



PARLIAMENT OF THE DEMOCRATIC  
SOCIALIST REPUBLIC OF  
SRI LANKA

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UNIVERSITIES (AMENDMENT)  
ACT, No. 3 OF 1989

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[Certified on 5th May, 1989]

*Printed on the Orders of Government*

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Universities (Amendment) Act, No. 3 of 1989

[Certified on 5th May, 1989]

L.D.—O. 9/89

An Act to amend the Universities Act, No. 16 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 Universities (Amendment) Act, No. 3 of 1989.

Short title.

2. The following new sections are hereby inserted immediately after section 70E of the Universities Act, No. 16 of 1978 (hereinafter referred to as the "principal enactment") and shall have effect as sections 70F, 70G, 70H, 70J, 70K, 70L, 70M, 70N and 70P of the principal enactment :—

Insertion of new sections 70F, 70G, 70H, 70J, 70K, 70L, 70M, 70N and 70P in Act, No. 16 of 1978.

'Power of Minister to vest undertaking of Degree Awarding Institute in the Government.

70F. (1) Where the Minister considers it necessary to do so, in the public interest, he may by Order published in the *Gazette*, vest in the Government with effect from such date as is specified in such Order, any undertaking carried on by a Degree Awarding Institute.

(2) Where any undertaking carried on by a Degree Awarding Institute is vested in the Government by an Order made under subsection (1), the Government shall with effect from the date specified in such Order, have absolute title to that undertaking free from all encumbrances.

(3) Every Order made under subsection (1) shall be laid before Parliament within thirty days of the date specified in such Order and if Parliament is not in session within fifty days of the Commencement of the session next ensuing by a motion that such Order be approved.

(4) Where Parliament refuses to approve an Order made under subsection (1) in respect of an undertaking carried on by a Degree Awarding Institute, that undertaking shall be deemed never to have vested in the Government by virtue of that Order and any question which may arise as to any right, title or interest in, or over, such undertaking shall be determined accordingly.

Appointment  
of  
Competent  
Authority.

70G. (1) Where an undertaking carried on by a Degree Awarding Institute is vested in the Government by an Order made under section 70F, there shall be appointed a Competent Authority to manage and administer the affairs of that undertaking.

(2) A Competent Authority appointed under subsection (1) to manage and administer the affairs of an undertaking carried on by a Degree Awarding Institute, shall take possession of the property of that undertaking.

Contracts  
of an under-  
taking.

70H. (1) Where an undertaking carried on by a Degree Awarding Institute is vested in the Government by an Order made under section 70F, all the rights and liabilities under any contract or agreement which relates to the purposes of such undertaking and subsisting on the day preceding the date specified in such Order shall vest in the Government.

(2) The Minister may—

(a) repudiate any liability under—

(i) any contract or agreement, which in his opinion, has been entered into *mala fide*; or

(ii) any contract or agreement with a student of the Institute who has not fulfilled the minimum requirements specified by the Commission, from time to time, for admission to a University, or

(b) review or vary the terms and conditions of any contract or agreement entered into with a member of the staff of any such Institute, having regard to the terms and conditions attached to corresponding posts in Higher Educational Institutions.

Notice of repudiation or variation shall be given to the parties to the contract or agreement, within six months of the date specified in such Order.

(3) Where the Minister repudiates the liabilities under any such contract of agreement those liabilities shall be deemed never to have vested in the government.

70j (1) Any person aggrieved by an Order made under section 70f in respect of an undertaking carried on by a Degree Awarding Institute may, within fourteen days of that Order, apply to the Minister for revocation of such Order.

Application  
for  
revocation.

(2) The Minister shall refer any application made under subsection (1) to an Advisory Board consisting of not less than three persons as may be appointed by the Minister, and such Advisory Board shall within sixty days advise the Minister as to whether the Order should be revoked.

(3) The Minister, may, after considering the advice tendered to him by the Advisory Board, revoke the vesting Order in respect of which the application was made.

70k. (1) The proprietors of any Institute, the undertaking of which is vested in the Government by an Order made under section 70f shall be entitled to reasonable compensation for such vesting.

Compensation.

(2) The Minister may make regulations with regard to the manner of assessment of compensation payable in respect of an undertaking carried on by a Degree Awarding Institute and vested in the Government by an Order made under section 70f and the mode in which such compensation shall be paid.

(3) Every regulation made by the Minister under subsection (2) shall be published in the *Gazette* and shall, as soon as convenient after its publication in the *Gazette*, be brought before Parliament for approval.



(4) Any regulation which is not so approved shall be deemed to be rescinded as from the date of such disapproval but without prejudice to anything done thereunder.

(5) Notification of the date on which any regulation is deemed to be rescinded under subsection (4) shall be published in the *Gazette*.

(6) All payments to be made in respect of any undertaking carried on by a Degree Awarding Institute and vested in the Government by an Order made under section 70F shall be charged on the Consolidated Fund.

(7) In this section "proprietor" when used in relation to an undertaking carried on by a Degree Awarding Institute means the owners of that undertaking or any other person authorized by the owner to enter into contracts for the purposes of that undertaking.

**Offences.**

70L. Any person—

(a) who refuses or fails to deliver possession to a Competent Authority appointed under section 70G, of any property vested in the Government by an Order made under section 70F; or

(b) who prevents or obstructs or directly or indirectly, causes any other person to prevent or obstruct any such Competent Authority from taking possession of any such property,

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 ten thousand rupees or to imprisonment for a period not exceeding three years or to both such fine and imprisonment.

**Powers of  
Competent  
Authority.**

70M. Subject to the provisions of the Constitution, where an undertaking carried on by a Degree Awarding Institute is vested in the Government by an Order made under

section 70F, all the powers exercisable by that Institute under Part IXA on the day preceding the date specified in such Order (including the power to grant degrees, diplomas and other academic distinctions in the name of that Institute) may, with effect from the date specified in such Order, be exercised by the Competent Authority appointed to administer and manage that undertaking subject to the provisions of that Part, and that Institute shall cease to exercise any such power with effect from such date. The provisions of that Part shall, *mutatis mutandis* and subject to the provisions of the Constitution, apply to every such undertaking.

70N. The Minister may, in the public interest and by Order published in *Gazette*, transfer to any Higher Educational Institution, the whole or any part of an undertaking vested in the Government by an Order made under section 70F and the Competent Authority appointed to administer and manage such undertaking shall be deemed to be the Dean of any faculty of such Higher Educational Institution formed out of the undertaking or part thereof so transferred, and shall function as such until the election of a Dean of such faculty in accordance with the provisions of Part VII of this Act.

Transfer of undertaking.

70P. In section 70F to 70N, "undertaking" in relation to a Degree Awarding Institute means the undertaking for developing higher education in such branches of learning as are specified in the Order made under section 25A in respect of such Institute and includes—

Interpretation.

- (a) all movable and immovable property which was used for the purposes of that undertaking on the day immediately preceding the date of the Order made under section 70F in respect of that Institute;

(b) all rights, powers, privileges, and interests arising, in, or from, that property or undertaking and all liabilities of that undertaking; and

(c) all books, accounts and documents, relating or appertaining to, that undertaking or any property of that undertaking.

Sinhala text to prevail in case of inconsistency.

3. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.