

***Land Reform (Special Provisions) (Amendment)***  
***Act, No. 18 of 1986***

[Certified on 24th July, 1986]

L. D.-O. 6/86.

AND TO AMEND THE LAND REFORM (SPECIAL PROVISIONS)

ACT, No. 39 OF 1981

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

1. This Act may be cited as the Land Reform (Special Provisions) (Amendment) Act, No. 18 of 1986.

2. Section 42 of the Land Reform (Special Provisions) Amendment

Act, No. 39 of 1981 (hereinafter referred to as the "principal Act") is hereby amended by the repeal of subsection (2) thereof and by the substitution therefor, of the following subsection : -

(2) (i) Where any public company

receives any amount as compensation computed in accordance with the provisions of subsection (2) or subsection (2A) or sub-section (2B), it shall be the duty of such company, notwithstanding anything in the Companies Ordinance or any other law, to distribute such compensation after meeting its liabilities as are allowed by the Commission as being reasonable and having been incurred bona fide, to the share holders of such company within six months from the date of receipt of the compensation or where such compensation is received in instalments, within six months from the receipt of each instalment. No deduction shall be made by any such company from the amount of such compensation other than the amount of such liabilities as are allowed by the Commission as hereinbefore provided.

(ii) Where the share capital of any such company as is referred to in subsection (1) is divided into different classes of shares, the distribution of the compensation shall be in accordance with the rights attached to each class of shares.

(iii) For the purposes of paragraph (A), the expression "compensation" includes any interest which has accrued due on such compensation and the expression "liabilities" in relation to a company, does not include compensation or any other payment to any company for loss of business or to any director, employee or any other servant of any company for loss of office. "

3. The amendment made to the principal enactment by retrospectively section 2 of this Act shall be deemed for all purposes to have come into force on June 3, 1991, and accordingly where at the time of the hearing in any court or tribunal of any appeal, action, application or other proceeding (whether such appeal, action, application or proceeding was preferred or instituted before or after the date of commencement of this Act) any question arises as to whether the expression "compensation" includes any interest which has accrued due on such compensation and as to the nature of the liabilities that can be deducted from such compensation, such question or matter shall be determined in accordance with the provisions of the principal enactment as amended by section 2 of this Act.