



**PARLIAMENT OF THE DEMOCRATIC  
SOCIALIST REPUBLIC OF  
SRI LANKA**

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**TRANSPORT BOARD (AMENDMENT)  
ACT, No. 6 OF 1981**

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[Certified on 11th February, 1981]

*Printed on the Orders of the Government*

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*Transport Board (Amendment)*  
*Act, No. 6 of 1981*

[Certified on 11th February, 1981]

L. D.—O. 1/80.

AN ACT TO AMEND THE TRANSPORT BOARD LAW, No. 19 of 1978.

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

1. This Act may be cited as the Transport Board (Amendment) Act, No. 6 of 1981. Short title.

2. Section 21 of the Transport Board Law, No. 19 of 1978 (hereinafter referred to as the "principal enactment") is hereby amended by the repeal of subsections (1), (2) and (3) of that section and the substitution therefor, of the following new subsections:— Amendment  
of section  
21 of Law  
No. 19 of 1978.

" (1) The Central Board—

(a) may establish and maintain an insurance reserve to cover the insurance of the movable and immovable property of the Board and to meet liabilities arising in respect of third-party risks, and to meet liabilities arising under the Workmen's Compensation Ordinance; and

(b) shall establish and maintain—

(i) a depreciation reserve to cover the depreciation of the movable and immovable property of the Board, and

(ii) a general reserve.

(2) Every Regional Transport Board—

(a) may establish and maintain an insurance reserve to cover the insurance of the movable and immovable property of the Board and to meet liabilities arising in respect of third-party risks, and to meet liabilities arising under the Workmen's Compensation Ordinance; and

(b) shall establish and maintain—

(i) a depreciation reserve to cover the depreciation of the movable and immovable property of the Board, and

(ii) a general reserve.

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(3) (a) The sum to be carried from time to time to the credit of each of the reserves specified in subsections (1) and (2) shall be such sum as the Central Board or each respective Regional Transport Board with the concurrence of the Central Board, as the case may be, determines.

(b) The sums lying to the credit of the insurance reserves specified in subsections (1) (a) and (2) (a) shall be invested in Government Treasury Bills. "

Amendment  
of section 25  
of the  
principal  
enactment.

3. Section 25 of the principal enactment is hereby amended by the insertion immediately after paragraph (b) of that section of the following new paragraph :—

" (bb) all the rights, liabilities and obligations of the Ceylon Transport Board, other than the rights, liabilities and obligations referred to in paragraph (b), on the day immediately prior to the appointed date shall be deemed to be the rights, liabilities and obligations of the Central Board ;".

Insertion of  
new section:  
35A in the  
principal  
enactment.

4. The following new section is hereby inserted immediately after section 35 of the principal enactment and shall have effect as section 35A, of that enactment :—

"Power to  
exempt the  
Central  
Board  
and  
Regional  
Transport  
Boards  
from the  
operation  
of section  
99 (1) of the  
Motor  
Traffic  
Act.

35A. Where the Minister is satisfied that the Central Board or any Regional Transport Board has established an adequate insurance reserve to meet liabilities arising in respect of third-party risks, the Minister may, by Order published in the Gazette, exempt the Central Board or any Regional Transport Board from the operation of the provisions of subsection (1) of section 99 of the Motor Traffic Act with effect from such date as shall be specified in such Order."

Retrospec-  
tive  
effect of  
section 3.

5. The amendment made to the principal enactment by section 3 of this Act shall be deemed for all purposes to have come into force on the date on which that enactment came into operation.

Prescription  
Ordinance  
not to  
apply in  
certain  
cases.

6. In computing the period of time for the purposes of the Prescription Ordinance in respect of claims against the Ceylon Transport Board, regard shall not be had to the period between the date on which the principal enactment came into force and the date of commencement of this Act.

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