



PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA

LAND DEVELOPMENT
(AMENDMENT)
ACT, No. 20 OF 1996

[Certified on 14th August, 1996]

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Land Development (Amendment)
Act, No. 20 of 1996

[Certified on 14th August, 1996]

L.D.—O. 60/95

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 :—

1. This Act may be cited as the Land Development (Amendment) Act, No. 20 of 1996. Short title.
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".Amendment of section 2 of Chapter 404
3. Section 41A of the principal enactment is hereby repealed and the following new section substituted therefor :—

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, corpora-

Replacement of section 41A of the principal enactment

"Seizure and sale by Banks and prescribed institutions.

tion, 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 or 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.