



PARLIAMENT OF THE DEMOCRATIC  
SOCIALIST REPUBLIC OF  
SRI LANKA

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LAND DEVELOPMENT (AMENDMENT)  
ACT, No. 27 OF 1981

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[Certified on 5th May, 1981]

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**Land Development (Amendment)  
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L. D.—O. 2/80.

**AN ACT TO AMEND THE LAND DEVELOPMENT ORDINANCE, TO REPEAL THE SALE OF STATE LANDS (SPECIAL PROVISIONS) LAW, NO. 43 OF 1973, AND TO PROVIDE 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. 27 of 1981.

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 omission of the definition of "Agricultural and Industrial Credit Corporation of Ceylon";

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

"Bank of Ceylon" means the Bank established under the Bank of Ceylon Ordinance ;'

(c) by the omission of the definition of "Ceylon State Mortgage Bank";

(d) by the insertion, immediately after the definition of "Crown land", of the following new definition :—

"Development Finance Corporation of Ceylon" means the Corporation established under the Development Finance Corporation of Ceylon Act ;'

(e) by the substitution, for the definition of "Government Agent", of the following definition :—

"Government Agent" includes an Additional Government Agent, Assistant Government Agent, Additional Assistant Government Agent, Assistant Land Commissioner, District Land Officer and any officer authorized by the Government Agent in writing in respect of any particular matter or provision of this Ordinance ;'

(f) by the insertion, immediately after the definition of "grant", of the following new definition :—

"high land" means land which is not irrigated land ;'

(g) by the insertion, immediately after the definition of "holding", of the following new definition:—

"irrigated land" means any land benefited by any irrigation work as defined in the Irrigation Ordinance;';

(h) by the substitution, for the definition of "Land Commissioner", of the following definition:—

"Land Commissioner" means the officer appointed under section 3 of this Ordinance and includes an Additional Land Commissioner, Deputy Land Commissioner and any other officer of his department authorized by the Land Commissioner in writing in respect of any particular matter or provision of this Ordinance;';

(i) by the substitution, for the definition of "local authority", of the following definition:—

"local authority" means any Municipal Council, Urban Council, Town Council or Village Council and includes any authority created and established by or under any law to exercise, perform and discharge powers, duties and functions corresponding to or similar to the powers duties and functions exercised, performed and discharged by any such Council;';

(j) by the insertion, immediately after the definition of "minimum fraction", of the following new definition:—

"National Development Bank of Sri Lanka" means the Bank established under the National Development Bank of Sri Lanka Act, No. 2 of 1979;';

(k) by the substitution, for the definition of "owner", of the following definition:—

"owner" means the owner of a holding whose title thereto is derived from or under a grant issued under this Ordinance and includes a permit-holder who has paid all sums which he is required to pay under subsection (2) of section 19 and has complied with all the other conditions specified in the permit;';

(l) by the substitution, for the definition of "peace officer", of the following definition:—

"peace officer" includes police officers and Grama Seva Niladharis appointed by a Government Agent in writing to perform police duties;'; and

(m) by the insertion, immediately after the definition of "scheme", of the following new definition:—

"State Mortgage and Investment Bank" means the Bank established under the State Mortgage and Investment Bank Law, No. 13 of 1975.'

3. Chapters II and III of the principal enactment are hereby repealed and the following chapters substituted therefor:—

Replacement of Chapters II and III of the principal enactment.

## " CHAPTER II

### MAPPING-OUT OF STATE LAND

Purposes for which State land may be mapped out.

8. Subject to the general or special directions of the Land Commissioner, State land may be mapped out by the Government Agent for any one or more of the following purposes:—

- (a) village expansion;
- (b) village forest;
- (c) village pasture;
- (d) village purposes not herein specified;
- (e) human re-settlements;
- (f) protection of the sources or courses of streams;
- (g) prevention of the erosion of the soil;
- (h) forest reserves;
- (i) Government purposes, including Government buildings, roads or works;

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- (j) reservations for climatic and other ecological purposes and environmental protection ;
- (k) preservation of objects of archaeological or historical interest ;
- (l) the requirements of local authorities ;
- (m) the development of towns ;
- (n) alienation to certain classes of persons ;
- (o) any other purpose that may be prescribed, having regard to the protection, conservation and development needs of the area.

**Scheme and diagram to be prepared by Government Agent,**

**9. When State land has been mapped out in accordance with the provisions of section 8, the Government Agent shall cause to be prepared—**

- (a) a scheme specifying the mapped-out areas and the purposes for which the lands in such areas have been respectively reserved ;
- (b) a diagram depicting the mapped-out areas specified in the scheme.

**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 diagram from the Government Agent, return the scheme and diagram to the Government Agent with the observations of the committee on that scheme and diagram.**

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

12. 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.

**Power of Land Commissioner to confirm scheme or issue further instructions.**

13. (1) Upon receipt of a scheme and diagram forwarded to him under section 12, the Land Commissioner may confirm such scheme and diagram or may issue to the Government Agent such further directions for instructions in regard to the mapping out or to the scheme or to the diagram as he may consider requisite; and the Government Agent shall observe and give effect to such directions or instructions.

(2) Where the Land Commissioner is satisfied that the directions or instructions issued by him under subsection (1) have been given effect to, he may confirm the scheme and diagram or the modified scheme and diagram, as the case may be.

**Notification of confirmation.**

14. Notice of the fact that the Land Commissioner has confirmed any scheme forwarded to him under section 12 shall be published in such manner as may be prescribed.

**Right of public to inspect diagram.**

15. Upon publication of a notice under section 14, every member of the public shall be entitled to inspect free of charge at the district kachcheri or at the office of the Surveyor-General the diagram depicting the scheme of mapping-out referred to in such notice.

No modification of scheme to be made except with the approval of the Minister in certain cases and of the Land Commissioner in others.

16. 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 (e) of section 8 to be mapped-out or to be utilized for the purpose mentioned in paragraph (n) of that section :

Provided, however, that any modification or variation of a scheme not requiring the approval and consent of the Minister may be effected on the written authority of the Land Commissioner.

Mapping-out not essential before alienation.

17. State land may be alienated whether it has been mapped-out or not.

Unmapped-out land deemed to be mapped out upon alienation.

18. Unmapped-out land, which has been alienated, shall be deemed to have been mapped-out for alienation to persons of the class to which the alienee belongs.

### CHAPTER III

#### ALIENATION OF STATE LAND

Manner of alienation of State land.

19. (1) Alienation of State 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 the purchase amount as determined by the Land Commissioner in full in annual instalments within a period of ten years, together with the interest falling due thereon calculated at a rate not exceeding four *per centum* of the balance of the purchase amount outstanding each year after payment of the annual instalment due for that year :

Provided, however, that where the permit holder fails to make such full payment within the specified period, the Government Agent may extend such period for a further period of two years if the permit-holder satisfies the Government Agent that such failure was due to sickness, crop failure or other unavoidable cause.

(3) The date on which such annual instalments shall commence, and the amount of each such instalment 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 shall be issued a grant in respect of the land of which he is in occupation—

- (a) where he has paid all sums which he is required to pay under subsection (2);
- (b) where he has complied with all the other conditions specified in the Schedule to the permit; and
- (c) where he has been in occupation of, and fully developed, to the satisfaction of the Government Agent—
  - (i) irrigated land, for a period of three years, or
  - (ii) high land, for a period of one year:

Provided, however, that the Land Commissioner may issue a grant before the expiry of the aforesaid period where the



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permit-holder satisfies him that the failure to issue such grant before the expiry of such period would adversely affect the development of such land.

(5) Notwithstanding the provisions of subsections (1), (2), (3) and (4), any permit-holder belonging to the peasant class may be exempted from the payment of the purchase amount referred to in subsection (2) subject to the condition that the Land Commissioner may however recover the cost of the improvements to such land which may have been incurred prior to the alienation of such land.

(6) Every grant issued under subsection (4) shall contain the conditions that the owner of the holding shall not—

- (a) dispose of a divided portion, or an undivided share of the holding which is less in extent than the unit of the sub-division or the minimum fraction specified in the grant; and
- (b) dispose of such holding except with the prior approval of the Government Agent.

Selection of persons to whom State land shall be alienated.

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

Provided that such selection may be made otherwise than at a Land Kachcheri in the following cases :—

- (a) where the Land Commissioner is satisfied that immediate alienation of any land under this Ordinance is desirable in the interests of an applicant and that there are no other interests in the land in question which are likely to be prejudiced:

Provided, however, that no land exceeding eight acres in extent shall be alienated under this paragraph; and

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(b) where the Minister so directs in any particular case or class of cases if it is in the public interest to do so.

**Notification of Land Kachcheri.**

21. The notification that a Land Kachcheri will be held shall be substantially in the prescribed form and shall be published in such manner as may be prescribed.

**Applications for land; when and how received and considered.**

22. (1) The Government Agent may, in a notification under section 21, fix a date before which application shall be made to him for the land proposed to be alienated at the Land Kachcheri appointed to be held by such notification.

(2) Where a date has been so fixed in such notification, the Government Agent may, in his discretion, refuse at the Land Kachcheri to accept or to consider any application for land received after such date.

(3) Where no date has been so fixed, the Government Agent shall be bound to consider all applications received, whether at the Land Kachcheri or before the date fixed for the holding of such Land Kachcheri :

Provided that it shall be lawful for the Government Agent, in a case where no date has been so fixed in terms of subsection (1), to receive or to call for applications before the date fixed for the holding of the Land Kachcheri.

**The persons to whom State land may be alienated.**

22A. No State land shall be alienated to any person other than a person who is a citizen of Sri Lanka.

Any alienation of land made in contravention of the preceding provisions of this section shall be null and void.

Powers of Government Agent at Land Kachcheri.

23. (1) At a Land Kachcheri the Government Agent may, having considered the applications referred to in section 22—

- (a) select the applicants to whom State land shall be alienated either immediately, or on, or before, a future date in accordance with the provisions of this Ordinance; or
- (b) reject any application where the provisions of this Ordinance relating to such application have not been complied with.

(2) In making any selection under subsection (1), the Government Agent shall have special regard to applications received from persons resident in the neighbourhood of the land proposed to be alienated at the Land Kachcheri.

(3) An appeal in the manner prescribed shall lie to the Land Commissioner against any decision made by a Government Agent under subsection (1).

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 notified of his selection for the alienation of land or 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 selection was notified or 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 selection has not been made in accordance with the provisions of this Ordinance.

Date of selection is material date for determination of qualification of alienee.

24. (1) The date on which a person is selected to receive a permit or a grant of State land shall be the material date for the purpose of ascertaining whether such person is duly qualified to receive such permit or grant.

(2) Where land alienated to a person on a permit is subsequently alienated to the same person on a grant, the material date for the purpose of ascertaining whether such person is duly qualified to receive such land on a grant shall be the date on which such person was selected by the Government Agent to receive the same land upon a permit.”.

4. Section 38 of the principal enactment is hereby repealed.

Repeal of section 38 of the principal enactment.

5. Sections 41, 49, 68, 72, 105 and 172 of the principal enactment are hereby amended by the substitution, for the expression “paying an annual sum by virtue of the provisions of subsection (3) of section 19A”, of the expression “paying an annual instalment by virtue of the provisions of section 19”.

Amendment of sections 41, 49, 68, 72, 105 and 172 of the principal enactment.

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

Amendment of section 43 of the principal enactment.

“(b) shall not mortgage such holding to any person other than the State Mortgage and Investment Bank, the People’s Bank, the Bank of Ceylon, the Development Finance Corporation of Ceylon, the National Development Bank of Sri Lanka, the National Housing Development Authority, the Commissioner for National Housing, any registered society or other prescribed institution.”.

7. Section 48A of the principal enactment is hereby amended by the substitution, for subsection (1) of that section, of the following subsection:—

Amendment of section 48A of the principal enactment.

“(1) Upon the death of a permit-holder who at the time of his or her death was required to pay any annual instalments by virtue of the provisions of subsection (2) of section 19, notwithstanding default in the payment of such instalments, 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 that spouse.”.

Amendment  
of sections  
84 and  
85 of the  
principal  
enactment.

Insertion  
of new  
section  
112A in the  
principal  
enactment.

8. Sections 84 and 85 of the principal enactment are hereby amended by the substitution, for the expression "paying rent under subsection (2) of section 19A", of the expression "paying annual instalments under section 19".

9. The following new section is hereby inserted immediately after section 112 of the principal enactment and shall have effect as section 112A of that enactment:—

"Instalments  
already paid  
to be re-  
funded on  
cancellation.

112A. (1) Where any permit is cancelled under subsection (1) of section 109 or subsection (1) of section 110, the Government Agent shall return to the permit-holder the instalments already paid on such permit.

(2) The Government Agent shall deduct from such amount paid as instalments a sum calculated at such rate as may be prescribed for the period during which the land was occupied under such permit."

Amendment  
of section 156  
of the  
principal  
enactment.

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

(a) by the substitution for paragraph (k) of that section of the following paragraph:—

"(k) the return of the annual instalments paid by the permit holder who had paid such instalments under section 19 and whose permit was cancelled;"; and

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

"(kk) the manner in which the cost of improvements to any land alienated to any person under subsection (5) of section 19 may be recovered; and".

Insertion  
of new  
sections  
159A and  
159B in the  
principal  
enactment.

11. The following new sections are hereby inserted immediately after section 159 of the principal enactment and shall have effect as sections 159A and 159B of that enactment:—

"Allenees  
under this  
Ordinance.

159A. (1) Every person to whom any land was alienated under this Ordinance, shall have the right to purchase such land within such time as may be prescribed and obtain a grant of that land under subsection (4) of section 19.

(2) The amount to be paid by such person shall be determined by the Land Commissioner having regard to the value of the land.

Special provisions to apply in respect of land acquired under the Land Redemption Ordinance, and obtained by way of grant or permit issued under this Ordinance.

159b. The following provisions shall apply in respect of the issue of a grant for alienation of land under section 159 where such land has been acquired under the provisions of the Land Redemption Ordinance, No. 61 of 1942, and was held on a permit or grant issued under this Ordinance—

- (a) the grant shall be in the prescribed form;
- (b) Chapter VII of this Ordinance shall not apply to the land held on such grant; and
- (c) the grant shall have effect as if it were an absolute grant of land under section 2 of the Crown Lands Ordinance and the provisions of that Ordinance shall apply to the right, title and interest of the alienee of the land under such grant.”.

12. Section 166 of the principal enactment is hereby repealed and the following section substituted therefor:—

“Protection of public officers.

166. No suit shall lie against any public officer for anything done or omitted to be done by him in good faith under this Ordinance.”.

Replacement of section 166 of the principal enactment.

13. The Sale of State Lands (Special Provisions) Law, No. 43 of 1973, is hereby repealed.

Repeal of the Sale of State Lands (Special Provisions) Law, No. 43 of 1973.  
Savings.

14. (1) Notwithstanding the repeal of the Sale of State Lands (Special Provisions) Law, No. 43 of 1973, where any person is a permit-holder under that Law and such permit has not been cancelled under section 27 of that Law, such person shall be deemed to be in possession of the land so alienated and he shall be deemed to be a permit-holder under the provisions of the principal enactment.

(2) Notwithstanding the repeal of the Sale of State Lands (Special Provisions) Law, No. 43 of 1973, where any person is the holder of a grant under that Law, he shall be deemed to be in possession of the land so alienated and he shall be deemed to be a holder of a grant under the provisions of the principal enactment.

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