

# PARLIAMENT OF CEYLON

4th Session 1968-69



## Land Development (Amendment) Act, No. 16 of 1969

*Date of Assent : June 6, 1969*

*Printed on the Orders of Government  
and published as a Supplement to Ceylon Government Gazette,  
Part II of June 20, 1969*

Printed at the DEPARTMENT OF GOVERNMENT PRINTING, CEYLON, To be purchased at the GOVERNMENT PUBLICATIONS BUREAU, COLOMBO. Annual Subscription (including Bills), Rs. 30 (Local), Rs. 40 (Foreign), payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, P. O. Box 500, COLOMBO 1, before 20th December each year in respect of the year following. Late subscriptions will be accepted on the condition that Bills issued before the date of payment will not be supplied.

*Land Development (Amendment)  
Act, No. 16 of 1969*

L. D.—O. 28/63.

AN ACT TO AMEND THE LAND DEVELOPMENT ORDINANCE  
AND TO MAKE CERTAIN CONSEQUENTIAL AMENDMENTS  
IN OTHER WRITTEN LAW.

[Date of Assent: June 6, 1969]

BE it enacted by the Queen's Most Excellent Majesty,  
by and with the advice and consent of the Senate and  
the House of Representatives of Ceylon in this  
present Parliament assembled, and by the authority  
of the same, as follows:—

1. This Act may be cited as the Land Development  
(Amendment) Act, No. 16 of 1969. Short title.

2. Section 2 of the Land Development Ordinance,  
hereinafter referred to as the “ principal enactment ”,  
is hereby amended as follows:— Amendment of  
section 2 of  
Chapter 464.

(a) by the insertion, immediately before the  
definition of “ alienation ”, of the following  
new definition:—

“ Agricultural and Industrial Credit  
Corporation of Ceylon ” means  
the Corporation established under  
the Agricultural and Industrial  
Credit Corporation Ordinance; ’;

(b) by the insertion, immediately after the definition  
of “ alienation ”, of the following new  
definitions:—

“ Ceylon State Mortgage Bank ”  
means the Bank established under  
the Ceylon State Mortgage Bank  
Ordinance;

“ citizen of Ceylon ” means an  
individual who is a citizen of  
Ceylon under any law for the  
time being in force relating to  
citizenship; ’;

(c) by the omission of the definitions of “Ceylonese” and “condition of ownership”;

(d) by the insertion, immediately after the definition of “disposition”, of the following new definition:—

“ “district agricultural committee” shall have the same meaning as in the Irrigation Ordinance; ”;

(e) by the omission of the definition of “middle-class Ceylonese”;

(f) by the insertion, immediately after the definition of “peace officer”, of the following new definition:—

“ “People’s Bank” means the Bank established under the People’s Bank Act, No. 29 of 1961; ”;

(g) in the definition of “permit-holder” by the substitution, for the words “been issued;”, of the words “been issued and includes a person who is in occupation of any land alienated to him on a permit although no permit has actually been issued to him;”;

(h) by the omission of the definitions of “protected holding” and “unprotected holding”; and

(i) by the insertion, immediately before the definition of “regulation”, of the following new definition:—

“ “registered society” shall have the same meaning as in the Co-operative Societies Ordinance; ”.

3. Section 8 of the principal enactment is hereby amended as follows:—

Amendment of section 8 of the principal enactment.

(1) in paragraph (n) of that section, by the substitution, for the words "middle-class Ceylonese;"; of the words "certain classes of persons;"; and

(2) by the repeal of paragraph (o) of that section.

4. Sections 10 and 11 of the principal enactment are hereby repealed and the following sections are substituted therefor:—

Replacement of sections 10 and 11 of the principal enactment.

"Duty of Government Agent to transmit to the district agricultural committee the scheme and diagram prepared by him under section 9 for its observations.

10. The Government Agent shall transmit to the district agricultural committee constituted in his administrative district the scheme and diagram prepared by him under section 9 for consideration by that committee.

Duty of the district agricultural committee to return within thirty days the scheme and diagram with its observations.

11. The district agricultural committee shall, within thirty days after the date of the receipt of the scheme and the diagram from the Government Agent, return the scheme and the diagram to the Government Agent with the observations of the committee on that scheme and diagram."

5. Section 12 of the principal enactment is hereby repealed.

Repeal of section 12 of the principal enactment.

6. Section 13 of the principal enactment is hereby repealed and the following section is substituted therefor:—

Replacement of section 13 of the principal enactment.

"Scheme and diagram prepared by the Government Agent, modified if necessary, to be transmitted to the Land Commissioner.

13. (1) After considering the observations made by the district agricultural committee on the scheme and diagram prepared by the Government Agent under section 9, the Government Agent may, if he considers it necessary so to do, modify such scheme and diagram; and the scheme and diagram, or the modified scheme and diagram, as the

case may be, shall thereupon be transmitted by the Government Agent to the Land Commissioner together with the observations of the district agricultural committee on the scheme and diagram as prepared and transmitted to that committee by the Government Agent.

(2) The Land Commissioner shall consider the scheme and diagram transmitted to him by the Government Agent under sub-section (1) and shall, within thirty days after the receipt of the scheme and diagram, decide whether a Land Kachcheri should be held or not.”.

Amendment of  
section 17 of  
the principal  
enactment.

7. Section 17 of the principal enactment is hereby amended by the substitution, for all the words, letters and figures from “No scheme” to “in paragraph (o) of that section:”, of the following:—

“No scheme which has been confirmed by the Land Commissioner shall, except with the approval and consent of the Minister, be varied or modified so as to enable land which has been mapped-out for any purpose mentioned in paragraphs (a) to (f) of section 8 to be mapped-out or to be utilized for the purpose mentioned in paragraph (n) of that section:”.

Insertion of  
new section 19A  
in the principal  
enactment.

8. The following new section is hereby inserted in Chapter III of the principal enactment immediately before section 20, and shall have effect as section 19A, of the principal enactment:—

“Manner of  
alienation of  
Crown land.

19A. (1) Alienation of Crown land to any person under the provisions of this Ordinance shall be effected in the manner hereinafter provided.

(2) Every such person shall in the first instance receive a permit authorizing him to occupy the land.

A permit-holder shall pay annually as rent such sum as may be specified in the permit.

(3) When a permit-holder has complied with the conditions specified in the schedule to the permit to the satisfaction of the Government Agent within the period specified for such compliance in the permit or, where the period for such compliance has been extended by the Government Agent, within the period as so extended, he shall, instead of paying rent, pay annually a sum of such amount, and for such period, as may be determined by the Government Agent in accordance with regulations made under section 38.

The date on which such annual payments shall commence, the number of such payments and the amount of each such payment shall be endorsed at any time by the Government Agent on the permit issued to such permit-holder.

The Government Agent shall in addition cause the land alienated on such a permit to be surveyed by the Surveyor-General, and the extent and description (by reference to metes and bounds) of the land so surveyed shall be inserted in such permit. The Government Agent shall, after the particulars relating to such extent and description are inserted in the permit, cause the permit to be registered; no fee shall be paid or recovered for such registration.

(4) A permit-holder who has paid all sums which he is required to pay under sub-section (3) and has complied with all the other conditions specified in the permit shall become the owner of the land of which he is in occupation and shall be entitled to receive a grant of that land.

(5) Every grant issued under sub-section (4) shall contain a condition that the owner of the holding shall not dispose of a divided portion, or an undivided share, of the holding which is

less in extent than the unit of the subdivision or the maximum fraction specified in the grant.

(6) In the case of any grant made to a person of any prescribed class or description there shall be in addition a condition that the owner of the holding shall not dispose of such holding except with the prior approval of the Government Agent."

Replacement of section 20 of the principal enactment.

9. Section 20 of the principal enactment is hereby repealed and the following section is substituted therefor:—

" Selection of persons to whom Crown land shall be alienated.

20. The selection of persons to whom Crown land shall be alienated under this Ordinance shall be made at a Land Kachcheri:

Provided that such selection may be made otherwise than at a Land Kachcheri in such cases as may be prescribed. "

Insertion of new section 22A in the principal enactment.

10. The following new section is hereby inserted immediately after section 22, and shall have effect as section 22A, of the principal enactment:—

" The persons to whom Crown land may be alienated.

22A. (1) No Crown land shall be alienated to any person other than a person who is a citizen of Ceylon.

Any alienation of land made in contravention of the preceding provisions of this section shall be invalid.

(2) The persons to whom land shall be alienated shall be selected from such classes of persons as may be prescribed."

Amendment of section 23 of the principal enactment.

11. Section 23 of the principal enactment is hereby amended as follows:—

(a) in sub-section (1) of that section, by the substitution, for the words "select any applicant to receive a permit or a grant of Crown land", of the words "select the applicants to whom Crown land shall be alienated"; and

(b) in sub-section (3) of that section, by the substitution, for all the words from "by

that sub-section:" to the end of that sub-section, of the words "by that sub-section. "

12. The following new section is hereby inserted immediately after section 23, and shall have effect as section 23A, of the principal enactment:—

Insertion of new section 23A in the principal enactment.

" Power of Land Commissioner to vary decision of a Government Agent by way of revision.

23A. Where by reason of a decision of a Government Agent made at a Land Kachcheri or otherwise a person is in occupation of any land as a permit-holder, the Land Commissioner may, within one year after the date on which such person has been in occupation of such land, vary by way of revision the decision of the Government Agent, if in the opinion of the Land Commissioner the justice of the case so requires. "

13. Section 26 of the principal enactment is hereby repealed.

Repeal of section 26 of the principal enactment.

14. Sections 32, 33 and 34 of the principal enactment are hereby repealed.

Repeal of sections 32, 33 and 34 of the principal enactment.

15. Section 36 of the principal enactment is hereby repealed.

Repeal of section 36 of the principal enactment.

16. Section 38 of the principal enactment is hereby repealed and the following section is substituted therefor:—

Replacement of section 38 of the principal enactment.

" Principles governing the determination of the amount of the annual payment.

38. The amount to be paid by a permit-holder annually for the purposes of sub-section (3) of section 19A shall be determined in accordance with such regulations as may be made in that behalf."

17. Sections 39 and 40 of the principal enactment are hereby repealed and the following sections are substituted therefor:—

Replacement of sections 39 and 40 of the principal enactment.

" Protection of land alienated on permits and grants.

39. (1) No land alienated on a permit or grant shall be seized or sold in execution of the decree of any court:

Provided that the preceding provisions of this section shall not apply to the seizure and sale of land alienated on a grant in execution of



a decree entered in an action for the enforcement of a mortgage on that land which is permitted by this Ordinance:

And provided further that where any land alienated on a grant has been accepted as bail for the release of any person accused of an offence before any court and where such person does not appear as required by such court, such land may be seized and sold for the recovery of such amount as may be fixed as bail by such court.

(2) Where land alienated on a grant is sold in execution of a decree entered in an action for the enforcement of a mortgage on that land, the sale shall not be confirmed by the court unless the Land Commissioner has approved the purchaser upon application made in that behalf by the purchaser.

(3) Where the Land Commissioner refuses to approve the purchaser of any land alienated on a grant, the purchaser shall apply to the court by petition to set aside the sale on the ground that he has not been approved by the Land Commissioner. Upon such application being made, the court shall pass an order setting aside the sale.

(4) When a sale of land alienated on a grant is set aside under sub-section (3)—

(a) the purchaser shall be entitled to receive back his purchase money from any person to whom the purchase money has been lawfully paid, and

(b) the land shall be purchased by the Crown for such sum as the Chief Valuer of the Government or any officer authorized by him may determine.

(5) An order for the repayment of the purchase money may be made by the court on an application made under sub-section (3) if the person against whom

the order is directed is a party to the application and such order may be enforced against such person in like manner as a decree for money.

(6) If the amount paid by the Crown for the purchase under this section of any land alienated on a grant exceeds the total amount of the debt due to the mortgagee together with the costs of seizure and sale, the mortgagor shall be entitled to such excess.

Seizure and  
sale of land  
alienated on  
a permit or  
grant invalid.

40. Subject to the provisions of section 39, the seizure and sale in execution of the decree of a court of any land alienated on a permit or grant shall be invalid."

18. Section 41 of the principal enactment is hereby amended as follows:—

Amendment of  
section 41 of  
the principal  
enactment.

(a) by the substitution, for the words "by grant as a protected holding", of the words "by grant or to land alienated on a permit in respect of which the permit-holder is paying an annual sum by virtue of the provisions of sub-section (3) of section 19A"; and

(b) by the substitution, for the word "grantee", of the words "grantee or of such permit-holder".

19. Sections 42 and 43 of the principal enactment are hereby repealed and the following sections are substituted therefor:—

Replacement of  
sections 42 and  
43 of the  
principal  
enactment.

"Power of  
owner to  
dispose of  
holding.

42. The owner of a holding may dispose of such holding to any other person except where the disposition is prohibited under this Ordinance, and accordingly a disposition executed or effected in contravention of the provisions of this Ordinance shall be null and void.

43. The owner of a holding—

(a) shall not lease such holding to any other person except in such circumstances as may be prescribed; and

Leases and  
mortgages of  
holdings where  
permitted.

(b) shall not mortgage such holding to any person other than the Agricultural and Industrial Credit Corporation of Ceylon or the People's Bank or the Ceylon State Mortgage Bank or a registered society or other prescribed institution. ”.

20. Sections 44 and 45 of the principal enactment are hereby repealed.

Repeal of sections 44 and 45 of the principal enactment.

21. Sections 46 and 47 of the principal enactment are hereby repealed and the following sections are substituted therefor:—

Replacement of sections 46 and 47 of the principal enactment.

“ Disposition of land alienated on a permit.

46. (1) Subject to the provisions of sub-section (2), no permit-holder shall execute or effect any disposition of the land alienated to him on the permit.

(2) With the written consent of the Government Agent, a permit-holder may mortgage his interest in the land alienated to him on the permit to any registered society of which he is a member.

(3) Any disposition, other than a disposition in accordance with the provisions of sub-section (2), of any land alienated on a permit shall be null and void.

Recovery of moneys due on mortgage of land alienated on a permit.

47. (1) Where default is made by a permit-holder who is a member of a registered society in the payment of any sum due to the registered society on any loan granted on the mortgage of the land alienated on the permit, whether that sum is due on account of principal or interest or both, the registered society may, after a decision or award under section 53 of the Co-operative Societies Ordinance has been made on the dispute which had arisen between the registered society and such member by reason of the default, report the defaulter to the Government Agent and transmit to him a certified copy of the decision or award.

(2) The Government Agent, upon receipt of a report made under sub-section (1) and of a certified copy of the decision or award referred to in that sub-section, may take action under Chapter X of this Ordinance to recover the sum due from the person against whom the report was made as though such sum were due to the Crown and not to the registered society by which the report was made.

(3) Notwithstanding anything in any other written law, any sum due to a registered society on account of any sum granted on the mortgage of land alienated on a permit shall be recovered in the manner set out in this section and accordingly such registered society shall not take, and shall be precluded from taking, proceedings for the recovery of such sum in any other manner.

(4) The Government Agent shall deliver to a registered society any sum recovered under this section by him in satisfaction of the debt due to such registered society and shall pay the costs of seizure, if recovered, into the Consolidated Fund of Ceylon.”.

22. Section 48 of the principal enactment is hereby repealed and the following section is substituted therefor:—

Replacement of  
section 48 of  
the principal  
enactment.

\* Definition of  
successor.

48. In this Chapter “successor”, when used with reference to any land alienated on a permit or a holding, means a person who is entitled under this Chapter to succeed to that land or holding upon the death of the permit-holder or owner thereof, if that permit-holder or owner died without leaving behind his or her spouse, or, if that permit-holder or owner died leaving behind his or her spouse, upon the failure of that spouse to succeed to that land or holding or upon the death of that spouse.’.

Insertion of  
new sections 48A  
and 48B in  
the principal  
enactment

23. The following new sections are hereby inserted immediately after section 48, and shall have effect as sections 48A and 48B, of the principal enactment:—

" Spouse of a deceased permit-holder entitled to succeed to land alienated to that permit-holder on the permit.

48A. (1) Upon the death of a permit-holder who at the time of his or her death was paying an annual sum by virtue of the provisions of sub-section (3) of section 19A, the spouse of that permit-holder, whether he or she has or has not been nominated as successor by that permit-holder, shall be entitled to succeed to the land alienated to that permit-holder on the permit and the terms and conditions of that permit shall be applicable to such spouse:

Provided that where a spouse who was not nominated as successor by the deceased permit-holder succeeded under the preceding provisions of this sub-section to the land alienated on the permit and where after so succeeding, such spouse marries, then upon such marriage—

- (a) the person nominated by the deceased permit-holder shall succeed to the land, or
- (b) if no successor has been so nominated, the title to the land shall devolve as prescribed by rule 1 of the Third Schedule.

(2) If, during the lifetime of the spouse of a deceased permit-holder who has succeeded under sub-section (1) to the land alienated on the permit, the terms and conditions of the permit are complied with by such spouse, such spouse shall be entitled to a grant of that land subject to the following conditions:—

- (a) such spouse shall have no power to dispose of the land alienated by the grant;
- (b) such spouse shall have no power to nominate a successor to that land;

- (c) upon the death of such spouse, or upon his or her marriage, the person, who was nominated as successor by the deceased permit-holder or who would have been entitled to succeed as his successor, shall succeed to that land:

Provided that the aforesaid conditions shall not apply to a grant of any land to be made to a spouse who has been nominated by the deceased permit-holder to succeed to the land alienated on the permit.

(3) Any disposition or nomination made by a spouse in contravention of the provisions of sub-section (2) shall be invalid.

Spouse of a deceased owner of a holding entitled to succeed to that holding.

48B. (1) Upon the death of the owner of a holding, the spouse of that owner shall be entitled to succeed to that holding subject to the following conditions:—

- (a) upon the marriage of such spouse, title to the holding shall devolve on the nominated successor of the deceased owner or, if there was no such nomination, on the person who was entitled to succeed under rule 1 of the Third Schedule;
- (b) such spouse shall have no power to dispose of that holding;
- (c) such spouse shall have no power to nominate a successor to that holding:

Provided that the aforesaid conditions shall not apply to a spouse who has been nominated by the deceased owner of the holding to succeed to that holding.

(2) Any disposition or nomination made by a spouse in contravention of the provisions of sub-section (1) shall be invalid.”.

Replacement of  
section 49 of  
the principal  
enactment.

24. Section 49 of the principal enactment is hereby repealed and the following section is substituted therefor:—

" Succession to  
land alienated  
on a permit or  
to a holding.

49. Upon the death of a permit-holder who at the time of his or her death was paying an annual sum by virtue of the provisions of sub-section (3) of section 19A, or of an owner of a holding, without leaving behind his or her spouse, or, where such permit-holder or owner died leaving behind his or her spouse, upon the failure of such spouse to succeed to the land alienated to that permit-holder on the permit or holding or upon the death of such spouse, a person nominated as successor by such permit-holder or owner shall succeed to that land or holding."

Repeal of  
section 50 of  
the principal  
enactment.

25. Section 50 of the principal enactment is hereby repealed.

Replacement of  
section 51 of  
the principal  
enactment.

26. Section 51 of the principal enactment is hereby repealed and the following section is substituted therefor:—

" Restriction on  
nomination of  
successors to  
holdings.

51. No person shall be nominated by the owner of a holding or a permit-holder as his successor unless that person is the spouse of such owner or permit-holder, or belongs to one of the groups of relatives enumerated in rule 1 of the Third Schedule."

Replacement of  
section 52 of  
the principal  
enactment.

27. Section 52 of the principal enactment is hereby repealed and the following section is substituted therefor:—

" General  
principles  
applicable to  
nomination.

52. (1) A nomination made by the owner of a holding or a permit-holder who on the date of making such nomination was unmarried shall, upon the marriage of such owner or permit-holder, be null and void.

(2) More persons than one may be nominated by the owner of a holding or a permit-holder as successors to the holding or land alienated on the permit provided that such nomination does not contravene the conditions of the grant or permit.

(3) No person shall be nominated as successor to a part or share, whether divided or undivided, of a holding or a land alienated on a permit, unless in the document whereby he is so nominated a successor is duly nominated for the remaining part or share of the holding or land alienated on the permit.

(4) The nomination of a successor and the cancellation of any such nomination shall not be made subject to any condition or defeasance."

28. Section 53 of the principal enactment is hereby amended as follows:—

Amendment of section 53 of the principal enactment.

(a) by the substitution, for the words "successor or of a life-holder", of the word "successor"; and

(b) by the substitution, for the words "the owner", of the words "the owner or permit-holder".

29. Section 54 of the principal enactment is hereby repealed and the following section is substituted therefor:—

Replacement of section 54 of the principal enactment.

"Further nomination.

54. The owner of a holding or permit-holder may make a further nomination in lieu of any nomination which has been cancelled; and a person may be renominated as successor notwithstanding the previous cancellation of the nomination of that person in such capacity."

30. Section 55 of the principal enactment is hereby amended as follows:—

Amendment of section 55 of the principal enactment.

(a) by the substitution, for the words "a successor or a life-holder", of the words "a successor"; and

(b) by the substitution, for the words "such successor or life-holder", of the words "such successor".



Amendment of  
section 56 of  
the principal  
enactment.

**31.** Section 56 of the principal enactment is hereby amended as follows:—

(a) in sub-section (1) of that section—

(i) by the substitution, for the words “ a successor or of a life-holder ”, of the words “ a successor ”, and

(ii) by the substitution, for the words “ in duplicate ”, of the words “ in triplicate ”;

(b) by the substitution, for sub-section (2) of that section, of the following sub-section:—

“(2) The provisions of sub-section (1) shall not apply to any nomination or cancellation of a successor made by last will in the manner hereinafter provided, or to the nomination and cancellation of a successor to a land alienated on a permit made in the manner provided in section 87. ”; and

(c) in sub-section (3) of that section, by the substitution, for the words “ nomination of a successor or of a life-holder ”, of the words “ nomination of a successor ”.

Amendment of  
section 57 of  
the principal  
enactment.

**32.** Section 57 of the principal enactment is hereby amended by the substitution, for the words “ a successor or a life-holder ”, of the words “ a successor ”.

Amendment of  
section 58 of  
the principal  
enactment.

**33.** Section 58 of the principal enactment is hereby amended as follows:—

(a) in sub-section (1) of that section—

(i) by the substitution, for the words “ a successor or of a life-holder ”, of the words “ a successor ”, and

(ii) by the substitution, for the words “ the holding ”, of the words “ the holding or land ”; and

(b) in sub-section (2) of that section, by the substitution, for the words “ of successors or of life-holders ”, of the words “ of successors ”.

34. Section 60 of the principal enactment is hereby amended as follows:—

Amendment of  
section 60 of  
the principal  
enactment.

- (1) by the substitution, for the words “ of a successor or of a life-holder ”, of the words “ of a successor ”;
- (2) by the substitution, for all the words from “ the holding ” to the end of that section, of the words “ the holding or the permit-holder. ” ;  
and
- (3) in the marginal note to that section, by the substitution, for the words “ of owner. ”, of the words “ of owner or permit-holder. ”.

35. Section 61 of the principal enactment is hereby repealed and the following section is substituted therefor:—

Replacement of  
section 61 of  
the principal  
enactment.

“ Nomination  
cancelled by  
death of  
nominee.

61. The death during the lifetime of the owner of a holding or a permit-holder of a person who has been nominated by that owner or permit-holder as a successor to that holding or the land alienated on the permit shall operate as a cancellation of the nomination of that person as a successor. ”.

36. Section 62 of the principal enactment is hereby amended as follows:—

Amendment of  
section 62 of  
the principal  
enactment.

(a) in sub-section (1) of that section—

(i) by the substitution, for the words “ successor to a holding, ”, of the words “ successor to a holding or a land alienated on a permit, ”, and

(ii) by the substitution, for the words “ successor to that holding ”, of the words “ successor to that holding or land ”;

(b) by the omission of sub-section (2) of that section;

(c) by the renumbering of sub-section (3) as sub-section (2) of that section; and

(d) in renumbered sub-section (2) of that section, by the substitution, for the words “ a holding. ”, of the words “ a holding or a permit-holder. ”.

Amendment of  
section 63 of  
the principal  
enactment.

**37.** Section 63 of the principal enactment is hereby amended as follows:—

- (a) by the substitution, for the words “ as successor to or as life-holder of a holding, ”, of the words “ as successor to a holding or to a land alienated on a permit, ”;
- (b) by the substitution, for the words “ owner of that holding. ”, of the words “ owner of that holding or the permit-holder to whom that land has been alienated. ”; and
- (c) in the marginal note to that section, by the substitution, for the words “ of owner. ”, of the words “ of owner or permit-holder. ”.

Amendment of  
section 64 of  
the principal  
enactment.

**38.** Section 64 of the principal enactment is hereby amended as follows:—

- (a) by the substitution, for the words “ owner of a holding ”, of the words “ owner of a holding or a permit-holder ”; and
- (b) by the substitution, for the words “ owner of that holding. ”, of the words “ owner of that holding, or of the date of the death of that permit-holder, as the case may be. ”.

Amendment of  
section 65 of  
the principal  
enactment.

**39.** Section 65 of the principal enactment is hereby amended as follows:—

- (a) in sub-section (1) of that section, by the substitution, for the words “ a holding ”, of the words “ a holding or of a permit-holder ”;
- (b) in sub-section (2) of that section—
  - (i) by the substitution, for the words “ a holding ”, of the words “ a holding or of a permit-holder ”, and
  - (ii) by the substitution, for all the words from “ the title to the holding ” to the end of that sub-section, of the following:—

“ the title to the holding or to the land alienated to that permit-holder shall devolve as though no nomination or cancellation of a nomination had been registered after the death of the owner of that holding or permit-holder. ”.

40. Section 66 of the principal enactment is hereby amended as follows:—

Amendment of  
section 66 of  
the principal  
enactment.

- (a) by the substitution, for the words “ a holding ”, of the words “ a holding or a permit-holder ”;
- (b) by the substitution, for the words “ that owner ”, of the words “ that owner or permit-holder ”; and
- (c) by the substitution, for the words “ the owner;”, of the words “ the owner or permit-holder;”.

41. Section 68 of the principal enactment is hereby repealed and the following section is substituted therefor:—

“ Failure of  
succession.

68. (1) The spouse of a deceased permit-holder, who at the time of his or her death was paying an annual sum by virtue of the provisions of sub-section (3) of section 19A, or the spouse of an owner, fails to succeed to the land held by such permit-holder on the permit or to the holding of such owner, as the case may be—

Replacement of  
section 68 of  
the principal  
enactment.

(a) if such spouse refuses to succeed to that land or holding, or

(b) if such spouse does not enter into possession of that land or holding within a period of six months reckoned from the date of the death of such permit-holder or owner.

(2) A nominated successor fails to succeed to the land held on a permit by a permit-holder who at the time of his or her death was paying an annual sum by virtue of the provisions of sub-section (3) of section 19A or to the holding of an owner if he refuses to succeed to that land or holding, or, if the nominated successor does not enter into possession of that land or holding within a period of six months reckoned—

(i) where such permit-holder or owner dies without leaving behind his or her spouse, from the date of the death of such permit-holder or owner; or

- (ii) where such permit-holder or owner dies leaving behind his or her spouse, from the date of the failure of such spouse to succeed, such date being reckoned according to the provisions of paragraph (b) of sub-section (1), or of the death of such spouse, as the case may be."

Repeal of sections 69, 70 and 71 of the principal enactment.

42. Sections 69, 70 and 71 of the principal enactment are hereby repealed.

Replacement of section 72 of the principal enactment.

43. Section 72 of the principal enactment is hereby repealed and the following section is substituted therefor:—

" Succession  
under the  
Third Schedule.

72. If no successor has been nominated, or if the nominated successor fails to succeed, or if the nomination of a successor contravenes the provisions of this Ordinance, the title to the land alienated on a permit to a permit-holder who at the time of his or her death was paying an annual sum by virtue of the provisions of sub-section (3) of section 19A or to the holding of an owner shall, upon the death of such permit-holder or owner without leaving behind his or her spouse, or, where such permit-holder or owner died leaving behind his or her spouse, upon the failure of such spouse to succeed to that land or holding, or upon the death of such spouse, devolve as prescribed in rule 1 of the Third Schedule."

Replacement of section 73 of the principal enactment.

44. Section 73 of the principal enactment is hereby repealed and the following section is substituted therefor:—

" Date of  
succession.

73. Title to a land alienated on a permit or to a holding shall be deemed to have devolved on any person entitled to succeed to the land or holding under the provisions of section 72 as from the date of the death of the permit-holder or

owner of the holding if such permit-holder or owner died without leaving behind his or her spouse, or, if such permit-holder or owner died leaving behind his or her spouse, upon the failure of such spouse to succeed or from the date of the death of such spouse, as the case may be."

45. Section 74 of the principal enactment is hereby amended by the substitution, for the words "successors of a holding", of the words "successors to a land alienated on a permit or holding,".

Amendment of  
section 74 of  
the principal  
enactment.

46. Section 75 of the principal enactment is hereby amended as follows:—

Amendment of  
section 75 of  
the principal  
enactment.

(a) by the substitution, for the words "a successor or of a life-holder", of the words "a successor"; and

(b) by the substitution, for the words "of either", of the words "of a successor".

47. Section 76 of the principal enactment is hereby amended as follows:—

Amendment of  
section 76 of  
the principal  
enactment.

(a) in sub-section (1) of that section—

(i) by the substitution, for the words "title to a holding", of the words "title to a holding or land alienated on a permit"; and

(ii) by the substitution, for the words "that holding", of the words "that holding or land";

(b) in sub-section (3) of that section, by the substitution, for the words "owner of the holding", of the words "owner of the holding or as permit-holder"; and

(c) by the substitution, for sub-section (5) of that section, of the following sub-section:—

"(5) Subject to the provisions of this section, a person appointed under sub-section (1) to be the curator of a minor shall in respect of the holding of such minor or of the land alienated on a permit to which such minor has succeeded and in

respect of the management, control, occupation and protection of that holding or land exercise all the rights and be subject to all the liabilities of a curator appointed by a court of competent jurisdiction.”.

Repeal of sections 77 to 83 of the principal enactment.

48. Sections 77, 78, 79, 80, 81, 82 and 83 of the principal enactment are hereby repealed.

Replacement of section 84 of the principal enactment.

49. Section 84 of the principal enactment is hereby repealed and the following section is substituted therefor:—

“ Succession on the death of a permit-holder who was paying rent under section 19A (2) for the land alienated.

84. Upon the death of a permit-holder who at the time of his or her death was paying rent under sub-section (2) of section 19A for the land alienated to him or her on the permit, then,—

(a) if that permit-holder is survived by his or her spouse, the spouse shall be entitled to succeed to that land;

(b) if that permit-holder is not survived by his or her spouse or if the spouse does not succeed to the land, any other person who is a duly nominated successor of the deceased permit-holder shall be entitled to succeed to that land on such person obtaining a permit from the Government Agent under the provisions of this Ordinance to occupy that land.”.

Replacement section 85 of the principal enactment.

50. Section 85 of the principal enactment is hereby repealed and the following section is substituted therefor:—

“ Reversion of land to Crown under certain circumstances.

85. Where on the death of a permit-holder who at the time of his or her death was paying rent under sub-section (2) of section 19A for the land alienated to him or her on the permit, a person entitled to succeed to that land under the provisions of section 84 fails to succeed, such person shall be deemed to have surrendered to the Crown his or her title to that land.”.

51. Section 87 of the principal enactment is hereby repealed and the following section is substituted therefor:—

" Name of  
successor  
nominated by  
the permit-  
holder may be  
endorsed on  
permit before  
issue.

87. A person to whom a Government Agent has agreed to alienate land may nominate as his successor any person who is entitled under this Ordinance to be so nominated, and the name of such successor may be endorsed on the permit before it is issued to the first-mentioned person, and the Government Agent may upon being requested so to do by the permit-holder cancel the name of such successor by an endorsement on the permit and endorse on the permit the name of any other person suggested by the permit-holder as his successor."

Replacement of  
section 87 of  
the principal  
enactment.

52. Sections 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102 and 103 of the principal enactment are hereby repealed.

Repeal of  
sections 88  
to 103 of  
the principal  
enactment.

53. Sections 105 and 106 of the principal enactment are hereby repealed and the following sections are substituted therefor:—

" Power of the  
Government  
Agent in  
respect of a  
land alienated  
on a permit  
where there is a  
failure of  
succession or  
where such  
land has been  
vested in the  
Crown.

105. Where in the case of a land alienated on a permit to any person who was at the time of his death paying an annual sum by virtue of the provisions of sub-section (3) of section 19A there has been a failure of succession because there is no person lawfully entitled to succeed or because no person so entitled is willing to succeed or where any land has vested in the Crown under section 86, the Government Agent of the administrative district in which that land is situated shall be entitled to take possession of that land on behalf of the Crown.

Replacement of  
sections 105 and  
106 of the  
principal  
enactment.

Notice to  
permit-holder  
where there has  
been a breach  
of the conditions  
of the permit.

106. (1) If it appears to the Government Agent that a permit-holder has failed to observe a condition of the permit, the Government Agent may by notice in writing require such permit-holder to pay by way of fine such sum not exceeding one hundred rupees, and on or before such date, as may be specified in the notice.



(2) Where a permit-holder fails to comply with the requirements of a notice issued under sub-section (1), or where a permit-holder contravenes a condition of the permit on a second or subsequent occasion, the Government Agent may issue a notice in the prescribed form intimating to the permit-holder that his permit will be cancelled unless sufficient cause to the contrary is shown to the Government Agent on a date and at a time and place specified in the notice."

Amendment of  
section 107 of  
the principal  
enactment.

54. Section 107 of the principal enactment is hereby amended as follows:—

(a) by the substitution, for the word and figures "section 106", of the words and figures "sub-section (2) of section 106"; and

(b) by the substitution, for the words "thirty days", of the words "forty-two days".

Amendment of  
section 108 of  
the principal  
enactment.

55. Section 108 of the principal enactment is hereby amended by the addition at the end of that section of the following new sub-section:—

"(3) Where a notice issued under section 106 is served on the permit-holder personally, the officer to whom service thereof has been entrusted shall furnish a declaration duly signed by him to the Government Agent that such notice has been served on the permit-holder."

Amendment of  
section 109 of  
the principal  
enactment.

56. Section 109 of the principal enactment is hereby amended in sub-section (1) of that section by the substitution, for the words "fourteen days", of the words "twenty-eight days".

Amendment of  
section 110 of  
the principal  
enactment.

57. Section 110 of the principal enactment is hereby amended as follows:—

(a) in sub-section (2) of that section, by the addition, at the end of that sub-section, of the following words:—

"All such evidence shall be given on oath or affirmation which the Government Agent is hereby authorized to administer for the purpose."; and

(b) by the addition at the end of that section of the following new sub-section:—

“(3) Where an inquiry under this section is adjourned, notice in writing of the date and the time to which the inquiry is adjourned shall be given by the Government Agent to the permit-holder.”.

58. Section 114 of the principal enactment is hereby amended in sub-section (1) of that section by the substitution, for the words “thirty days”, of the words “forty-two days”.

Amendment of section 114 of the principal enactment.

59. The following new section is hereby inserted immediately after section 118, and shall have effect as section 118A, of the principal enactment:—

Insertion of new section 118A in the principal enactment.

“Effect of the Land Commissioner reversing a decision of the Government Agent selecting a person to receive a permit for the occupation of land.

118A. Where the Land Commissioner in the exercise of his powers under section 23A varies a decision of a Government Agent selecting a person to receive a permit for the occupation of land, the Land Commissioner shall give notice in writing in the prescribed form to such person that—

(a) where a permit has been issued to such person, such permit shall, with effect from the date specified in the notice, be deemed to be cancelled; or

(b) where no permit has been issued to such person and where such person is in occupation of the land, such person shall vacate and deliver possession of the land on such date and at such time, and to such officer, as may be specified in the notice.”.

60. Section 119 of the principal enactment is hereby amended by the substitution, for the words “been cancelled”, of the following:—

Amendment of section 119 of the principal enactment.

“been cancelled under the provisions of section 104, ”.

61. Section 124 of the principal enactment is hereby repealed.

Repeal of section 124 of the principal enactment.

Amendment of  
section 127 of  
the principal  
enactment.

62. Section 127 of the principal enactment is hereby amended as follows:—

(a) in sub-section (1) of that section as follows:—

(i) by the substitution, for the words “on the application of the Government Agent,”, of the words “on the application of the Government Agent or other prescribed officer,”; and

(ii) by the substitution, for the words “Government Agent or to his representative.”, of the words “Government Agent or other prescribed officer or to the representative of the Government Agent or other prescribed officer.”; and

(b) in sub-section (3) of that section, by the substitution, for the words “Government Agent or to his representative.”, of the words “Government Agent or other prescribed officer or to the representative of the Government Agent or other prescribed officer.”.

Amendment of  
section 128 of  
the principal  
enactment.

63. Section 128 of the principal enactment is hereby amended as follows:—

(a) by the renumbering of that section as sub-section (1) of section 128;

(b) in renumbered sub-section (1) by the substitution, for the words “Crown land after the cancellation of the permit whereby such land was alienated.”, of the following:—

“Crown land—

(a) after the cancellation of the permit whereby that land was alienated, or

(b) after the date on which possession of that land was required by notice under paragraph (b) of section 118A to be delivered to the officer specified in such notice, or

(c) after the Government Agent was entitled to take possession of that land by virtue of the provisions of section 105.”; and

(c) by the addition at the end of that section of the following new sub-section:—

“(2) At any inquiry by a Magistrate into cause shown against the issue of an order of ejectment from a land alienated on a permit, it shall not be open to the permit-holder or any other person claiming title to such land through or under the permit-holder to assert or prove—

(a) that such land does not belong to the Crown, or

(b) if the permit was cancelled, that such cancellation should not have been made.”.

64. Section 129 of the principal enactment is hereby amended by the substitution, for the words “an owner or by a permit-holder”, of the words “a permit-holder”.

Amendment of section 129 of the principal enactment.

65. Section 130 of the principal enactment is hereby amended in sub-section (3) of that section by the substitution, for the words “on grants or permits”, of the words “on permits”.

Amendment of section 130 of the principal enactment.

66. Section 132 of the principal enactment is hereby amended by the substitution, for the words “The owner of a holding or a permit-holder”, of the words “A permit-holder”.

Amendment of section 132 of the principal enactment.

67. Section 133 of the principal enactment is hereby amended as follows:—

Amendment of section 133 of the principal enactment.

(a) by the substitution, for the words “by an owner or by a permit-holder”, of the words “by a permit-holder”; and

(b) by the substitution, for all the words from “on the holding” to the end of that section, of the words “on the land held by such permit-holder on the permit.”.

68. Section 134 of the principal enactment is hereby amended as follows:—

Amendment of section 134 of the principal enactment.

(a) by the substitution, for all the words from “If the owner of a holding” to “so made default:”, of the following:—

“If a permit-holder makes default in the due payment of any moneys payable by him in respect of the land alienated to that

permit-holder on the permit, the Government Agent or any person authorized by him in writing may seize and sequester the crops of such land together with any movable property therein belonging to the permit-holder who has so made default: ” ;

- (b) by the substitution, for the words “ bedding of the owner ”, of the words “ bedding of the permit-holder ”; and
- (c) in the marginal note to that section, by the substitution, for the words “ defaulting owner. ”, of the words “ defaulting permit-holder. ”.

Amendment of  
section 140 of  
the principal  
enactment.

69. Section 140 of the principal enactment is hereby amended as follows:—

- (a) by the substitution, for the words “ the owner ”, of the words “ the permit-holder ”; and
- (b) by the substitution, for the word “ holding ” wherever that word occurs in that section, of the words “ land alienated on the permit ”.

Amendment of  
section 141 of  
the principal  
enactment.

70. Section 141 of the principal enactment is hereby amended as follows:—

- (a) by the substitution, for sub-section (1) of that section, of the following sub-section:—

“ (1) A seizure of a land referred to in section 140 shall be effected by serving upon the permit-holder to whom that land was alienated a notice substantially in the prescribed form and by affixing a copy of such notice in a conspicuous position on such land. A copy of such notice may also be served on any other person interested in the land or affected by the seizure thereof.”;

- (b) in sub-section (2) of that section—

- (i) by the substitution, for the words “ the owner of a holding ”, of the words “ a permit-holder ”, and
- (ii) by the substitution, for the words “ that owner ”, wherever those words occur collectively in that sub-section, of the words “ that permit-holder ”; and

- (c) in sub-section (3) of that section, by the substitution, for the words "No holding shall be seized if the defaulting owner thereof", of the words "No land shall be seized if the defaulting permit-holder to whom that land was alienated".

71. Section 142 of the principal enactment is hereby amended as follows:—

Amendment of  
section 142 of  
the principal  
enactment.

- (a) in sub-section (1) of that section, by the substitution, for the words "of a holding", of the words "of a land referred to in section 140"; and

(b) in sub-section (2) of that section—

- (i) by the substitution, for the words "a holding", of the words "a land alienated on a permit", and  
(ii) by the substitution, for the words "that holding", of the words "that land".

72. Section 143 of the principal enactment is hereby repealed and the following section is substituted therefor:—

Replacement of  
section 143 of  
the principal  
enactment.

"Seizure of  
land under  
section 142  
operates as  
cancellation  
of permit.

143. (1) The seizure of a land under section 142 shall operate as a cancellation of the permit under which such land was alienated, and the permit-holder to whom such land was alienated shall have no claim whatsoever to such land but such permit-holder shall, if he pays within a period of one year from the date of the seizure of the land the total amount due in respect of such land together with the costs of seizure, be entitled to be placed in possession of such land on the same terms and conditions on which the land was held by such permit-holder on the date of the seizure.

Where the permit-holder dies before the expiry of the period of one year herein before specified the right to be placed in possession of the land alienated to the deceased permit-holder may be exercised by the spouse of such permit-holder or any other person nominated by such permit-holder as his successor on

the same terms and within the same period.

(2) The right referred to in sub-section (1) may be given effect to upon an endorsement substantially in the prescribed form made by the Government Agent on the permit relating to such land. Every such endorsement shall be registered."

**73.** Sections 144, 145, 146, 147, 148, 149, 150 and 151 of the principal enactment are hereby repealed.

**74.** Section 152 of the principal enactment is hereby amended as follows:—

(a) in sub-section (1) of that section—

(i) by the substitution, for the words "the owner of a protected holding", of the words "a permit-holder", and

(ii) by the substitution, for the words "such holding", of the words "the land alienated to that permit-holder on the permit,"; and

(b) in sub-section (2) of that section, by the substitution, for the words "the owner of a protected holding in respect of such holding", of the words "a permit-holder in respect of the land alienated to that permit-holder on the permit."

**75.** Section 154 of the principal enactment is hereby amended by the substitution, for the words "a protected holding", of the words "a land alienated on a permit to any person,".

**76.** Section 156 of the principal enactment is hereby amended as follows:—

(a) by the relettering of paragraph (k) of that section as paragraph (l); and

(b) by the insertion, immediately after paragraph (j) of that section, of the following new paragraph:—

"(k) the return of the annual payments made by the permit-holder who had made such payments under sub-section (3) of section 19A and whose permit was cancelled;".

Repeal of sections 144 to 151 of the principal enactment.

Amendment of section 152 of the principal enactment.

Amendment of section 154 of the principal enactment.

Amendment of section 156 of the principal enactment.

77. Section 160 of the principal enactment is hereby amended by the substitution, for the words "any holding", wherever those words occur collectively in that section, of the words "any land alienated on a permit or holding".

Amendment of section 160 of the principal enactment.

78. Section 161 of the principal enactment is hereby amended by the substitution, for the words "permit or a grant", of the word "permit".

Amendment of section 161 of the principal enactment.

79. Section 162 of the principal enactment is hereby repealed and the following section is substituted therefor:—

Replacement of section 162 of the principal enactment.

\* Notary prohibited from attesting instrument of disposition of a holding in contravention of the provisions of this Ordinance.

162. (1) A notary shall not attest any instrument operating as a disposition of a holding which contravenes the provisions of this Ordinance.

(2) An instrument executed or attested in contravention of the provisions of this section shall be null and void."

80. Section 165 of the principal enactment is hereby amended as follows:—

Amendment of section 165 of the principal enactment.

(a) by the renumbering of that section as sub-section (1) of that section; and

(b) by the addition at the end of that section of the following new sub-section:—

"(2) Notwithstanding anything in any other law—

(a) the Crown shall be entitled to institute action against any person, in whose favour an action against the Crown for vindication of title to any land referred to in sub-section (1) has been decided, for the value of any improvements effected on that land by the Crown or any person to whom such land has been alienated under this Ordinance; and

(b) no action shall be maintainable in any court of law against the Crown for damages arising from the occupation of such land by any person to whom such land has been so alienated."



Insertion of  
new section  
165A in the  
principal  
enactment.

81. The following new section is hereby inserted immediately after section 165, and shall have effect as section 165A, of the principal enactment:—

Power to  
acquire land  
the title of  
which has  
been vindi-  
cated under  
section 165.

165A. (1) Where an action instituted by any person against the Crown for vindication of title to any land alienated under this Ordinance has been decided in favour of such person, and where the Minister approves the acquisition of that land by the Crown, that land shall be deemed to be required for a public purpose and may accordingly be acquired compulsorily under the Land Acquisition Act.

(2) For the purposes of the assessment of compensation in respect of any land which is referred to in sub-section (1) and which is acquired under the Land Acquisition Act, sub-section (1) of section 45 of that Act shall have effect as if there were substituted, for the words "on the date of publication of that notice in the *Gazette*" occurring in that sub-section, the words "on the day immediately preceding the date of alienation of that land by the Crown under the Land Development Ordinance."

Amendment of  
section 168 of  
the principal  
enactment.

82. Section 168 of the principal enactment is hereby amended as follows:—

(a) in sub-section (1) of that section—

- (i) by the substitution, for the words "If any person —", of the words "If any person without the permission of the Government Agent—";
- (ii) in paragraph (a) of that sub-section, by the substitution, for the words "land which has been mapped-out; or", of the words "land; or"; and
- (iii) by the substitution, for the words "to pay a fine not exceeding one hundred rupees:", of the words "to pay a fine not exceeding five hundred rupees or to imprisonment of either descrip-

tion for a term not exceeding six months or to both such fine and imprisonment: ”;

(b) in sub-section (2) of that section, by the substitution, for the words “ Government Agent ”, of the words “ Government Agent or other prescribed officer ”; and

(c) by the substitution, for the marginal note to that section, of the following marginal note:—

“ Offences in regard to Crown land.”.

83. The following new section is hereby inserted immediately after section 168, and shall have effect as section 168A, of the principal enactment:—

Insertion of  
new section,  
168A of the  
principal  
enactment.

“ Encroachment  
on land alie-  
nated on a  
permit.

168A. (1) If any person encroaches on any land which has been alienated under this Ordinance on a permit, he shall be guilty of an offence and shall on conviction after summary trial before a Magistrate be liable to a fine not exceeding five hundred rupees or to imprisonment of either description for a term not exceeding six months or to both such fine and imprisonment.

(2) Proceedings under sub-section (1) may be instituted by the Government Agent of the administrative district in which the land encroached on is situated or by any officer authorized in that behalf by such Government Agent.

(3) A conviction under sub-section (1) shall operate as an order of ejectment made under section 125 and on such conviction the Government Agent of the administrative district in which the land encroached on is situated or other prescribed officer may, after the lapse of the appealable time, or, if an appeal has been preferred, after the conviction has been affirmed in appeal, apply to the Magistrate under section 127 for the enforcement of such order of ejectment.”.

Amendment of  
section 170 of  
the principal  
enactment.

84. Section 170 of the principal enactment is hereby amended in sub-section (2) of that section by the substitution, for the words "a life-holder or a successor", of the words "a successor".

Repeal of  
section 171  
of the principal  
enactment.

85. Section 171 of the principal enactment is hereby repealed.

Amendment of  
section 172 of  
the principal  
enactment.

86. Section 172 of the principal enactment is hereby amended as follows:—

- (a) by the substitution, for the words "owners of holdings", wherever those words occur collectively in that section, of the words "permit-holders who are paying annual sums by virtue of the provisions of sub-section (3) of section 19A"; and
- (b) by the substitution, for the words "the owner of a holding", of the words "such a permit-holder".

Repeal of the  
First and  
Second  
Schedules to  
the principal  
enactment.

87. The First and Second Schedules to the principal enactment are hereby repealed.

Amendment of  
the Third  
Schedule to  
the principal  
enactment.

88. The Third Schedule to the principal enactment is hereby amended as follows:—

- (a) in rule 1 of that Schedule, by the substitution, for all the words from "Where, on the death of the owner," to "more relatives than one in any group.", of the following:—

“(a) The groups of relatives from which a successor may be nominated for the purposes of section 51 shall be as set out in the subjoined table.

(b) Title to a holding for the purposes of section 72 shall devolve on one only of the relatives of the permit-holder or owner in the order of priority in which they are respectively mentioned in the subjoined table, the older being preferred to the younger where there are more relatives than one in any group.”; and

- (b) by the repeal of rules 3 and 5.

89. (1) Every person who, on the day immediately preceding the date of commencement of this Act, is in occupation of any land alienated under the provisions of the principal enactment in the capacity of either permit-holder or owner, shall, on or before such date as may be notified in the *Gazette* by the Government Agent of the administrative district in which such land is situated, elect whether such person will hold such land under the provisions of the principal enactment as amended by this Act or under the provisions of the principal enactment before such amendment, and shall notify such election to the Government Agent.

Rights of persons who are in occupation of lands as permit-holders or owners on the date of commencement of this Act to elect whether they propose to hold such lands according to the provisions of the principal enactment as amended by this Act or not and consequences of such election.

(2) Where a person elects under sub-section (1) to hold the land alienated to such person under the provisions of the principal enactment as amended by this Act, the provisions of the principal enactment as so amended shall be deemed to apply to such alienation and such person shall be entitled to have the new terms and conditions applicable to such alienation endorsed by the Government Agent on the permit or grant, as the case may be. But where no permit has actually been issued to such person in respect of any land alienated to him on a permit, the Government Agent shall issue to such person a permit wherein the new terms and conditions applicable to such alienation shall be specified and if such person has already developed the land alienated to the satisfaction of the Government Agent, he shall be required to pay annually, in lieu of rent, a sum of such amount and for such period as the Government Agent may determine in accordance with regulations made under section 38 and the date on which such annual payments shall commence, the number of such payments and the amount of each such payment shall be specified in the permit.

(3) Where a person elects under sub-section (1) to hold the land alienated to such person under the provisions of the principal enactment before they were amended by this Act, the provisions of the principal enactment shall, notwithstanding anything in this Act, be deemed to apply to such alienation.

(4) In this section, "permit-holder" includes a person who is in occupation of any land alienated to him on a permit although no permit has actually been issued to him.

Amendment of  
other written  
law.

90. (1) The Agricultural and Industrial Credit Corporation Ordinance is hereby amended in sub-section (1) of section 51 of that Ordinance by the insertion, immediately after paragraph (b) of that sub-section, of the following new paragraph:—

“(bb) to grant loans of money to the owner of any holding alienated under the Land Development Ordinance for the purpose of the cultivation, development or improvement of that holding;”.

(2) The People's Bank Act, No. 29 of 1961, is hereby amended in paragraph (a) of sub-section (1) of section 5 of that Act as follows:—

(a) in sub-paragraph (iii) of that paragraph, by the substitution, for the words “small-scale undertaking; and ”, of the words “small-scale undertaking; ”;

(b) by the renumbering of sub-paragraph (iv) of that paragraph as sub-paragraph (v); and

(c) by the insertion, immediately after sub-paragraph (iii) of that paragraph, of the following new sub-paragraph:—

“(iv) short-term, medium-term and long-term loans and other accommodation to persons who are the owners of holdings alienated under the Land Development Ordinance for their requirements; and ”.