

# PARLIAMENT OF CEYLON

3rd Session 1967-68



## Ceylon Petroleum Corporation (Determination of Compensation) Special Provisions Act, No. 22 of 1968

*Date of Assent: June 11, 1968*

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*Ceylon Petroleum Corporation (Determination  
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L. D.—O. 35/65.

AN ACT TO PROVIDE FOR THE DETERMINATION OF THE CLAIMS FOR COMPENSATION MADE BY PERSONS OTHER THAN FOREIGN-OWNED PETROLEUM COMPANIES IN RESPECT OF LAND VESTED IN OR REQUISITIONED FOR THE CEYLON PETROLEUM CORPORATION, FOR THE MODE AND MANNER OF THE PAYMENT OF COMPENSATION, AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

[Date of Assent: June 11, 1968]

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 Ceylon Petroleum Corporation (Determination of Compensation) Special Provisions Act, No. 22 of 1968.

Short title.

2. Where any land (other than land of a foreign-owned petroleum company) has been vested in or requisitioned for the Corporation, the Chairman of the Board of Directors shall, by notice published in the *Gazette* and in such other manner as may be determined by him, direct every person (other than a foreign-owned petroleum company) who was interested in such land immediately before the date on which such land was so vested or requisitioned to make, within a period of one month reckoned from the date specified in the notice, a written claim to the whole or any part of the compensation payable in respect of such land, and to specify in the claim—

Notice of any claim for compensation payable in respect of land (other than land of a foreign-owned petroleum company) vested in or requisitioned for the Corporation to be made to the Chairman of the Board of Directors.

- (a) his name and address;
- (b) the nature of his interest in such land;
- (c) the particulars of his claim; and
- (d) how much of such compensation is claimed by him:

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Provided that where any claim for compensation in respect of such land has been made on any day preceding the date of commencement of this Act, such claim shall be deemed to have been made in pursuance of the preceding provisions of this section and no fresh claim shall be required to be made.

Power of the  
Chairman of  
the Board of  
Directors or  
officer  
authorized by  
him to  
determine  
compensation  
payable to  
claimants.

3. (1) The Chairman of the Board of Directors or such other officer as may be authorized by him in that behalf shall, as soon as possible after the receipt of a claim for compensation made or deemed to have been made by any person under section 2, determine such claim, and accordingly the Compensation Tribunal established or constituted under the provisions of the Ceylon Petroleum Corporation Act shall be deemed, at all times, not to have had, and not to have, any power or authority or jurisdiction to hear or determine such claim.

(2) Where there is any dispute as to the persons entitled to compensation in respect of any land vested in or requisitioned for the Corporation, the Chairman of the Board of Directors or such other officer as may be authorized by him in that behalf shall defer making any determination as to the compensation payable in respect of such land and shall refer the dispute for decision to the District Court within whose jurisdiction such land is situate at the time it was so vested or requisitioned, and shall, after such court makes its decision on such dispute, make an award of compensation in accordance with such decision.

Power to hold  
inquiries into  
claims for  
compensation.

4. (1) For the purpose of making a determination under section 3, the Chairman of the Board of Directors or such other officer as may be authorized by him in that behalf may, if such Chairman or other officer considers it necessary so to do, hold an inquiry, and such Chairman or other officer shall by notice in writing direct every claimant for compensation to be present on such date, and at such time and place, as may be specified in the notice.

(2) The Chairman of the Board of Directors, or such other officer as may be authorized by him in that behalf, conducting an inquiry under sub-section (1) may adjourn the inquiry from time to time and on every occasion on which such Chairman or other officer adjourns the inquiry, such Chairman or other officer

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shall notify to every claimant for compensation the date on which, and the time and place at which, such inquiry will be resumed.

(3) The Chairman of the Board of Directors, or such other officer as may be authorized by him in that behalf, conducting an inquiry under sub-section (1) may by summons under the hand of such Chairman or other officer require—

(a) any person whose evidence is, in the opinion of such Chairman or other officer, likely to be material for the determination of the amount of compensation, to attend and to give evidence at the inquiry on such date and at such time and place as may be mentioned in the summons; and

(b) any person to produce at the inquiry on such date and at such time and place as may be mentioned in the summons for examination by such Chairman or other officer any such document or book of accounts in the possession of such person as is in the opinion of such Chairman or other officer likely to contain such information as may be necessary to determine the amount of compensation.

(4) A summons to any person under sub-section (3) shall be served on him in the same manner as is provided by the Civil Procedure Code for the service of summons in a civil suit.

(5) The examination of any witness at any inquiry under sub-section (1) shall be on oath or affirmation administered by the Chairman of the Board of Directors or other officer conducting the inquiry.

5. (1) The amount of the compensation payable in respect of any land vested in the Corporation shall be a sum equal to the value which that land would have realized if sold in the open market on the date on which that land was so vested:

Assessment  
and payment  
of compensation  
under this Act.

Provided that where, on any date prior to the date on which that land was so vested, any building had been constructed on, or any other improvements had been effected to, such land by any foreign-owned

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petroleum company, no account shall be taken of such building or improvements in the computation of the market value of that land.

(2) In determining the compensation payable under sub-section (1) in respect of any land vested in the Corporation any sum which had been paid in advance to the owner of such land as rent for any period after the date on which the land was so vested shall be deducted from the amount of the compensation.

(3) Section 48 of the Ceylon Petroleum Corporation Act shall apply in the assessment of the amount of compensation payable under this Act in respect of land requisitioned for the Corporation subject to the following modifications:—

(a) that there were substituted for the word “property” occurring in that section, the word “land”,

(b) that there were added at the end of sub-section (1) of that section the following proviso:—

“ Provided that in the computation of the rent payable in respect of any land for the purposes of the preceding provisions of this section no account shall be taken of any building constructed on, or other improvements effected to, such land by any foreign-owned petroleum company prior to the date on which such land was so requisitioned.”; and

(c) that there were added at the end of that section the following new sub-section:—

“(3) The amount of any rent paid in advance to the owner of any land for any period after the date on which such land was requisitioned shall be deducted from the compensation payable under sub-section (1).”.

(4) Sections 49 and 50 of the Ceylon Petroleum Corporation Act shall apply in relation to the payment of compensation under this Act subject to the modification that there were substituted for the word “property”, occurring in each of those sections, the word “land”.

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6. The Chairman of the Board of Directors or such other officer as may be authorized by him in that behalf shall, upon the determination of the amount of compensation payable to any person in respect of any land vested in or requisitioned for the Corporation, make an award under his hand of the amount of such compensation and give written notice of such award to the person or persons entitled to such compensation.

Duty of Chairman of the Board of Directors or other officer to make an award of the compensation and to give notice of such award.

7. (1) Where any person is dissatisfied with the amount of the compensation awarded to him under section 6, such person may appeal against the award to the Board of Review constituted under the Land Acquisition Act (hereinafter referred to as "the Board of Review").

Person dissatisfied with the amount of compensation awarded may appeal therefrom to the Board of Review constituted under the Land Acquisition Act.

(2) Every appeal under sub-section (1) shall be in writing and be addressed to the Chairman of the Board of Review and be transmitted to, or delivered at, the office of that Board.

(3) Every appeal under sub-section (1) shall—

- (a) state the name and address of the appellant;
- (b) mention as the respondent the Chairman of the Board of Directors or other officer who made the award against which the appeal is preferred;
- (c) contain a concise statement of the description of the land in respect of which the award was made; and
- (d) state the amount of compensation claimed by the appellant and the reasons why he considers the amount awarded by the respondent to be insufficient.

(4) No appeal under sub-section (1) shall be entertained by the Board of Review unless it is preferred within twenty-one days after the date on which notice of the award of the compensation under section 6 of this Act was received by the appellant.

8. (1) The provisions of section 24 of the Land Acquisition Act shall apply to proceedings before the Board of Review on any appeal to that Board under this Act.

Application of certain sections of the Land Acquisition Act in relation to appeals to the Board of Review under this Act.

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(2) The provisions of section 25 of the Land Acquisition Act shall apply in relation to the decision of the Board of Review on any appeal to that Board under this Act subject to the following modifications:—

(a) sub-section (3) of that section shall have effect as though the words “or reduce” were omitted; and

(b) sub-section (4) of that section shall have effect as though the proviso thereto were omitted.

(3) The provisions of section 26 of the Land Acquisition Act shall apply in relation to any appeal to the Board of Review under this Act subject to the modification that for sub-section (2) of that section there were substituted the following sub-section:—

“(2) All such costs ordered to be paid by any person to the Chairman of the Board of Directors of the Ceylon Petroleum Corporation, or any officer authorized by him in that behalf, in any appeal against an award under the provisions of the Ceylon Petroleum Corporation (Determination of Compensation) Special Provisions Act, may be deducted from the amount of the award payable under that Act to that person.”.

Finality of  
an award made  
under this Act.

9. An award under this Act of the Chairman of the Board of Directors, or any other officer authorized by him in that behalf, or if instead of that award, a new award has on appeal to the Board of Review been made by that Board, such new award shall be final and not called in question in any court.

Tender and  
payment of  
compensation.

10. Where an award is made under section 6, the Chairman of the Board of Directors shall tender to the person who is entitled to compensation according to that award the amount of compensation allowed to him by the award or, if in lieu of that amount a new amount has been allowed as compensation by a decision of the Board of Review on an appeal by him to that Board, tender that new amount to him, and shall pay the tendered amount to him if he consents to receive it.

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11. Where any person to whom any compensation under this Act is awarded declines to receive it when it is tendered to him, or where such person is dead or cannot be found after diligent search, the amount of such compensation shall be paid into the District Court or the Court of Requests having jurisdiction over the place where the land in respect of which such compensation is awarded is situated, according as the amount of such compensation exceeds or does not exceed seven hundred and fifty rupees, to be drawn by the person or persons entitled thereto.

Payment into court of the amount of any compensation awarded under this Act where person entitled thereto declines to receive it, or is dead or cannot be found.

Notice of the payment of any sum as provided in this section shall be published in the *Gazette* and in at least one Sinhala daily newspaper, one Tamil daily newspaper and one English daily newspaper circulating in Ceylon.

12. (1) The Chairman of the Board of Directors may before the determination of a claim for compensation under this Act pay to a person whom he considers entitled to such compensation an advance, and any sum so paid shall be deducted from the amount of the compensation awarded to him under section 6.

Power of the Chairman of the Board of Directors to pay advances on account of compensation.

(2) Where any sum had been paid prior to the date of commencement of this Act to any person as an advance on account of compensation to be paid to such person under the Ceylon Petroleum Corporation Act in respect of any land vested in or requisitioned for the Corporation, such payment shall be deemed to have been paid under sub-section (1) and accordingly such sum shall be deducted from the amount of the compensation awarded to such person under section 6 of this Act.

13. The mode and manner of payment of compensation under this Act shall be determined by the Minister in consultation with the Minister of Finance.

Mode and manner of payment of compensation under this Act.

14. If any person upon whom a summons is served under this Act—

Offences.

(a) fails to appear at an inquiry on the date and at the time specified in the summons without cause, which in the opinion of the Chairman of the Board of Directors or other officer conducting the inquiry is reasonable;

(b) having appeared at the inquiry refuses to be sworn, or, having been duly sworn, refuses or fails, without cause, which in the opinion



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of such Chairman or other officer conducting the inquiry is reasonable, to answer any question put to him; or

- (c) refuses or fails without cause, which in the opinion of such Chairman or other officer conducting the inquiry is reasonable, to produce any document or book of accounts required to be produced,

such person shall be guilty of an offence under this Act and shall on conviction after summary trial before a Magistrate be liable to a fine not exceeding one hundred rupees.

Finality as to  
payment of  
compensation.

15. Where compensation under this Act has been paid in respect of any land in accordance with the provisions of this Act, no further claim against the Corporation either by the person to whom such compensation was paid or by any other person shall be allowed and no action shall be instituted against the Corporation in any court in respect of such further claim.

This Act to  
prevail over  
other written  
law.

16. The provisions of this Act shall have effect notwithstanding anything contained in any other written law, and accordingly in the event of any conflict or inconsistency between the provisions of this Act and such other law, the provisions of this Act shall prevail.

Interpretation.

17. In this Act unless the context otherwise requires—

“ Board of Directors ” means the Board of Directors of the Corporation;

“ Ceylon Petroleum Corporation Act ” means the Ceylon Petroleum Corporation Act, No. 28 of 1961, as amended by any subsequent Act;

“ Corporation ” means the Ceylon Petroleum Corporation established under the Ceylon Petroleum Corporation Act;

“ foreign-owned petroleum company ” means any foreign-owned petroleum company within the meaning of the definition of ‘ foreign-owned petroleum companies ’ in the Ceylon Petroleum (Foreign Claims) Compensation Act, No. 19 of 1965;

“ land ” includes buildings.