinafter provided, free from all encumbrances.

(3) The terms and conditions of the statutory trust, including the remuneration or agency fees of statutory trustees shall, subject as hereafter in this Part of this Law provided, be as prescribed by regulations made under this Law.

Management of vested estate lands.
[§ 2, Law 39 of 1975.]

42B. (1) Where any estate land is vested in the Commission under section 42A, the statutory trustee of such estate land, shall, during the continuance of such statutory trust, be responsible for the good and proper management of such estate land, subject to such general or special directions as may from time to time be issued by the Commission.

(2) No such statutory trustee shall by any act or omission cause the condition of such estate land to deteriorate or the assets, movable or immovable, of such estate land to be destroyed, lost, damaged or depreciated in value.

(3) It shall be the duty of such statutory trustee to allow the workers who were lawfully resident on the estate land on the day immediately prior to the date of such vesting to continue so to reside on such estate land, and to continue the employment of the workers who were in regular employment on such estate land on such day.

(4) No credit or other financial arrangement which relates to the management, supervision or development of any such estate land or to the marketing of the produce of such land, and which is in force on the date on which this Part of this Law comes into operation* shall be modified or altered except with the written consent of the Commission, and for the purpose of securing compliance with the preceding provisions of this subsection, the Commission may from time to time issue such directions as it may deem necessary or expedient to any statutory trustee, commercial bank, public company, agency house, broker or any other party to such arrangement, and it shall be the duty of every person to whom any such direction is issued to comply therewith.

(5) (a) Subject to the provisions of paragraph (b), where any estate land is vested in the Commission, the rights and liabilities of the former owner of such estate land under any contract or agreement, express or implied, which relates to the purposes of such estate land and which subsists on the day immediately prior to the date of such vesting, and the other rights and liabilities of such owner which relate to the running of such estate land and which subsist on such day, shall become the rights and liabilities of the Commission ; and the amounts required to discharge all such liabilities shall be deducted from the amount of compensation payable in respect of such estate land.

* 17th October, 1975.

(b) The Minister may at any time repudiate any liabilities referred to in paragraph (a), if he is of opinion that such liabilities were incurred *mala fide*, dishonestly or fraudulently. Notice of the repudiation shall be given by the Minister to the parties affected by such repudiation.

(c) Where the Minister under paragraph (b) repudiates any liabilities, such liabilities shall be deemed never to have become the liabilities of the Commission.

Particulars to be furnished by statutory trustees.
[§ 2, Law 39 of 1975.]

42C. (1) Where any estate land is vested in the Commission under this Part of this Law, it shall be the duty of the statutory trustee of such estate land, within one month of the date of such vesting, to furnish in writing to the Commission a declaration containing the following particulars :—

- (a) the name and postal address of the estate land ;
- (b) the name and address of the former owner of the estate land ;
- (c) the situation and extent of the estate land, the plantations thereon, the area covered by each such plantation and the yield of such plantation in each of the five calendar years immediately preceding the date of vesting ;
- (d) a description of the buildings, factories, machinery, implements, vehicles and other things, movable and immovable, belonging to the estate land ;
- (e) the balance sheet and profit and loss account of the estate land for each of the five accounting years immediately preceding the date of vesting ;
- (f) copies of declarations submitted to the Commissioner-General of Inland Revenue in respect of any tax payable in respect of such estate land in each of the three accounting years immediately preceding the date of vesting ;

(g) a statement of interim and final dividends declared by the former owner for each of the five accounting years immediately preceding the date of vesting ;

(h) particulars of sales of other estate lands, if any, in the administrative district, of which the statutory trustee has knowledge and which have taken place during the period of three years immediately preceding the date of vesting ; and

(i) such other particulars as may be prescribed ; and

(2) A copy of the declaration furnished to the Commission under subsection (1) shall be sent by the statutory trustee to the former owner of such estate land who shall have the right within ninety days of the receipt by him of such copy, to address any observations on the information therein contained, to the Commission.

(3) It shall also be the duty of the statutory trustee of such estate land, to furnish to the Commission in respect of such estate land within four months of the date of vesting—

- (a) a profit and loss account in respect of the period commencing on the day following the last day of the previous accounting year and ending on the day immediately preceding the date of vesting ;
- (b) the balance sheet as at the day immediately preceding the date of vesting ; and
- (c) such other information as may be prescribed.

42D. (1) Where any person who was not lawfully resident on any estate land vested in the Commission attempts to take up, or takes up, residence on such estate land, it shall be the duty of the statutory trustee and of the superintendent of such estate land immediately to report the fact in writing to the Commission and to the police officer in charge of the nearest police station.

Ejectment of unlawful occupiers of vested estate lands.
[§ 2, Law 39 of 1975.]

(2) Upon receipt by the Commission of a report under subsection (1), an authorized officer or agent of the Commission may give directions to any police officer in connexion with the ejectment of such persons from such estate land and such police officer shall take such steps and may use such force as may be necessary for securing compliance with such directions.

(3) Where the authorized officer or agent of the Commission is unable or apprehends that he will be unable to eject such persons from such estate land, he shall, on making an application in that behalf to the Magistrate's Court having jurisdiction over the area in which the estate land is situated, be entitled to an *ex parte* order of the court directing the Fiscal to eject such persons from such estate land.

(4) Where an order under subsection (3) is issued to the Fiscal by the Magistrate's Court, he shall forthwith execute the order and shall in writing report to the court the manner in which that order was executed.

(5) For the purpose of executing the order issued by the Magistrate's Court under subsection (3), the Fiscal or any person acting under his direction may seek the assistance of any police officer and may use such force as may be necessary to enter the estate land and to eject such persons and their dependants, if any, therefrom.

Servitudes not to be affected by the vesting of estate lands. [§ 2, Law 39 of 1975.]

42E. No servitude over any estate land shall in any manner be affected by the vesting of such estate land in the Commission under the provisions of this Part of this Law, unless and until such servitude has been determined by the Commission. Where such servitude is so determined, the owner of the servitude shall be entitled to compensation.

Estate lands subject to mortgages, leases, usufruct or life interest. [§ 2, Law 39 of 1975.]

42F. Where any estate land subject to a mortgage, lease, usufruct or life interest is vested in the Commission under the provisions of this Part of this Law, the mortgagee, lessee, usufructuary or the holder of the life interest, as the case may be, shall have a lien to the extent of his interest in such estate land on the compensation payable in respect of such estate land.

42G. Any statutory trust under section 42A may be terminated at any time at the option of the Commission, and the Commission may at any time take possession of any estate land vested in the Commission. Unless terminated earlier, such trust shall continue for one year from the date of vesting, and if the Commission so decides, be continued for a further period of one year. No statutory trust may be continued for any further period by the Commission, except with the express approval of the Minister.

Termination of the statutory trust. [§ 2, Law 39 of 1975.]

42H. (1) Any estate land vested in the Commission under this Part of this Law may be used for any of the following purposes:—

Purposes for which estate lands vested in the Commission may be used.

[§ 2, Law 39 of 1975.]

- (a) alienation by way of sale, exchange, rent purchase or lease to persons for agricultural development or animal husbandry, or for a co-operative or collective farm or enterprise;
- (b) alienation by way of sale in individual allotments to persons for the construction of residential houses;
- (c) alienation to any corporation established or to be established under the State Agricultural Corporations Act or to the Sri Lanka State Plantations Corporation established under the Sri Lanka State Plantations Corporation Act;
- (d) for a farm or plantation managed by the Commission directly or by its agents;
- (e) for village expansion or any other public purpose.

(2) In determining the purposes for which estate lands vested in the Commission may be used, the Commission shall be subject to such directions as may from time to time be issued in that behalf by the Minister.

42J. (1) Compensation shall be payable in respect of every estate land vested in the Commission under this Part of this Law.

Compensation. [§ 2, Law 39 of 1975.]

(2) The amount of compensation to be paid in respect of any estate land vested in the Commission shall be such sum as in the opinion of the Chief Valuer constitutes a reasonable value of such estate land as on the date of vesting. In determining the amount of compensation, the Chief Valuer shall take into consideration, *inter alia*, the condition of the estate land as on the date of vesting, the dividends and profits declared by the owner thereof in each of the five accounting years immediately preceding the date of vesting and the prices at which estate lands in the area in which such estate land is situated were sold during the period of three years immediately preceding the date of vesting.

(3) The manner and mode of payment of compensation shall be determined by the Minister in consultation with the Minister or Ministers in charge of the subjects of Finance, Planning and Economic Affairs.

(4) The compensation payable, less any deductions that may be made from such compensation under this Part of this Law, shall carry interest, as from the date on which it accrues due until payment, at such rate as may be determined by the Minister with the concurrence of the Minister or Ministers in charge of the subjects of Finance, Planning and Economic Affairs.

(5) The provisions of sections 29 to 40 (both inclusive) shall, *mutatis mutandis*, apply in respect of estate lands vested in the Commission under this Part of this Law.

(6) Where a person is entitled to compensation in respect of any estate land vested in the Commission, the Commission shall, after reasonable notice to such person, pay from the amount of such compensation—

- (a) to the Commissioner-General of Inland Revenue, any sum certified under the hand of the Commissioner-General of Inland Revenue to the Commission to be due from such person under the Inland Revenue Act, No. 4 of 1963, or the Inland Revenue Act (No. 28 of 1979); and

- (b) to the Commissioner of Labour, any sum certified, within a period of one year from the date of vesting of such estate land, under the hand of the Commissioner of Labour to the Commission to be due from such person as arrears of salary, provident fund contributions, gratuity or other monetary benefit to any person employed in such estate land.

For the purposes of this subsection, the expression “compensation” includes any interest which has accrued due on such compensation.

(7) Notwithstanding the provisions of subsections (1) to (5) (both inclusive) of this section, the Commission may pay to any person entitled to compensation in respect of any estate land vested in the Commission under this Part of this Law, such amount and in such manner or mode as the Minister may, in consultation with the Minister or Ministers in charge of the subjects of Finance, Planning and Economic Affairs, direct the Commission to pay, pursuant to any agreement or negotiated settlement reached between the Minister and such person in respect of the amount of compensation for such estate land and the manner and mode of payment thereof.

(8) Where compensation has been paid in respect of any estate land in accordance with the provisions of this section, no further claim against the Commission either by the person to whom such compensation was paid or by any other person shall be allowed and no action shall be instituted against the Commission in any court in respect of such further claim.

42K. Where the Minister in consultation with the Minister in charge of the subject of Trade, the Minister or Ministers in charge of the subjects of Finance, Planning and Economic Affairs, is of the opinion that it is necessary, for the purpose of giving effect to this Part of this Law, to vest in the Government, the business undertaking of any agency house or organization which, under this Part of this Law, is the statutory trustee of any estate land vested in the Commission, the Minister may request the

Vesting of the business undertakings of agency houses or organizations. [§ 2, Law 39 of 1975.]

Minister in charge of the subject of Finance to vest such business undertaking in the Government under the provisions of the Business Undertakings (Acquisition) Act, and accordingly, the Minister in charge of the subject of Finance may by Order made under section 2 of that Act, vest such business undertaking in the Government.

PART IV

ESTABLISHMENT, CONSTITUTION, POWERS AND FUNCTIONS OF THE LAND REFORM COMMISSION

Appointment and removal of directors of agency houses and organizations. [§ 2, Law 39 of 1975.]

42L. (1) Where the Minister is of the opinion that, for the good and proper management of any estate land vested in the Commission, it is necessary so to do, the Minister may by Order published in the Gazette appoint any person as a director or other executive officer or remove from office any director or other executive officer of the agency house or organization which under this Part of this Law is the statutory trustee of such estate land.

(2) An Order made under subsection (1)—

- (a) shall have effect from the date of publication of such Order in the Gazette ;
- (b) shall be valid and effectual notwithstanding anything in any other law ;
- (c) shall not be questioned in any court or tribunal on any ground whatsoever ;

and the person in respect of whom such Order is made shall be deemed to have been appointed to or to have vacated his office, as the case may be, on the date of publication of such Order in the Gazette.

Interpretation. [§ 2, Law 39 of 1975.]

42M. In this Part of this Law, unless the context otherwise requires, "estate land" means any land of which an extent exceeding fifty acres, is under cultivation in tea, rubber, coconut or any other agricultural crop, or is used for any purpose of husbandry, and includes unsold produce of that land and all buildings, fixtures, machinery, implements, vehicles and things, movable and immovable, and all other assets belonging to the owner of such land and used for the purposes of such land.

43. (1) There shall be established a Land Reform Commission (in this Law referred to as "the Commission"), which shall consist of the persons who are for the time being members of the Commission under section 45.

Establishment of Land Reform Commission.

(2) The Commission shall by the name assigned to it by subsection (1) be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.

(3) The head office of the Commission shall be in Colombo, or in such other place in Sri Lanka as may be determined by the Commission.

44. The Commission shall have such powers as may be necessary or expedient to achieve its objects and in particular it may—

Powers of the Commission.

- (a) acquire, hold, take or give on lease or hire, exchange, mortgage, pledge, sell or otherwise dispose of, any movable or immovable property ;
- (b) carry out investigations, surveys and record data concerning and relating to any agricultural land and call for returns in the prescribed form concerning and relating to agricultural land ;
- (c) conduct, assist and encourage research into all aspects of land tenure and reform ;
- (d) make charges for any service rendered by the Commission in carrying out its business ;
- (e) establish and maintain branch offices for the purposes of the Commission ;
- (f) call for and receive such documents relating to title, valuation, surveys and plans of agricultural land as may be necessary for carrying out such objects ;

- (g) delegate to any member, officer or employee of the Commission or any public officer, or any employee of a State Corporation or local authority or to a District Land Reform Authority or to any Agricultural Productivity Committee established under any Law any of its powers and functions other than the power to make rules under section 57 ;
 - (h) enter upon and inspect any agricultural land ;
 - (i) direct and decide all matters connected with the administration of its affairs ;
 - (j) enter into and perform, either directly or indirectly through any officer or agent of the Commission, all such contracts or agreements as may be necessary for enabling it to achieve the objects of this Law and to exercise its powers under this Law ;
 - (k) borrow money for the purposes of its business ;
 - (l) establish a provident fund and provide welfare and recreational facilities, houses, hostels and other accommodation, for persons employed by the Commission ;
 - (m) do anything for the purpose of advancing the skill of persons employed by the Commission and the assistance of the provision by others of facilities for training persons required to carry out the work of the Commission.
- capacity in the administration of lands, land tenure or in surveying or law ;
 - (ii) one of whom shall be a public officer nominated by name or by office by the Minister in charge of the subject of Finance ;
 - (iii) one of whom shall be a public officer nominated by name or by office for such appointment by the Minister to whom the subject or function of Plantation Industries is assigned by the President ; and
 - (iv) one of whom shall be a public officer nominated by name or by office for such appointment by the Minister to whom the subject or function of Planning has been assigned by the President ; and
- (c) three ex officio members who shall be—
 - (i) the Land Commissioner ;
 - (ii) the Commissioner of Agrarian Services ; and
 - (iii) the Director of Agriculture.
- (2) A member of the Commission appointed by the Minister under subsection (1) is in this Law referred to as an "appointed member".
 - (3) A person shall be disqualified from being appointed, or from continuing, as an appointed member of the Commission, if he is or becomes a Member of Parliament.

Constitution
of the
Commission.

45. (1) The Commission shall consist of the following members :—

- (a) a Chairman appointed by the Minister ;
 - (b) five other members appointed by the Minister—
 - (i) two of whom shall have had wide experience or shown
- (4) Every appointed member of the Commission—
 - (a) shall, unless he earlier vacates his office by death or resignation or removal, hold office for a period of three years from the date of his appointment ; and

(b) shall be eligible for reappointment :

Provided that a member appointed by the Minister to fill a vacancy in the office of a member of the Commission, shall hold office for the unexpired portion of the term of office of the member whom he succeeds.

(5) All or any of the appointed members of the Commission may be paid such remuneration out of the fund of the Commission as may be determined by the Minister, with the concurrence of the Minister in charge of the subject of Finance.

(6) An appointed member of the Commission may be removed from office by the Minister without assigning any reasons, so however, that no such member who was nominated by a Minister under subsection (1) (b) (ii), (iii) and (iv) of section 45 for such appointment shall not be so removed without the prior concurrence of the Minister nominating such member.

(7) The removal of any member of the Commission under subsection (6) shall not be called in question in any court, whether by way of writ or otherwise.

(8) Any appointed member of the Commission may resign his office by letter addressed to the Minister.

(9) Where any appointed member of the Commission becomes, by reason of illness or other infirmity or absence from Sri Lanka, temporarily unable to perform the duties of his office, the Minister may, having regard to the provisions of subsection (1), appoint a fit and proper person to act in place of that member.

(10) If the Chairman of the Commission becomes, by reason of illness or other infirmity or absence from Sri Lanka, temporarily unable to perform the duties of his office, the Minister may appoint a fit and proper person to act in place of such Chairman.

(11) The Chairman of the Commission may resign the office of such Chairman by letter addressed to the Minister.

(12) The quorum for a meeting of the Commission shall be three members of the Commission and, subject as aforesaid, the Commission may regulate its own procedure.

(13) The Commission may act notwithstanding any vacancy among its members or any defect in the appointment of any member.

46. (1) The seal of the Commission shall be in the custody of the Commission. Seal of the Commission.

(2) The seal of the Commission may be altered in such manner as may be determined by the Commission.

(3) The seal of the Commission shall not be affixed to any instrument or document except in the presence of two members of the Commission both of whom shall sign the instrument in token of their presence.

47. (1) The Minister may give such general or special directions in writing as to the performance of the duties and the exercise of the powers of the Commission, and such Commission shall give effect to such directions. Powers of the Minister in relation to the Commission.

(2) The Minister may, from time to time, direct the Commission in writing to furnish him in such form as he may require, returns, accounts and other information with respect to the property and business of the Commission and the Commission shall carry out every such direction.

(3) The Minister may order all or any of the activities of the Commission to be investigated and reported upon by such person or persons as he may specify and upon such order being made, the Commission shall afford all such facilities and furnish all such information as may be necessary to carry out such order.

48. All officers and servants of the Commission shall be deemed to be public servants within the meaning and for the purposes of the Penal Code. Officers and servants of the Commission deemed to be public servants.

Commission deemed to be a scheduled institution within the meaning of the Bribery Act.

49. The Commission shall be deemed to be a scheduled institution within the meaning of the Bribery Act, and the provisions of that Act shall be construed accordingly.

District Land Reform Authorities.

50. (1) The Commission shall appoint a District Land Reform Authority for each administrative district consisting of such number of members as the Commission may determine.

(2) A District Land Reform Authority shall exercise, discharge or perform any such powers, functions or duties of the Commission as may be delegated to such Authority by the Commission.

(3) The members of a District Land Reform Authority may be paid such remuneration as the Minister may, in consultation with the Minister in charge of the subject of Finance, determine.

PART V

STAFF OF THE COMMISSION

Appointment of officers and servants.

51. (1) The Commission may appoint a Secretary and such other officers, servants and agents as it considers necessary for the efficient discharge of its functions.

(2) The Secretary and other officers, servants and agents of the Commission shall be remunerated in such manner and at such rates, and shall be subject to such conditions of service, as may be determined by the Commission.

Powers of the Commission in regard to the staff of the Commission.

52. (1) The Commission may make rules in respect of all or any of the following matters :—

- (a) the appointment, promotion, dismissal and disciplinary control of the staff of the Commission ;
- (b) the fixing of wages or salaries, or other remuneration, of such staff ;
- (c) the terms and conditions of service of such staff ; and
- (d) the administration of the affairs of the Commission.

(2) At the request of the Commission, any officer in the public service may, with the consent of that officer and the Secretary to the Ministry charged with the subject of Public Administration, be temporarily appointed to the staff of the Commission for such period as may be determined by the Commission with like consent or be permanently appointed to such staff. Where any officer in the public service is temporarily appointed to the staff of the Commission, subsection (2) of section 9 of the Motor Transport Act, No. 48 of 1957*, shall *mutatis mutandis* apply to and in relation to him.

(3) Where any officer in the public service is permanently appointed to the staff of the Commission, subsection (3) of section 9 of the Motor Transport Act, No. 48 of 1957*, shall *mutatis mutandis* apply to and in relation to him.

(4) Where the Commission employs any person who has entered into a contract with the Government for a specified period, any period of service to the Commission by that person shall be regarded as service to the Government for the purpose of discharging the obligations of such contract.

(5) At the request of the Commission, any officer or servant of the Local Government Service or of any local authority may, with the consent of that officer or servant and the Local Government Service Advisory Board or that authority, as the case may be, be temporarily appointed to the staff of the Commission for such period as may be determined by the Commission with like consent, or be permanently appointed to such staff on such terms and conditions, including those relating to pension or provident fund rights, as may be agreed upon by the Commission and the Local Government Service Advisory Board or that authority.

(6) Where any person is temporarily appointed to the staff of the Commission in pursuance of the provisions of subsection (5) he shall be subject to the same disciplinary control as any other member of such staff.

* Repealed by Law No. 19 of 1978.

PART VI

FINANCE AND ACCOUNTS OF THE
COMMISSION

Capital of the
Commission.

53. (1) The initial capital of the Commission shall be ten million rupees.

(2) The amount of the initial capital of the Commission shall be paid to the Commission out of the Consolidated Fund in such instalments as the Minister in charge of the subject of Finance may in consultation with the Minister determine.

(3) The capital of the Commission may be increased from time to time by a resolution of Parliament.

Fund of the
Commission.

54. (1) The Commission shall have its own fund.

(2) There shall be paid into the fund of the Commission—

(a) all such amounts as may be voted from time to time by Parliament for the use of the Commission ; and

(b) all such sums of money received by the Commission in the exercise, discharge and performance of its powers and duties.

(3) There shall be paid out of the fund of the Commission all such sums of money required to defray the expenses incurred by the Commission in the exercise, discharge and performance of its functions, powers and duties under this Law or any other written law and all such sums of money as are required to be paid out of the fund by or under this Law.

Financial year
of the
Commission.

55. The financial year of the Commission shall be the period of twelve months commencing on the first day of January each year.

Application of
provisions of
the Public
Corporations
(Financial
Control) Act.

56. The provisions of the Public Corporations (Financial Control) Act shall *mutatis mutandis* apply to the financial control and accounts of the Commission.

PART VII

GENERAL

57. (1) The Commission may make Rules. rules in respect of all or any matters—

(a) for which rules are required or authorized by this Law to be made ; and

(b) which are required by this Law to be prescribed.

(2) No rule made by the Commission shall have effect until it is approved by the Minister.

58. (1) No suit or prosecution shall lie—

Protection for
action taken
under this Law
or on the
direction of the
Commission.

(a) against the Commission for any act which in good faith is done or purported to be done by the Commission under this Law ; or

(b) against any member, officer, servant or agent of the Commission for any act which in good faith is done or purported to be done by him under this Law or on the direction of the Commission.

(2) Any expenses incurred by such person as is referred to in subsection (1) in any suit or prosecution brought against him before any court in respect of any act which is done by him under this Law or on the direction of the Commission shall, if the court holds that the act was done in good faith, be paid out of the fund of the Commission.

59. No writ against person or property shall be issued against a member of the Commission in any action brought against the Commission.

No writ to
issue against
person or
property of a
member of the
Commission.

60. Any company or body of persons (whether corporate or unincorporate) may, notwithstanding anything to the contrary in any other written law or instrument relating to its functions, enter into and perform all such contracts with the Commission as may be necessary for the exercise, discharge or performance of the powers, functions or duties of the Commission.

Power of
companies to
enter into
contracts with
the
Commission.

Officers of Department of Inland Revenue may disclose any particulars to the Commission.

61. Notwithstanding anything contained in section 124 of the Inland Revenue Act, No. 4 of 1963, or section 158 of the Inland Revenue Act (No. 28 of 1979), any officer of the Department of Inland Revenue shall, at the request of the Commission, disclose to the Commission such particulars relating to the affairs of any person that may come to his knowledge in the performance of his duties under that Act as may be required by the Commission for the exercise of its powers and discharge of its functions under this Law.

Regulations.

62. (1) The Minister may make regulations for the purpose of carrying out or giving effect to the principles and provisions of this Law.

(2) In particular and without prejudice to the generality of the powers conferred by subsection (1) the Minister may make regulations in respect of the following matters :—

- (a) any matter required by this Law to be prescribed ;
- (b) the furnishing of returns, data and statistics relating to agricultural land ;
- (c) the appointment of District and Land Reform Authorities and the terms and conditions of such appointments ;
- (d) the compiling of registers of persons who do not own any agricultural land and are unemployed and who desire to—
 - (i) purchase land from the Commission in individual allotments for agricultural or animal husbandry purposes ;
 - (ii) be members of groups to whom land may be alienated on a co-operative basis for agriculture or animal husbandry ;
 - (iii) be workers on farms or plantations managed by the Commission ; and

- (iv) purchase land for the construction of residential houses.

(3) Every regulation made by the Minister shall be published in the Gazette and shall come into operation on the date of such publication or on such later date as may be specified in the regulation.

(4) Every regulation shall, as soon as convenient after its publication in the Gazette, be brought before Parliament for approval. Any regulation which is not so approved shall be deemed to be rescinded from the date of its disapproval but without prejudice to anything previously done thereunder. Notification of the date of the regulation to be rescinded shall be published in the Gazette.

63. (1) Every person who—

Offences.

- (a) neglects or fails to comply with any provision of this Law or any regulation or order made thereunder shall be guilty of an offence under this Law ;
- (b) aids or abets any person or persons in the commission of an offence under this Law shall be guilty of an offence under this Law ;
- (c) attempts to commit any offence under this Law, shall be guilty of an offence under this Law.

(2) Every person who commits an offence under this Law shall, on conviction after summary trial before a Magistrate, be liable to imprisonment of either description for a period not exceeding one year or to a fine not exceeding one thousand rupees or to both such imprisonment and fine.

(3) Where any offence under this Law is committed by a body corporate every individual who at the time of the commission of the offence was a director, general manager, secretary or other similar officer of the body corporate shall be deemed to be guilty of that offence unless he proves that the offence was committed without his consent or connivance and that he exercised all due diligence to prevent the commission of

that offence as he ought to have exercised in the circumstances having regard to the nature of the offence,

The provisions of this Law to prevail over other law, custom or usage.

64. The provisions of this Law shall have effect notwithstanding anything to the contrary in the Tea and Rubber Estates (Control of Fragmentation) Act, the Estates (Control of Transfer and Acquisition) Act, No. 2 of 1972*, or in any other law, custom or usage.

The provisions of this Law relating to ceiling not to apply to certain Government Institutions.

65. The provisions of this Law relating to the ceiling on agricultural land shall not apply to—

- (1) any State Corporation ; and
- (2) any Government sponsored Co-operative Society, and the other provisions of this law shall be read and construed accordingly.

Interpretation.

66. In this Law, unless the context otherwise requires :—

“ agriculture ” includes—

- (i) the growing of rice, all field crops, spices and condiments, industrial crops, vegetables, fruits, flowers, pasture and fodder ;
- (ii) dairy farming, livestock-rearing and breeding ;
- (iii) plant and fruit nurseries ;

“ agricultural land ” means land used or capable of being used for agriculture within the meaning given in this Law and shall include private lands, lands alienated under the Land Development Ordinance or the State Lands Ordinance or any other enactment and includes also things attached to the earth or permanently fastened to anything attached to the earth but shall exclude—

- (a) any cultivated agricultural land owned or possessed by a public

company on May 29, 1971, so long and so long only as such land continues to be so owned or possessed by such company ;

- (b) any such land which was viharagam or devalagam land on May 29, 1971, so long and so long only as such land continues to be so owned or possessed ;
- (c) any such land which was owned or possessed by a religious institution on May 29, 1971, so long and so long only as such land continues to be so owned or possessed by such religious institution ;
- (d) any such land which on May 29, 1971, constituted a charitable trust as defined in the Trusts Ordinance or a Muslim charitable trust or *wakf* as defined in the Muslim Mosques and Charitable Trusts or *Wakfs* Act, so long and so long only as such land continues to be so owned or possessed as such trust ;
- (e) any such land held in trust on May 29, 1971, under the Buddhist Temporalities Ordinance so long and so long only as such land is held in trust under that Ordinance ;

“ alienation ” with its grammatical variations and cognate expressions, means any transaction of whatever nature affecting land or the title thereto, and includes any conveyance, transfer, grant, surrender, exchange, lease, mortgage of land or the creation of a trust or *fidei commissum* attached to land ;

“ co-operative society ” means a society registered under the Co-operative Societies Law ;

“ date of commencement of this Law ” means the 26th day of August, 1972 ;

“ local authority ” includes any Municipal Council, Urban Council, Town Council or Village Council ;

* See the List of Enactments omitted from the Revised Edition.

“paddy land” has the same meaning as in the Paddy Lands Act, No. 1 of 1958*;

“person” means—

(a) a family—

(i) consisting of the surviving spouses or spouse and any surviving child or children under the age of eighteen years; or

(ii) if there are no surviving spouses, any surviving child or children under the age of eighteen years; or

(b) any individual who is eighteen years of age or over; or

(c) any other person within the meaning of the Interpretation Ordinance not being any such family or individual;

“private company” means a private company within the meaning of the Companies Ordinance†;

“public company” means—

(i) a company registered under the Companies Ordinance† other than a private company; or

(ii) any company to which Part XI of the Companies Ordinance† applies;

“State Corporation” means any Corporation, Board or other body which was or is established by or under any written law, other than the Companies Ordinance†, with capital wholly or partly provided by the Government by way of grant, loan or other form;

“statutory lease”, in relation to any agricultural land, means a lease of any such land deemed to have been granted by the Commission, under this Law;

“tenant cultivator” has the same meaning as in the Paddy Lands Act, No. 1 of 1958*.

* Repealed by the Agricultural Lands Law, No. 42 of 1973, itself repealed by the Agrarian Services Act (No. 58 of 1979).

† Repealed and replaced by the Companies Act, No. 17 of 1982.