

Land Development (Amendment)

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AN ACT TO MAKE PROVISION FOR PRIVATE COMMERCIAL BANKS AND REGIONAL DEVELOPMENT BANKS REGISTERED UNDER THE BANKING ACT, NO. 30 OF 1988; TO ACCEPT GRANTS ISSUED UNDER THE LAND DEVELOPMENT ORDINANCE AS COLLATERAL IN MORTGAGES; TO AMEND THE LAND DEVELOPMENT ORDINANCE; AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows :-

[14th August
, 1996]

Short title. 1. This Act may be cited as the Land Development (Amendment) Act, No. 20 of 1996.

Amendment of section 2 of Chapter 464. 2. Section 2 of the Land Development Ordinance (hereinafter referred to as "the principal enactment") is hereby amended as follows :-

(1) by the omission of the definition of "Bank of Ceylon" ;

(2) by the insertion immediately after the definition of "land officer" of the following new definition :- "licensed commercial bank" means a licensed commercial bank within the meaning of the Banking Act, No. 30 of 1988 ;"; and

(3) by the omission of the definition of "People's Bank".

Replacement of section 41A of the principal enactment. 3. Section 41A of the principal enactment is hereby repealed and the following new section substituted therefor :-

"Seizure and sale by Banks and prescribed institutions. 41. A Nothing in the preceding provisions of this chapter shall be deemed to prohibit the seizure and sale, by a licensed commercial bank, the State Mortgage and Investment Bank, the Development Finance Corporation of Ceylon, the National Development Bank of Sri Lanka, the National Housing Development Authority, the Housing Development Finance Corporation of Sri Lanka Limited or a registered society or other prescribed institution, in accordance with the provisions of the law providing for the establishment of such licensed commercial bank, bank corporation, authority, registered society or prescribed institution, of any land alienated on a grant, for the enforcement of a mortgage on that land executed in favour of such licensed commercial bank, bank corporation, authority, society of institution, as the case may be."

Amendment of section 43 of the principal enactment. 4. Section 43 of the principal enactment is hereby amended by the substitution for paragraph (b) of that section, of the following paragraph :-

"(b) shall not mortgage such holding to any person other than a licensed commercial bank, the State Mortgage and Investment Bank, the Development Finance Corporation of Ceylon, the National Development Bank of Sri Lanka, the National Housing Development Authority, the Housing Development Finance Corporation of Sri Lanka Limited, any registered society, or other prescribed institution."

Sinhala text to prevail in case of inconsistency. 5. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.