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

**RECOVERY OF LOANS BY BANKS
(SPECIAL PROVISIONS) (AMENDMENT)
ACT, No. 1 OF 2011**

[Certified on 28th January, 2011]

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*Recovery of Loans by Banks (Special Provisions)
(Amendment) Act, No. 1 of 2011*

[Certified on 28th January, 2011]

L.D.—O. 11/2010.

AN ACT TO AMEND THE RECOVERY OF LOANS BY BANKS
(SPECIAL PROVISIONS) ACT, NO. 4 OF 1990

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

1. This Act may be cited as the Recovery of Loans by
Banks (Special Provisions) (Amendment) Act, No. 1 of 2011.

Short title.

2. The following new section is hereby inserted
immediately after section 5 of the Recovery of Loans by
Banks (Special Provisions) Act, No. 4 of 1990 (hereinafter
referred to as the “principal enactment”) and shall have effect
as section 5A of that enactment :—

Insertion of new
section 5A in the
Recovery of
Loans by Banks
(Special
Provisions) Act,
No. 4 of 1990.

“Application
of sections 3,
4 and 5 in
relation to
loans
exceeding
rupees five
million.

5A. (1) No action shall be initiated in terms
of section 3 of the principal enactment for the
recovery of any loan in respect of which default
is made, nor shall any steps be taken in terms
of section 4 or section 5 of the aforesaid Act,
where the amount of such loan is less than
rupees five million :

Provided however, at the time of default
when calculating the amount due and owing
to the Bank on the loan granted to such
defaulter, the interest accrued on such loan and
any penalty imposed thereon, shall not be
taken into consideration.

(2) The provisions of section 5A of this Act,
shall also apply in relation to any bank
established by an Incorporation Order made
under the provisions of any written law for the
time being in force, notwithstanding any
provisions relating to the recovery of loans by
any such bank.”.

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(Amendment) Act, No. 1 of 2011

Replacement of
section 22 of the
principal
enactment.

3. Section 22 of the principal enactment is hereby repealed and the following section substituted therefor :—

“Interpretation. 22 “bank” means a licensed commercial bank or a licensed specialised bank within the meaning of the Banking Act, No. 30 of 1988 which is empowered to take possession of movable or immovable property which has been mortgaged to the bank as security for any loan, overdraft, advance or other accommodation and in respect of which default has been made.”.

Sinhala text to
prevail in case
of inconsistency.

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

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

**OFFENSIVE WEAPONS (AMENDMENT)
ACT, No. 2 OF 2011**

[Certified on 28th January, 2011]

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*Offensive Weapons (Amendment)
Act, No. 2 of 2011*

[Certified on 28th January, 2011]

L.D.—O. 24/2010.

AN ACT TO AMEND THE OFFENSIVE WEAPONS
ACT, NO. 18 OF 1966

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

- 1.** This Act may be cited as the Offensive Weapons (Amendment) Act, No. 2 of 2011. Short title.
- 2.** Section 10 of the Offensive Weapons Act, No. 18 of 1966 is hereby repealed and following section substituted therefor:— Replacement of section 10 of Act, No. 18 of 1966.

“Offences under this Act to be non-bailable except on the order of the High Court of the Province. **10.** No person charged with, or accused of, an offence under this Act, shall be released on bail except on the order of the High Court of the Province established under Article 154P of the Constitution, for such Province.”.
- 3.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

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

**REGULATION OF INSURANCE INDUSTRY
(AMENDMENT) ACT, No. 3 OF 2011**

[Certified on 07th February, 2011]

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Regulation of Insurance Industry (Amendment)
Act, No. 3 of 2011

[Certified on 07th February, 2011]

L.D.—O. 13/2010

AN ACT TO AMEND THE REGULATION OF INSURANCE INDUSTRY
ACT, No. 43 OF 2000

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

- 1.** This Act may be cited as the Regulation of Insurance Industry (Amendment) Act, No. 3 of 2011. Short title.
- 2.** Section 4 of the Regulation of Insurance Industry Act, No. 43 of 2000 (hereinafter referred to as the “principal enactment”) is hereby amended as follows:— Amendment of section 4 of Act, No. 43 of 2000.

 - (1) in subsection (1) of that section, by the repeal of paragraph (c) of that subsection and the substitution therefor of the following paragraph:—

“(c) the Registrar-General of Companies ; ”; and
 - (2) in subsection (3) of that section, by the substitution for the words “of the Schedule to this Act”, and for the words “members its of the Board,”, of the words “of the First Schedule to this Act” and of the words “members of the Board,”, respectively.
- 3.** Section 5 of the principal enactment is hereby amended as follows:— Amendment of section 5 of the principal enactment.

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

“(bb) register persons as loss adjusters;” and

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Act, No. 3 of 2011

- (2) by the insertion immediately after paragraph (d) of that section, of the following new paragraph:—

“(dd) enter into any bi-lateral or multi-lateral memorandum of understanding pertaining to the sharing of information, with any local or foreign person;”.

Amendment of section 6 of the principal enactment.

4. Section 6 of the principal enactment is hereby amended in subsection (2) of that section, by the repeal of paragraph (b) of that subsection and the substitution thereof of the following paragraph:—

“(b) all such sums of money as shall be paid as registration fees under sections 14, 81, 83 and 89c of this Act;”.

Amendment of section 12 of the principal enactment.

5. Section 12 of the principal enactment is hereby amended as follows :—

- (1) by the insertion immediately after subsection (1) thereof, of the following new subsection:—

“(1A). Notwithstanding the provisions contained in subsection (1), the National Insurance Trust Fund Board established by the National Insurance Trust Fund Act, No. 28 of 2006 shall be deemed to be:—

- (a) a person registered under this Act to carry on insurance business in Sri Lanka ; and
(b) an Insurer registered under the provisions of this Act to carry on insurance business from the date of coming into operation of this Act.”;

- (2) in subsection (2) thereof, by the substitution for the words “for long term insurance business or for both general and long term insurance business.” of the words “for long term insurance business.”;

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- (3) in subsection (3) thereof by the substitution for the words and figures “the Social Security Board established by the Social Security Board Act, No. 17 of 1996 and the National Insurance Trust Fund Board established by the National Insurance Trust Fund Act, No. 28 of 2006.” of the words and figures “the Social Security Board established by the Social Security Board Act, No. 17 of 1996.”.

6. Section 13 of the principal enactment is hereby amended in subsection (1) of that section, as follows:—

Amendment of section 13 of the principal enactment.

- (1) in paragraph (b) thereof, by the substitution for the words “less than the prescribed amount;”, of the words “less than such amount as determined by the Board by rules made in that behalf;”; and
- (2) by the insertion immediately after paragraph (b) thereof, of the following new paragraph:—

“(bb) has in its Board of Directors persons who are not subject to any one or more of the disqualifications specified in the Second Schedule to this Act;”.

7. Section 14 of the principal enactment is hereby amended in subsection (1) of that section, as follows:—

Amendment of section 14 of the principal enactment.

- (1) in paragraph (h) thereof, by the substitution for the words “section 13; and”, of the words “section 13;”;
- (2) in paragraph (i) thereof, by the substitution for the words “three years.”, of the words “three years; and”; and
- (3) by the addition immediately after paragraph (i) thereof, of the following new paragraph:—

“(j) such other documents and information as may be determined by the Board.”.

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Insertion of new section 15A in the principal enactment.

8. The following new section is hereby inserted immediately after section 15 of the principal enactment and shall have effect as section 15A of that enactment:—

“Insurer to be listed on a licensed stock exchange. 15A. Every insurer shall be required within three years of being issued with a licence under section 15 of this Act, to have itself listed on a licensed stock exchange.”.

Repeal of section 17 of the principal enactment.

9. Section 17 of the principal enactment is hereby repealed.

Amendment of section 18 of the principal enactment.

10. Section 18 of the principal enactment is hereby amended in subsection (1) of that section, as follows:—

- (1) in paragraph (g) thereof, by the substitution for the words “direction given by the Board”, of the words “direction given or determination made by the Board ”; and
- (2) in paragraph (h) thereof, by the substitution for the words “in its, application for registration;”, of the words “in its application for registration or in any information or document submitted to the Board;”.

Repeal of section 28 of the principal enactment.

11. Section 28 of the principal enactment is hereby repealed.

Insertion of new section 31A in the principal enactment.

12. The following new section is hereby inserted immediately after section 31 of the principal enactment and shall have effect as section 31A of that enactment:—

“No person be appointed a director of an insurer or continue as a director in certain circumstances. 31A. A person shall not be appointed, elected or nominated as a director of an insurer or continue as a director of an insurer, if such person is subject to any one or more of the disqualifications specified in the Second Schedule to this Act.”.

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13. Section 32 of the principal enactment is hereby amended by the insertion immediately after subsection (1) of that section, of the following new subsection:—

Amendment of section 32 of the principal enactment.

“(1A) The disqualifications specified in the Second Schedule to this Act, shall *mutatis mutandis*, apply to and in relation to a person employed as a specified officer under subsection (1).”.

14. The following new sections are hereby inserted immediately after section 33 of the principal enactment and shall have effect as sections 33A, 33B, 33C, 33D and 33E of that enactment:—

Insertion of new sections 33A, 33B, 33C, 33D and 33E of the principal enactment.

“Conditions relating to the appointment of directors of an insurer. 33A. (1) A director or an employee of an insurer shall not be appointed, elected or nominated as a director of another insurer, except where such insurer is a subsidiary company or an associate company of the first mentioned insurer.

(2) An employee of an insurer may be appointed, elected or nominated as a director of that insurer, subject however to the condition that the number of employees that may be so appointed, elected or nominated as directors, shall not exceed one-third of the total number of members of the Board of Directors of that insurer.

Insurer to inform Board of proposed appointment, nomination or election of directors. 33B. (1) Every insurer shall submit to the Board along with the Form required to be filed with the Registrar-General of Companies, a notice in such form and manner as shall be determined by the Board, giving information about each person sought to be appointed, elected or nominated as a director of the insurer, prior to the making of such appointment, election or nomination, as the case may be, and obtain the Boards approval for the same.

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(2) Where the Board receives a notice from an insurer under subsection (1) informing it of a proposed appointment, election or nomination of a person as a director of such insurer, the Board shall within thirty days of receipt of such notice and having regard to the provisions of section 33A, and to the disqualifications specified in the Second Schedule to this Act, approve or refuse to approve such appointment, election or nomination, as the case may be, and inform the insurer of its decision along with its reasons for reaching such decision. It shall also be the duty of the insurer to communicate to the person concerned, who is sought to be appointed, elected or nominated, as a director, the decision of the Board.

(3) Any person aggrieved by a decision given by the Board under subsection (2), may submit an appeal against such decision to the Board which shall be referred by the Board to a Panel of Review, consisting of three persons appointed by the Minister, from among persons who have experience and shown capacity in the field of insurance, financial management or law. The Panel of Review shall having considered the grounds on which the appeal is being made and any other matters which in its opinion merits consideration, make a decision either confirming the refusal or approving the appointment, election or nomination, as the case may be, of such person as a director of the insurer concerned.

Appointments, elections or nominations of directors of an insurer to be approved by the Board .

33c. (1) An insurer shall not appoint, elect or nominate as a director of such insurer a person whose appointment, election or nomination has not been approved by the Board under section 33B of this Act.

(2) Notwithstanding the provisions of subsection (1), a person whose name has been submitted to the Board for approval under subsection (1) of section 33B, may be appointed, elected or nominated as a director of the insurer, pending the receipt of the decision of the Board. However, where the Board refuses to grant approval and the insurer communicates to the person concerned, the decision of the Board, such person shall from the date of such communication, cease to hold office as a director of the insurer, subject to any decision the Board may reach upon any objections that may have been tendered by the person concerned, under subsection (3) of section 33B, against the decision of the Board refusing to grant approval.

(3) It shall be the duty of an insurer to inform the Board forthwith of every appointment, election or nomination of a director, whose appointment, election or nomination, as the case may be, was approved by the Board.

Removal of a director who is ineligible to hold office as a director.

33D. (1) An insurer shall, immediately upon becoming aware that a director of such insurer has become subject to any one or more of the disqualifications specified in the Second Schedule to this Act or has become ineligible to continue to hold office as a director of the insurer, inform the Board of such fact.

(2) Where the Board receives any information under subsection (1) about a director or where the Board becomes aware at any time that a person appointed, elected or nominated as a director of an insurer has thereafter become disqualified under any one or more of the disqualifications specified in the Second Schedule to this Act or has otherwise become ineligible to continue to

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hold office as a director of an insurer, the Board shall—

- (a) direct the insurer concerned, in writing, to remove such person from the office of a director within such period as may be specified in such direction; and
- (b) in writing, notify the person who is to be removed of the fact of such removal, with a copy of the direction issued to the insurer regarding the same annexed to such notification.

(3) The insurer to whom a direction is issued under subsection (2) shall, within the period specified in the direction—

- (a) remove the person from the office of director; and
- (b) take such steps as are necessary to inform the shareholders of the insurer and the Registrar-General of Companies of such removal.

(4) The removal of a director in accordance with a direction issued under paragraph (a) of subsection (2) shall, notwithstanding the Articles of Association of the insurer, take effect from the date of receipt by the director of the notification of removal sent by the insurer.

(5) Any person who is aggrieved by the removal of such person from the office of a director under subsection (3) of this section, may within fourteen days of being notified of such removal, appeal therefrom to the Court of Appeal. The Court of Appeal may on appeal made under this section, confirm, revise, modify or set aside the decision against which the

appeal is made and may make such order as the interests of justice may require.

Failure to
comply to be
an offence.

33E. An insurer who fails to comply with any direction given under paragraph (a) of subsection (2) of section 33D within the period specified in such direction and a director who has been served with a notice under paragraph (b) of that subsection who continues to function as a director thereafter, shall each be guilty of an offence under this Act and shall be liable on conviction after summary trial before a Magistrate to a fine not exceeding five hundred thousand rupees and shall in addition be liable—

- (a) in the case of the insurer, to a further fine of one hundred thousand rupees, for each day that the insurer continues to commit such offence after conviction; and
- (b) in the case of a director of the insurer, to a further fine of rupees one hundred thousand for each day such director continues to function as director, after conviction.”.

15. Section 35 of the principal enactment is hereby repealed.

Repeal of
section 35 of the
principal
enactment.

16. Section 37 of the principal enactment is hereby amended by the repeal of subsection (1) of that section and the substitution therefor of the following subsection:—

Amendment of
section 37 of the
principal
enactment.

“(1) For the purpose of examining whether the interests of the policy holders are being adequately safeguarded every insurer shall be required to file with the Board:—

- (a) all policy forms to be issued by such insurer, prior to its issue;

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- (b) any amendments to be made to any policy forms already issued; and
- (c) where required to do so by a notice in writing, copies of any policy forms already issued.”.

Amendment of section 47 of the principal enactment.

17. Section 47 of the principal enactment is hereby amended as follows:—

- (1) in subsection (1) of that section, by the substitution for the words “by the Board by rules made in that behalf.”, of the words “by the Board.”; and
- (2) in subsection (2) of that section, by the substitution for the words “required by the rules made by the Board in that behalf,” , of the words “required by the Board.”.

Amendment of section 48 of the principal enactment.

18. Section 48 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution, from all the words from “in accordance with rules” to the words “as the Board may determine.”, of the words “in such manner and within such period after the close of the financial year, as the Board may determine.”.

Amendment of section 49 of the principal enactment.

19. Section 49 of the principal enactment is hereby amended in paragraph (b) of that section, by the substitution for the words “return containing such information as may be determined by the Board by rules made in that behalf.” of the words “return containing such information and during such periods of time, as may be determined by the Board.”.

Amendment of section 55 of the principal enactment.

20. Section 55 of the principal enactment is hereby amended by the substitution for the words “the provisions of section 162 of the Companies Act, No. 17 of 1982”, of the words “the provisions of section 173 of the Companies Act, No. 7 of 2007,”.

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21. Section 56 of the principal enactment is hereby amended by the substitution for the words “abstracts as may be determined by the Board by rules made in that behalf.”, of the words “abstracts as may be determined by the Board and within such period as the Board may determine.”.

Amendment of section 56 of the principal enactment.

22. Section 60 of the principal enactment is hereby amended in the proviso to that section, by the substitution for the words “any particular insurer, unless the insurer has”, of the words “any particular insurer or broker, unless the insurer or the broker has”.

Amendment of section 60 of the principal enactment.

23. Section 61 of the principal enactment is hereby repealed and the following section substituted therefor:—

Replacement of section 61 of the principal enactment.

“Publishing of returns submitted to the Board. 61. An insurer may with the prior written approval of the Board, publish any return submitted to the Board under this Act or a true and accurate abstract of such return, for purpose of publicity.”.

24. Section 78 of the principal enactment is hereby amended as follows:—

Amendment of section 78 of the principal enactment.

(1) in subsection (1) of that section, by the substitution for the words “an individual” and for the words “all individuals”, of the words “any person” and of the words “all persons”, respectively ; and

(2) in subsection (5) of that section, by the substitution for the words “any individual”, of the words “any person”.

25. Section 80 of the principal enactment is hereby amended as follows:—

Amendment of section 80 of the principal enactment.

(1) in paragraph (c) of subsection (1) of that section, by the substitution for the words “a policy or policies of insurance”, of the words “policies of insurance”; and

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- (2) in paragraph (b) of subsection (2) of that section—
- (a) by the substitution in sub-paragraph (i) of that paragraph, for the words “specified officer”, of the words “the principal officer”; and
 - (b) in sub-paragraph (ii) of that paragraph, for the words “an associated or subsidiary company”, of the words “an associate, subsidiary or a holding company”.

Amendment of section 81 of the principal enactment.

26. Section 81 of the principal enactment is hereby amended as follows:—

- (1) in sub-paragraph (iii) of paragraph (c) of that section, by the substitution for the words “paragraph (d) of section 80;”, of the words “paragraph (d) of subsection (1) of section 80;”; and
- (2) in paragraph (h) of that section, by the substitution for the words “a certified copy of the professional indemnity insurance policy or policies issued”, of the words “a certified copy each of the professional indemnity policies of insurance issued”.

Amendment of section 83 of the principal enactment.

27. Section 83 of the principal enactment is hereby amended as follows:—

- (1) by the substitution for the words “on an application being made in that behalf to the Board”, of the words “on an application being made in that behalf to the Board not more than three months but not less than two months prior to the date of expiry of its registration”;
- (2) in paragraph (a) of that section, by the substitution for the words “a professional indemnity policy of insurance for the ensuing period”, of the words

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“a certified copy each of the professional indemnity policies of insurance for the ensuing period issued by two or more insurers”; and

- (3) in paragraph (d) of that section, by the substitution for the words “such other documents”, of the words “such other documents and information ”.

28. Section 84 of the principal enactment is hereby amended as follows :—

Amendment of section 84 of the principal enactment.

- (1) in subsection (1) of that section—

- (a) by the repeal of paragraph (b) of that subsection, and the substitution therefor of the following paragraph:

“(b) the broker has failed to comply with or acted in contravention of any directions issued by the Board under this Act;”;

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

“(bb) the broker has ceased to be of good financial standing;”;

- (c) by the repeal of paragraph (c) of that subsection, and the substitution therefor of the following paragraph:—

“(c) (i) a director or the principal officer of the broker; or

- (ii) a director or the chief executive officer of an associate, a subsidiary

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or a holding company of such
broker,

becomes a director, a shareholder or an
employee of an insurer;

(d) by the insertion immediately after paragraph
(c) of that subsection, of the following new
paragraphs:—

“(cc) the broker becomes a shareholder of any
insurer;

(ccc) the broker has contravened any
provision of this Act or any regulation
or rule made or any condition imposed
by the Board, under this Act;” and

(e) by the repeal of paragraph (e) of that
subsection, and the substitution thereof of
the following paragraph:—

“(e) the broker has furnished false,
misleading or inaccurate information
or has concealed or failed to disclose
material facts in the application for
registration or renewal of registration,
as the case may be, or in any statement
or document submitted to the Board.”;
and

(2) by the insertion immediately after subsection (1) of
that section, of the following new subsection:—

“(1A) The provisions of subsections (2), (3), (4),
(5), (6) and (7) of section 18 of this Act shall, *mutatis
mutandis*, apply to and in relation to the
cancellation or suspension of a registration under
this section.”; and

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- (3) in subsection (2) of that section, by the substitution for the words “of this Act shall apply”, of the words “of this Act shall, *mutatis mutandis*, apply”.

29. The following new section is hereby inserted immediately after section 84 of the principal enactment and shall have effect as section 84A of that enactment:—

Insertion of new section 84A in the principal enactment.

“Board may direct certain measures to be taken in lieu of acting under section 84.

84A. Notwithstanding the provisions of section 84, the Board may in lieu of taking any action under that section on any one or more grounds referred to therein, and where the nature of the act or omission is not of such gravity as to warrant taking action under that section, direct the broker to take such measures that the Board may consider appropriate, to—

- (a) rectify and set right any consequence resulting from such act or omission ;
and
- (b) comply with the provisions of this Act or any regulation or rule made thereunder or any conditions imposed or any directions given by the Board, under this Act.”.

30. Section 85 of the principal enactment is hereby amended as follows:—

Amendment of section 85 of the principal enactment.

- (1) in subsection (1) of that section, by the substitution for the words “two or more registered insurers approved by the Board”, of the words “two or more insurers,” ;
- (2) in subsection (2) of that section and in the proviso to that subsection, by the substitution for the words “such policy” and for the words “the policy”, of the words “such policies” and of the words “the policies” respectively ; and

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(3) in subsection (3) of that section—

(a) by the substitution for the words “The policy obtained” and for the words “in either-” of the words “The policies obtained” and of the word “of-”, respectively: and

(b) by the substitution in paragraph (b) of that subsection, for the words “by the Board.”, of the following words “by the Board, whichever is higher.”

Amendment of section 86 of the principal enactment.

31. Section 86 of the principal enactment is hereby amended as follows: —

(1) by the repeal of subsection (3) of that section, and the substitution therefor of the following subsection:—

“(3) Every broker shall furnish to the Board, returns, containing such information and within such period of time as may be determined by the Board.”; and

(2) by the addition at the end of that section, of the following new subsection:—

“(6) Every broker shall submit to the Board annually a certified copy each of the professional indemnity policies of insurance issued by two or more insurers as required by section 83 of this Act.”.

Amendment of section 88 of the principal enactment.

32. Section 88 of the principal enactment is hereby amended by the substitution for the words “paid by an insurer to a broker or insurance agent,”, of the words “paid by an insurer to a broker or an insurance agent or by a broker to an insurance agent,”.

33. The following new Part is hereby inserted immediately after section 89 of the principal enactment and shall have effect as PART VIIIA of that enactment:—

Insertion of Part VIIIA in the principal enactment.

“PART VIIIA

REGISTRATION OF LOSS ADJUSTERS

Prohibition against acting as a loss adjuster without a Certificate of Registration. 89A. (1) No person shall act or hold out as a loss adjuster to any insurer, unless such person is the holder of a Certificate of Registration as a loss adjuster, issued by the Board under this Act.

(2) Notwithstanding the provisions of subsection (1), a person who is not a resident of Sri Lanka and who has obtained the necessary legal recognition as a loss adjuster from the relevant authority in the country where such person is resident, is permitted to function as a loss adjuster within Sri Lanka, provided such function is being carried on with a person in Sri Lanka who has been duly registered as a loss adjuster under the provisions of this Act.

Qualifications for registration. 89B. No person shall be eligible to be registered as a loss adjuster under this Act, unless such person possesses such qualifications and experience as may be determined by the Board by rules made in that behalf.

Application for registration and issue of certificate. 89C. (1) An application for registration as a loss adjuster shall be made to the Board in such form as shall be provided for that purpose by the Board and be accompanied by such documents, information and fee as shall be determined by the Board by rules made in that behalf.

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(2) On receipt of an application under subsection (1), the Board shall, having considered the particulars stated therein and where it deems necessary having given the applicant an opportunity of being heard, inform the applicant by written notice whether the applicant is eligible to be registered as a loss adjuster or not. Upon registration of any person as a loss adjuster, such person shall be issued with a Certificate of Registration and be subject to such terms and conditions as shall be specified in the certificate.

(3) A Certificate of Registration issued by the Board shall authorize its holder to carry on such activity as specified therein and a Certificate issued shall not be transferred to any other person nor be used for the benefit of any other person.

(4) Any transfer or use of a Certificate of Registration by the holder thereof in contravention of the provisions of subsection (3), shall be null and void, and the Board shall have the power to revoke such registration with immediate effect.

(5) The Board may at any time add to, vary or revoke any term or condition specified in a Certificate of Registration issued to a loss adjuster or add any new terms or conditions thereto.

Revocation
of
registration.

89D. (1) The Board may revoke a Certificate of Registration issued to a loss adjuster, where the Board is satisfied that such loss adjuster —

- (a) has acted in contravention of any provisions of this Part of this Act, or any rules or regulations made thereunder;

- (b) has acted in breach of any term or condition specified in the Certificate of Registration issued by the Board under this Act;
- (c) has made any statement in any application, account, written information or document submitted to the Board by such loss adjuster, which was later found to be false, inaccurate or misleading or it is discovered that the loss adjuster has concealed or failed to disclose some material facts that would have affected the decision of the Board in assessing his suitability as a loss adjuster; or
- (d) has since the grant of the Certificate of Registration, been found to be disqualified for the grant of such registration.

(2) A loss adjuster who is aggrieved by the decision of the Board under subsection (1) may appeal therefrom to the Court of Appeal and the provisions of section 19 of this Act shall *mutatis mutandis* apply to and in relation to such an appeal.

Board to grant opportunity to show cause before a rejection.

89E. (1) An application made under this Act for registration as a loss adjuster shall not be rejected by the Board without giving notice in writing to the applicant to show cause within such period as shall be specified in such notice, as to why such application should not be rejected.

(2) Where any applicant for a registration—

- (a) fails to show cause within the time specified in the notice issued under subsection (1); or

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Act, No. 3 of 2011

(b) fails to show sufficient cause acceptable to the Board,

the application made shall be rejected by the Board.”.

“Amendment of section 90 of the principal enactment.

34. Section 90 of the principal enactment is hereby amended by the substitution for the word “Company” wherever such word appears in the section, of the word “person”.

Insertion of a new section 92A in the principal enactment.

35. The following new section is hereby inserted immediately after section 92 of the principal enactment and shall have effect as section 92A of that enactment:—

“Carrying on the function of a loss adjuster without being duly registered, to be an offence.

92A. Any person who acts or holds out as a loss adjuster without being duly registered under this Act, shall be guilty of an offence and shall on conviction after summary trial before a Magistrate, be liable to a fine not less than fifty thousand rupees or to imprisonment for a term not less than one year or to both such fine and imprisonment.”.

Amendment of section 93 of the principal enactment.

36. Section 93 of the principal enactment is hereby amended by the substitution for the words “or any rule made under this Act;”, of the words “or any regulation, rule or order made under this Act or any conditions imposed or determinations made by the Board under this Act;”.

Amendment of section 94 of the principal enactment.

37. Section 94 of the principal enactment is hereby amended as follows:—

- (1) in subsection (1) of that section, by the substitution for the words “and appoint as its principal officer”, of the words “and with the approval of the Board, appoint as its principal officer;”; and

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- (2) by the insertion immediately after subsection (1) of that section, of the following new subsection:—

“(1A) The disqualifications specified in the Second Schedule to this Act, shall *mutatis mutandis* apply to and in regard to the disqualifications applicable to a person employed as a principal officer under subsection (1).”.

- 38.** The following new section is hereby inserted immediately after section 94 of the principal enactment and shall have effect as section 94A of that enactment:—

Insertion of a new section 94A in the principal enactment.

“Board to be informed of any alteration in the particulars submitted with an application for registration.

94A. Where after the registration of any person as an insurer, broker or loss adjuster, as the case may be, any alteration or a change is made in the information or particulars contained in an application made by that person under section 14, section 81 or section 89C of this Act, it shall be the duty of such insurer, broker or the loss adjuster, as the case may be, to forthwith furnish to the Board a full authenticated statement of such alteration or change.”.

- 39.** The following new section is hereby inserted immediately after section 95 of the principal enactment and shall have effect as section 95A of that enactment:—

Insertion of new section 95A in the principal enactment.

“Board to require increase of paid-up share capital.

95A. The Board shall have the authority by rules made in that behalf, to require the paid up share capital of insurers and brokers to be increased and it shall be the duty of all insurers and brokers, as the case may be, to comply with such requirement.”.

- 40.** The following new sections are hereby inserted immediately after section 96 of the principal enactment and shall have effect as section 96A and section 96B of that enactment:—

Insertion of new sections 96A and 96B in the principal enactment.

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“Board to give directions.” 96A. The Board may with a view to safeguarding the interests of policy holders and potential policy holders, issue directions to insurers, brokers and loss adjustors, as the case may be, and it shall be the duty of every such insurer, broker and loss adjustor, as the case may be, to comply with any directions so issued.

Determination made to be communicated forthwith. 96B. Any determination of the Board which is not required to be made by rules made in that behalf and which relates to insurers, brokers or loss adjustors, as the case may be, shall immediately upon such determination being made, be communicated to all such insurers, brokers and loss adjustors, as the case may be, to whom such determination relates.”.

Amendment of section 97 of the principal enactment.

41. Section 97 of the principal enactment is hereby amended by the substitution for the words “served on any insurer,”, of the words “served on any insurer or broker,”.

Amendment of section 98 of the principal enactment.

42. Section 98 of the principal enactment is hereby amended as follows:—

- (1) by the substitution for the words “policy of long term insurance business”, of the words “policy of long term insurance business or general insurance business”; and
- (2) in the marginal note to that section, by the substitution for the words “arising under long term insurance business”, of the words “arising under long term or general insurance business”.

Amendment of section 99 of the principal enactment.

43. Section 99 of the principal enactment is hereby amended as follows:—

- (1) by the repeal of subsection (3) of that section ; and

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- (2) in subsection (4) of that section, by the substitution for the words “means a document inviting” and for the words “includes any document which contains information”, of the words “means an invitation appearing in any media, including by any electronic means, inviting” and of the words “includes any information”, respectively.

44. Section 100 of the principal enactment is hereby repealed and the following section is substituted therefor:—

“Prohibition against carrying on business other than those for which a licence or registration is issued. 100. No insurer or broker shall without the prior written approval of the Board, carry on any insurance business other than, in the case of an insurer, the specified class or sub-class of insurance business or in the case of a broker, the class of insurance business, in respect of which such insurer or broker has obtained from the Board under this Act a licence or registration, as the case may be.”.

Replacement of section 100 of the principal enactment.

45. Section 102 of the principal enactment is hereby amended in subsection (3) of that section, by the substitution for the words “in accordance with the guidelines issued” to the end of that subsection, of the words “in accordance with the rules pertaining to takeovers and mergers made under the Securities and Exchange Commission of Sri Lanka Act, No. 36 of 1987, wherever applicable.”.

Amendment of section 102 of the principal enactment.

46. Section 113 of the principal enactment is hereby amended in subsection (3) of that section, by the substitution for the words “he or she shall,”, of the words “such insurer shall.”.

Amendment of section 113 of the principal enactment.

47. Section 114 of the principal enactment is hereby amended as follows:—

- (1) in the definition of the expression “insurance agent”, by the substitution for the words “an individual”, of the words “a person”;

Amendment of section 114 of the principal enactment.

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(2) in the definition of the expression “insurer” by the substitution for the words “company registered” in that definition of the words “person registered”;

(3) by the insertion immediately after the definition of the expression “licensed commercial bank”, of the following new definition:—

“licensed stock exchange” means a stock exchange licensed under the Securities and Exchange Commission of Sri Lanka Act, No. 36 of 1987;”;

(4) by the insertion immediately after the definition of the expression “local authority security”, of the following new definition:—

“loss adjuster” means a person who has specialized knowledge in investigating and who is assessing losses arising from insurance claims and registered as a loss adjuster under the provisions of this Act.

(5) by the repeal of definition of the expression “Registrar of Companies”, and the substitution therefor of the following definition:—

“Registrar-General of Companies” means a person by name or by office appointed to be or to act as the Registrar-General of Companies under section 471 of the Companies Act, No. 7 of 2007 and includes any Deputy-Registrar General or Assistant Registrar-General appointed under that section;” and

(6) in the definition of the expression “Securities Exchange Commission of Sri Lanka” by the substitution for the words “Securities Exchange Commission” wherever those words appear in that definition, of the words “Securities and Exchange Commission of Sri Lanka”.

48. The Schedule to the principal enactment is hereby amended by the re-numbering of that Schedule as the First Schedule to that enactment.

Amendment of the Schedule to the principal enactment.

49. The following new Schedule is hereby added immediately after the re-numbered First Schedule to the principal enactment and shall have effect as the Second Schedule to that enactment:—

Addition of new Schedule to the principal enactment.

“SECOND SCHEDULE [Section 31A]

DISQUALIFICATIONS FOR BEING A DIRECTOR OF AN INSURER

A person shall not be eligible to be appointed, elected or nominated as a director of an insurer, if such person:—

- (a) does not possess academic or professional qualifications or have effective experience in insurance, finance, business or of any other relevant discipline;
- (b) has served as a member or an employee of the Board at any time during the period of three years prior to being appointed, elected or nominated as a director of the insurer;
- (c) has been convicted by any competent court in Sri Lanka or of any other country, for a crime committed in connection with financial management or of any offence involving moral turpitude;
- (d) has been declared an undischarged insolvent or a bankrupt under any law of Sri Lanka or of any other country;
- (e) has failed to satisfy any judgment or order given by any competent court in Sri Lanka or of any other country, pertaining to the repayment of a debt;
- (f) has been declared by a competent court in Sri Lanka or of any other country, to be of unsound mind;

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- (g) has been removed or suspended by an order of a regulatory or supervisory authority from serving as a director, chief executive officer or any other position of authority in any insurance company, broker, bank, financial institution or corporate body, within or outside Sri Lanka; or
- (h) has been a director, chief executive officer, principal officer, specified officer or held any other position of authority in any insurance company, broker, bank, financial institution or corporate body—
 - (i) whose licence or other authority granted for operating as an insurance company or broker or bank or financial institution, has been suspended or cancelled ; or
 - (ii) which has been wound up or is being wound up, or which is being compulsorily liquidated.

within or outside Sri Lanka.”.

Sinhala text to prevail in case of inconsistency.

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

Registered brokers having a director or the chief executive officer of a holding company of such broker as a director, shareholder or an employee of an insurer.

51. Where on the date of the coming into operation of this Act, a director or the chief executive officer of a holding company of any broker registered under section 82 of the principal enactment, is a director, shareholder or an employee of an insurer, then, notwithstanding the amendment made to section 84 of the principal enactment by section 28 of this Act, the registration of such broker shall not be suspended or cancelled nor a renewal of such registration be refused, without the director or the chief executive officer concerned being granted by the Insurance Board of Sri Lanka, a reasonable period of time within which to dispose of the shares being held or relinquishing such directorship or employment, as the case may be.

52. (1) Every insurer who on the date of the coming into operation of this Act holds a valid licence issued under section 15 of the principal enactment, shall be required within five years from the date of the coming into operation of this Act, to have itself listed on a stock exchange licensed under the Securities and Exchange Commission of Sri Lanka Act, No. 36 of 1987 after having where so required to fulfill the segregation requirements specified in section 53 of this Act.

Insurers holding a licence to be listed on a licensed stock exchange.

(2) It shall be the duty of an insurer upon obtaining a listing on a stock exchange as required by subsection (1) of this section, to forthwith inform the Insurance Board of Sri Lanka of such fact by a written communication.

(3) A failure by an insurer to comply with the requirements imposed by this section may, notwithstanding anything to the contrary contained in any provisions of the principal enactment, be a ground for the suspension or cancellation of the licence issued to such insurer.

53. Where on the date of the coming into operation of this Act, an insurer is engaged in carrying on both long term insurance business and general insurance business in terms of a valid licence issued by the Insurance Board of Sri Lanka under the principal enactment, such insurer shall be required within four years from the date of the coming into operation of this Act, to segregate the long term insurance business and the general insurance business being carried on by it, into two separate companies.

Insurers to segregate their long term and general insurance business.

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

**MEDIATION BOARDS (AMENDMENT)
ACT, No. 4 OF 2011**

[Certified on 23rd February, 2011]

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Mediation Boards (Amendment)
Act, No. 4 of 2011

[Certified on 23rd February, 2011]

L.D.—O. 25/2010.

AN ACT TO AMEND THE MEDIATION BOARDS ACT, NO. 72 OF 1988

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

1. This Act may be cited as the Mediation Boards (Amendment) Act, No. 4 of 2011. Short title.
2. Section 7 of the Mediation Boards Act, No. 72 of 1988 is hereby amended in subsection (1) of that section as follows:— Amendment of section 7 of Act, No. 72 of 1988.
 - (1) by the substitution in paragraph (a) of that subsection for the words “twenty five thousand rupees in value” of the words “two hundred and fifty thousand rupees in value;”;
 - (2) by the substitution in paragraph (c) of that subsection for the words “Second Schedule to this Act,” of the words “Second Schedule to this Act; or”; and
 - (3) by the insertion immediately after paragraph (c) of that subsection, of the following paragraph:—

“(d) the offence under section 367 or 368B of the Penal Code is committed by a person below the age of eighteen years, in respect of any property, the value of which does not exceed rupees five thousand.”
3. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

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**PARLIAMENT OF THE DEMOCRATIC
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**PROTECTION OF THE RIGHTS OF ELDERS
(AMENDMENT) ACT, No. 5 OF 2011**

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*Protection of the Rights of Elders
(Amendment) Act, No. 5 of 2011*

[Certified on 23rd of February, 2011]

L.D.—O. 23/2007.

AN ACT TO AMEND THE PROTECTION OF THE RIGHTS OF ELDERS
ACT, NO. 9 OF 2000

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

1. This Act may be cited as the Protection of the Rights of Elders (Amendment) Act, No. 5 of 2011 . Short title.

2. The Protection of the Rights of Elders Act, No. 9 of 2000 (hereinafter referred to as the “principal enactment”) is hereby amended by the insertion of the following Preamble immediately after the Long Title to such enactment:— Insertion of Preamble to the Protection of the Rights of Elders Act, No. 9 of 2000.

“WHEREAS the Directive Principles of the State Policy enshrined in the Constitution recognize the duty of the State to assist in the full realization of the fundamental rights and freedoms of all people; to promote the welfare of the people by securing a social order governed by justice; to recognize and assist in the realization of adequate standards of living for the people and to raise the moral and cultural standards of the people and to thereby ensure the full development of the human personality:

AND WHEREAS the state has recognized elders as a group of persons who need to be cared for and protected by the State, by treating them with dignity and respect:

AND WHEREAS Sri Lanka has adopted and ratified the United Nations Resolution No. 46/91 of December 16, 1991, which appreciates the contribution made by elders to society and is mindful that the State must provide the necessary infrastructure to assist elders

who are advancing in years to live a life which is socially, economically, physically and spiritually fulfilling :”.

Amendment of section 3 of the principal enactment.

3. Section 3 of the principal enactment is hereby amended as follows:—

- (1) by the repeal of paragraph (c) of subsection (1) of that section and the substitution therefor of the following paragraph:—

“(c) The Director, Department of Social Services;”

- (2) in paragraph (b) of subsection (2) of that section by the substitution for the words “be appointed as a Vice Chairman of the Council.” of the words “be appointed as a full time Vice Chairman of the Council ”;

- (3) by the insertion immediately after subsection (2) of that section of the following new subsection:—

“(3) The Director, National Secretariat for Elders shall be the Secretary to the Council.”.

Amendment of section 14 of the principal enactment.

4. Section 14 of the principal enactment is hereby amended —

- (1) by the insertion immediately after paragraph (g) of that section of the following paragraphs:—

“(h) to issue an Elders’ Identity Card to every elder in order to facilitate the receipt by elders of the benefits and concessions available to elders in both public and private sector services;

- (i) to establish an Elders Committees in every Grama Niladhari Division, Divisional

Secretarial's Divisions, Administrative District and Provincial Council area;

- (j) to appoint Conciliation Officers conversant with the problems of elders to assist them in settling such problems;
- (k) to disseminate knowledge of gerontology and geriatric medicine among persons involved in providing care for elders; ”and

(2) by the re-lettering of paragraph (h) as paragraph (l).

5. Section 15 of the principal enactment is hereby amended by the repeal of subsection (3) of that section and the substitution therefor of the following:—

Amendment of section 15 of the principal enactment.

“(3) (a) No person shall on account of age, subject any elder, to any liability, restriction or condition with regard to access to or use of, any building or place or institution whether such access is on the basis of payment of any fee or otherwise and where no such liability, restriction or condition is placed on any other person.

(b) No person shall on account of age, deny any elder, the use or enjoyment of any facility, benefit, advantage or service, the provisions of which is on the basis of payment of any fee or otherwise and where such facility, benefit, advantage or service is used or enjoyed by or extended to other persons.”.

6. Section 16 of the principal enactment is hereby repealed and the following section substituted therefor:—

Replacement of section 16 of the principal enactment.

“Registration with the Council.

16. (1) Every person or organization whether voluntary or otherwise, engaged in the establishment and maintenance of any institution intended for providing residential

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(Amendment) Act, No. 5 of 2011*

care for elders, shall if such institution has more than five elders residing therein, register such institution in accordance with the provisions of this Act.

(2) Any person or organization who fails to comply with the provisions of subsection (1) shall be guilty of an offence under this Act.”.

Amendment of section 18 of the principal enactment.

7. Section 18 of the principal enactment is hereby amended by the insertion immediately after subsection (2) thereof of the following new subsection:—

“(2A) The Council may require any person or organization referred to in section 16 to furnish to the Council any document or report which the Council may determine as necessary.”.

Amendment of section 24 of the principal enactment.

8. Section 24 of the principal enactment is hereby amended in subsection (1) thereof by the substitution for the words “There shall be appointed for the purpose of this Act” of the words “The Judicial Service Commission shall appoint persons of eminence and integrity who have knowledge and experience in the field of law, management, human rights, social service, medicine or counseling to be members of”.

Insertion of new section 24A of the principal enactment.

9. The following new section is hereby inserted immediately after section 24 of the principal enactment and shall have effect as section 24A of that enactment:—

“Conciliation Officers. 24A. (1) A Conciliation Officer appointed by the Council shall mediate any maintenance claim referred to him by the Board.

(2) Where a settlement cannot be reached in respect of any claim referred to the Conciliation Officer, he shall refer such matter to the Board.

(3) The Council shall determine the qualifications and the criteria to be followed in the selection of a Conciliation Officer.”.

10. Section 28 of the principal enactment is hereby amended as follows:—

Amendment of section 28 of the principal enactment.

(1) by the repeal of subsection (2) thereof and the substitution of the following subsections:—

“(2) The Board may in awarding maintenance, order the respondent to—

(a) deposit with such bank as may be specified such minimum sum as the Board may determine; or

(b) purchase an annuity with an insurer of the value of such minimum sum.

(3) Where the respondent fails to comply with the provisions of subsection (2), the Board may request the employer of the respondent to deduct from the salary, the sum due to be paid by the respondent to the applicant and remit such sum to the credit of the applicant.”.

(2) by the re-numbering of subsection (3) as subsection (4).

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

Sinhala text to prevail in case of Inconsistency.

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**PARLIAMENT OF THE DEMOCRATIC
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**ROHITHA ABEYGUNAWARDANA
FOUNDATION (INCORPORATION)
ACT, No. 6 OF 2011**

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Rohitha Abeygunawardana Foundation
(Incorporation) Act, No. 6 of 2011

[Certified on 23rd February, 2011]

L.D—O. (Inc.) 15/2009.

AN ACT TO INCORPORATE THE ROHITHA ABEYGUNAWARDANA
FOUNDATION

WHEREAS an Association called and known as the “Rohitha Abeygunawardana Foundation” has heretofore been formed for the purpose of effectually carrying out and transacting the objects and matters connected with the said Association according to the rules agreed to by its members:

Preamble.

AND WHEREAS the said Association has heretofore successfully carried out and transacted the several objects and matters for which it was established and has applied to be incorporated and it will be for the public advantage to grant the said application:

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

1. This Act may be cited as the Rohitha Abeygunawardana Foundation (Incorporation) Act, No. 6 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the “Rohitha Abeygunawardana Foundation” or shall hereafter be admitted, as members of the Corporation hereby constituted, shall be a body corporate (hereinafter referred to as “the Corporation”) with perpetual succession, under the name and style of “Rohitha Abeygunawardana Foundation” and by that name may sue and be sued with full power and authority to have and use a common seal and to alter the same at its pleasure.

Incorporation of the Rohitha Abeygunawardana Foundation.

3. (1) The general objects for which the Corporation is established are hereby declared to be—

General objects of the Corporation.

(a) to promote activities relating to social development through the participation of the general public and particularly the people of Kalutara District;

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(Incorporation) Act, No. 6 of 2011*

- (b) to participate in activities relating to the social, cultural and economic development of the country;
- (c) to train children to be aware of religious and other values and to promote in them an interest in sports activities with a view to enhancing their potential in order that they may be equipped to grow up and participate in the development of the country;
- (d) to provide assistance in establishing and developing religious centres;
- (e) to take measures to protect and preserve the moral and cultural values of people;
- (f) to work towards bridging the gap between the general public and the public service;
- (g) to provide assistance in obtaining legal aid and legal advice to the needy;
- (h) to assist victims of sudden disasters and provide assistance in improving their living standards;
- (i) to provide assistance to persons who are mentally and physically handicapped; and
- (j) to work towards the promotion and furtherance of the rights of women and children.

(2) In the implementation of the objects of this Act as are specified in subsection (1), the Corporation shall ensure that such implementation is carried out without any distinction based on race, cast, religion, language, sex or political opinion.

General powers
of the
Corporation.

4. Subject to the provisions of this Act and any other written law, the Corporation shall have the power to do, perform and execute all such acts, matters and things

whatsoever as are necessary or desirable for the promotion or furtherance of its objects of the Corporation or any one of them, including the power to:—

- (a) purchase, acquire, rent, construct or otherwise obtain, lands or buildings which may be required for the purposes of the Corporation;
- (b) solicit, receive and collect grants, gifts or donations, in cash or kind;
- (c) open, operate and close bank accounts;
- (d) borrow and raise money with or without security;
- (e) invest any funds not immediately required for the purpose of the Corporation in such manner as the Corporation may think fit.

5. (1) The affairs of the Corporation shall, subject to the provisions of this Act and any rules made by the corporation under section 6, be administered by an Executive council (hereinafter referred to as the “Council”) consisting of a President, two Vice Presidents, a Secretary, Treasurer and ten other members elected in accordance with the rules of the Corporation.

Management of the affairs of the Corporation.

(2) The first Council of the Corporation shall, consist of the members of the Council of the Foundation holding office on the day immediately preceding the date of commencement of this Act. Such Council shall hold office until an executive Council is elected in accordance with the rules of the Corporation.

6. (1) It shall be lawful for the Corporation from time to time, at any General Meeting of the members and by a majority of not less than two-thirds of the members present and voting, to make rules, not inconsistent with the

Rules of the Corporation.

4 *Rohitha Abeygunawardana Foundation*
(Incorporation) Act, No. 6 of 2011

provisions of this Act or any other written law, for all or any of the following matters:—

- (a) the classification of membership, membership fees payable, the admission, withdrawal, expulsion or resignation of members ;
- (b) the election of the members to the Council and the powers and duties;
- (c) the election of the office bearers, their term of office, the resignation from, or vacation or, removal from office of office bearers and their powers, conduct and duties;
- (d) the powers, conduct, duties and functions of officers, agents and servants of the Corporation;
- (e) the procedure to be observed in the summoning and holding of meetings of the Council, the times, places, notices and agenda of such meetings, the quorum therefore and the conduct of business thereat;
- (f) the administration and management of the property including its funds; and
- (g) the management of the affairs of the Corporation and the accomplishment of its objects.

(2) Any rule made by the Corporation may be amended, altered, added to or rescinded at a like meeting and in like manner as a rule made under subsection (1).

(3) Every member of the Corporation shall be subject to the rules of the Corporation made under this section.

Fund of the Corporation.

7. (1) The Corporation shall have its own fund and it shall consist of all moneys received by way of gift, bequests,

testamentary dispositions, grants, donations, fees or contributions from local or foreign institutions and individuals, members and non-members.

(2) All moneys received shall be deposited in the name of the Corporation in one or more banks and be invested in any suitable manner to achieve the objects of the Corporation as may be decided by the Executive Council.

(3) All expenditure incurred by the Corporation in the exercise, performance and discharge of the powers, duties and functions of the Corporation shall be paid out of the funds of the Corporation.

8. All debts and liabilities of the Foundation existing on the day immediately preceding the date of commencement of this Act, shall be paid and discharged by the Corporation hereby constituted and all debts due to and subscriptions and contributions payable to the Foundation on that day shall be paid to the Corporation for the purposes of this Act.

Debts due by and payable to the Foundation.

9. The Corporation shall be able and capable in law to acquire and hold any property both movable or immovable which may become vested in it by virtue of purchase, grant, lease, gift, testamentary disposition or otherwise and all such property shall be held by the Corporation for the purposes of this Act, and be subject to the rules of the Corporation, made under section 6 the Corporation shall have full power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Corporation may hold property movable and immovable.

10. No member of the Corporation shall, for the purpose of discharging the debts and liabilities of the Corporation or for any other purpose, be liable to make any contribution exceeding the amounts of such membership fees as may be due from him to the Corporation.

Limitation of liability of members.

11. If upon the dissolution of the Corporation, there remains after the satisfaction of its debts and liabilities any property whatsoever, such property shall not be distributed

Property remaining on dissolution.

among the members of the Corporation, but shall be given or transferred to some other institution or institutions having objects similar to those of the Corporation and which is, or are by its or their rules prohibited from distributing any income or property among its members.

Audit and
accounts of the
Corporation.

12. (1) The Corporation shall cause proper accounts to be kept of income and expenditure, assets and liabilities and all other transactions of the Corporation.

(2) The financial year of the Corporation shall be the calendar year.

(3) The accounts of the Corporation shall be examined and audited at least once in every year by a qualified auditor or auditors appointed by the Council.

(4) In this section “qualified auditor” means—

(a) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practice as an Accountant, issued by the Council of such Institute; or

(b) a firm of Accountants, each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practice as an Accountant, issued by the Council of such Institute.

Seal of the
Corporation.

13. The seal of the Corporation shall not be affixed to any instrument whatsoever except in the presence of the President or one of the Vice President and the Secretary of the Corporation, who shall sign their names to the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Rohitha Abeygunawardana Foundation 7
(Incorporation) Act, No. 6 of 2011

14. Nothing in this Act contained shall prejudice or affect the rights of the Republic or any body politic or corporate.

Saving of the rights of the Republic and others.

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

Sinhala text to prevail in case of inconsistency.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**THARUNYATA HETAK ORGANIZATION
(INCORPORATION) ACT, No. 7 OF 2011**

[Certified on 23rd February, 2011]

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Tharunyata Hetak Organization
(Incorporation) Act, No. 7 of 2011

[Certified on 23rd February, 2011]

L.D.—O. (INC.) 9/2010.

AN ACT TO INCORPORATE THE THARUNYATA HETAK ORGANIZATION

WHEREAS an Organization called and known as the “Tharunyata Hetak Organization” has heretofore been created for the purpose of effectually carrying out and transacting all objects and matters connected with the said Organization according to the rules agreed to by its members:

Preamble.

AND WHEREAS the said Organization has heretofore successfully carried out and transacted the several objects and matters for which it was established and has applied to be incorporated and it will be for the public advantage to grant the application:

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

1. This Act may be cited as the Tharunyata Hetak Organization (Incorporation) Act, No. 7 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the Tharunyata Hetak Organization (hereinafter referred to as “the Organization”) or shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate with perpetual succession, under the name and style of the “Tharunyata Hetak Organization” (hereinafter referred to as the “ Corporation”) and by that name may sue and be sued and shall have full power and authority to have and use a common seal and to alter the same at its pleasure.

Incorporation of the Tharunyata Hetak Organization.

3. The general objects for which the Corporation is constituted are hereby declared to be to—

General objects of the Corporation.

(a) foster and promote mutual understanding, a spirit of national consciousness, goodwill and friendship

*Tharunyata Hetak Organization
(Incorporation) Act, No. 7 of 2011*

among the citizens of Sri Lanka and to promote peace and harmony among the Sinhala, Tamil, Muslim and Burgher youth in Sri Lanka;

- (b) assist students who prepare for government examinations by conducting lectures, seminars and study tours;
- (c) promote religious harmony, mutual understanding, peaceful co-existence, spiritual development and friendship among the people of Sri Lanka through religious, cultural, social and economic interactions;
- (d) assist needy students by providing them with books and other equipment and school uniforms and to grant scholarships to students who are in the secondary and tertiary stage of their education;
- (e) identify the talents of students at rural and provincial levels in areas such as sports and music and to encourage them to excel in them by providing the infrastructure required therefor;
- (f) identify projects suitable for young school leavers and assist them in carrying out such projects with a view to training such youth to meet the competitive demands for future employment;
- (g) assist youth financially and otherwise in order to develop their personal skills and aptitude and to enable them to take up self employment;
- (h) assist differently abled youth in developing their personality;
- (i) conduct awareness programmes for youth in order to promote a tobacco, alcohol and a drug free society and build a healthy, disciplined, patriotic and humane generation;

- (j) conduct programmes to discuss the problems faced by the youth in different areas in Sri Lanka due to lack of infrastructure facilities such as water, housing and roads and provide amenities to such needy youth;
- (k) organize and mobilize youth in voluntary activities in order to find solutions to shortcomings in infrastructure;
- (l) identify the health requirements of the youth in rural and remote areas and to conduct medical camps and clinics in such areas and through such camps and clinics supply medicines to the needy;
- (m) facilitate the exchange of youth delegations with other international organizations having similar objects with a view to building friendship and understanding between Sri Lanka and other countries; and
- (n) assemble and unite all youth under this Organization with a view to promoting national harmony and peace within Sri Lanka;

4. Subject to the provisions of this Act and any other written law, the Corporation shall have the power to—

Powers of the Corporation.

- (a) open, operate and close bank accounts;
- (b) borrow or raise money with or without security, and to receive or collect grants and donations;
- (c) invest any funds of the Corporation which are not immediately required for the purpose of the Corporation in a way that may be determined by the Committee of Management;
- (d) purchase, acquire, give on lease or hire, sell or otherwise obtain any movable or immovable

*Tharunyata Hetak Organization
(Incorporation) Act, No. 7 of 2011*

property which may be required for the purpose of the Corporation and which may lawfully be acquired for those purposes and to deal with or dispose of the same, as it may deem expedient with a view to promoting the objects of the Corporation;

- (e) appoint, employ and dismiss the employees required for the carrying out of the objects of the Corporation and pay them such remuneration as may be determined by the Corporation;
- (f) enter into, perform or carry out, whether directly or through any officer or agent authorized in that behalf by the Corporation, all such contracts or agreements as may be necessary for the attainment of the objects or the exercise of the powers of the Corporation; and
- (g) appoint advisory councils, committees or sub committees as and when necessary to carry out any functions of the Corporation as may be determined by the Committee of Management.

Management of
the Affairs of
the Corporation.

5. (1) The management, control and administration of the affairs of the Corporation shall, subject to the provisions of this Act and the rules of the corporation made under section 6 of this Act, be administered by a Committee of Management consisting of not less than five members.

(2) No act or proceeding of the Committee of Management shall be deemed to be invalid by reason only of the existence of a vacancy among its members or any defect on the election or nomination of a member thereof.

(3) The first Committee of Management shall consist of the members of the Committee of Management holding office on the day immediately preceding the date of commencement of this Act and shall continue to hold office until a new Committee of Management is elected in accordance with the rules made under section 6 of this Act.

6. (1) It shall be lawful for the Corporation, from time to time, at any general meeting by a majority of not less than two-thirds of the members present to make rules not inconsistent with the provisions of this Act, or any other written law, on all or any of the following matters—

Rules of the Corporation.

- (a) the classification of membership and the admission, withdrawal or expulsion of members ;
- (b) the election of the office-bearers, the resignation from, vacation of or removal from office of office-bearers, and their powers, conduct and duties;
- (c) the election of the members of the Committee of Management and its powers, duties and conduct and the terms of office of members of the Committee of Management;
- (d) the powers, duties, functions and conduct of the officers, agents and servants of the Corporation;
- (e) the procedure to be observed at and the summoning and holding of meetings of the Committee of Management, the times, places, notices and agenda of such meetings, the quorum thereof and the conduct of business thereat;
- (f) the administration and management of the property of the Corporation, the custody of its funds, and the maintenance and audit of its accounts; and
- (g) the management of the affairs of the Corporation, and the accomplishment of its objects.

(2) Any rule made by the Corporation may be amended, altered, added or rescinded at a like meeting and in the like manner, as a rule made under subsection (1).

6 *Tharunyata Hetak Organization
(Incorporation) Act, No. 7 of 2011*

(3) The members of the Corporation shall be subject to the rules of the Corporation.

Register of the Members of the Corporation.

7. The Secretary of the Committee of Management shall keep and maintain a register containing the names of the members of the Corporation.

Corporation may hold movable and immovable property.

8. Subject to the provisions of this Act, the Corporation shall be able and capable in law to acquire and hold any property both movable and immovable, which may become vested in it by virtue of any purchase, grant, gift, testamentary disposition or otherwise, and all such property shall be held by the Corporation for the purpose of this Act and subject to the rules of the corporation made under section 6, with full power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Fund of the Corporation.

9. (1) The Corporation shall have its own fund and all monies heretofore or hereafter to be received by way of gifts, testamentary dispositions, grants, donations, contributions or fees on behalf of the Corporation shall be deposited to the credit of the Fund of the Corporation in one or more banks as the Committee of Management may determine.

(2) The Corporation may establish a depreciation fund or a sinking fund for the purpose of rehabilitation, development or improvement of the property of the Corporation.

(3) There shall be paid out of the Fund all sums of money to defray any expenditure incurred by the corporation in the exercise, performance and discharge of its powers, duties and functions under this Act.

(4) The financial year of the Corporation shall be the calendar year.

Debts due by and payable to the Organization.

10. All debts and liabilities of the Organisation existing on the day preceding the date of commencement of this Act, shall be paid and discharged by the Corporation hereby

constituted and all debts due to, subscriptions and contributions payable to the Organisation on that day shall be paid to the Corporation for the purposes of this Act.

11. No member of the Corporation shall for the purpose of discharging the debts and liabilities of the Corporation or for any other purpose, be liable to make any contribution exceeding the amount due from such member as membership fees.

Limitation of
Liability of
Members.

12. (1) The Corporation shall cause proper accounts to be kept of its income and expenditure, assets and liabilities and all other transactions of the Corporation.

Accounts and
Audits.

(2) The accounts of the Corporation shall be audited by a qualified auditor.

(3) In this section, “qualified auditor ” means —

- (i) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka, or of any other Institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute; or
- (ii) a firm of Accountants each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute.

13. The Seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of the President and the Secretary or two other members of the Corporation as may be decided by the committee of Management who shall sign their names to the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Seal of the
Corporation.

Property remaining on dissolution.

14. If upon the dissolution of the Corporation, there remains any property whatsoever, after the satisfaction of all debts and liabilities, such property shall not be distributed among the members of the Corporation, but shall be given or transferred to some other institution having objects similar to those of the Corporation, and which is or are by its rules prohibited from distributing any income or property among its or their members. Such institution or institutions may be determined by the members of the Committee of Management on or before the dissolution of the Corporation.

Saving of the rights of the Republic and others.

15. Nothing contained in this Act shall prejudice or affect the rights of the Republic, any body politic or corporate.

Sinhala text to prevail in case of inconsistency.

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

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**RED LOTUS ORGANIZATION FOR
HUMANITARIAN SERVICES
(INCORPORATION) ACT, No. 8 OF 2011**

[Certified on 22nd March, 2011]

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Red Lotus Organization for Humanitarian Services (Incorporation) Act, No. 8 of 2011

[Certified on 22nd March, 2011]

L.D. O. Inc. 4/2010

AN ACT TO INCORPORATE RED LOTUS ORGANIZATION FOR
HUMANITARIAN SERVICES

WHEREAS an Organization called and known as the “Red Lotus Organization for Humanitarian Services” working on Buddhist principles has heretofore been established for the purpose of preventing and alleviating suffering of all beings at times of disaster of any nature by bringing about greater preparedness at national and international levels through effective coordination, collaboration and networking and by acting as a resource bank for humanitarian services based on loving kindness, compassion, appreciative joy and equanimity;

Preamble.

AND WHEREAS the said Organization has heretofore successfully carried out and transacted the several objects and matters for which it was established and has applied to be incorporated and it will be for the public advantage to grant such application.

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

1. This Act may be cited as the Red Lotus Organization for Humanitarian Services (Incorporation) Act, No. 8 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons and organizations as are members for the time being of the Red Lotus Organization for Humanitarian Services (hereinafter referred to as “the Organization”) or shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate with perpetual succession under the name and style of “Red Lotus Organization for Humanitarian Services” (hereinafter referred to as “the Corporation”) and by that

Incorporation of Red Lotus Organization for Humanitarian Services.

2 *Red Lotus Organization for Humanitarian Services (Incorporation) Act, No. 8 of 2011*

name may sue and be sued with full power and authority to have and use a common seal and alter the same at its pleasure.

General objects
of the
Corporation.

3. (1) The general objects of the Corporation shall be to prevent and alleviate suffering at times of disaster of any nature by bringing about greater preparedness at local, national and international levels through effective coordination, collaboration and networking and by acting as a resource bank for humanitarian services.

(2) Without prejudice to the generality of the objects set out in subsection (1) above, the objectives and functions of the Organization in particular shall be to —

- (a) encourage and promote all forms of humanitarian activities by member associations with a view to prevent and alleviate human suffering;
- (b) encourage and promote in every country, the establishment and development of an association for humanitarian services and inculcation in them the principles of the Corporation;
- (c) create and assist programmes for pre-disaster preparedness at international, national and local levels;
- (d) raise and mobilize resources for relief, rehabilitation and reconstruction work and personality development;
- (e) provide relief by all available means to all disaster victims, without discrimination;
- (f) organize, co-ordinate and direct international relief actions in accordance with the general objects of the corporation and in co-operation with national associations and any member associations;
- (g) assist in the development of an effective organizational structure and information

dissemination infrastructure at local and national levels;

- (h) develop and assist training programmes on improving disaster management skills, first aid, life saving skills, trauma counseling, child care management and short term and long term rehabilitation programmes at international, national and local levels and ensure continuity;
- (i) develop and maintain a data base and a website linked with the websites of the national level associations;
- (j) develop close relationship with similar organizations such as the Red Cross and the Red Crescent movement;
- (k) promote greater awareness regarding humanitarian services with special reference to youth and children;
- (l) laise and coordinate among member associations promoting inter-action and friendly relations among them;
- (m) educate people on the truth that oneness of human beings stands above secondary factors of diversity;
- (n) make representations to government in promulgation, development and introduction of humanitarian laws wherever appropriate; and
- (o) be the official representative of member associations at international and national forums as may be decided by the Executive Committee.

(3) In implementing the objects of this Act as specified in subsection (1) and (2), the corporation shall ensure that such implementation is carried out without distinction based on race, caste, religion, language, or political opinion.

4 *Red Lotus Organization for Humanitarian Services (Incorporation) Act, No. 8 of 2011*

Management of the affairs of the Corporation.

4. (1) The management and administration of the affairs of the Corporation shall subject to the provisions of this Act and the rules of the Corporation made under section 6 be administered by an Executive Committee.

(2) The members of the Executive Committee who are holding office on the day immediately preceeding the date of commencement of this Act, shall be the first members of the Executive Committee and shall hold office until a committee is elected in accordance with the rules made under section 6.

Powers and functions.

5. (1) The Corporation shall have the power to do all things necessary for, or conducive or incidental to, the carrying out of the objects of the Corporation.

(2) Without prejudice to the generality of the powers conferred by subsection (1), the Corporation shall have the following powers and functions:—

- (a) to receive or collect gifts, grants, donations, subsidies and subscriptions, whether in cash or otherwise from local and foreign sources;
- (b) to operate, open and close current, savings or deposit accounts and to borrow or raise money, with or without security;
- (c) acquire and hold any property movable or immovable which may be vested in the Corporation by virtue of any purchase, grant, gift, testamentary dispositions or otherwise;
- (d) to sell, lease, mortgage, exchange or otherwise dispose of, any movable or immovable property belonging to or held by the Corporation, subject to any trust attached to such property;
- (e) to invest the funds vested in or belonging to, the Corporation in adequate securities as may be necessary;

- (f) to erect or cause to be erected, any building or structure and establish a Secretariat at the Headquarters of the Corporation;
- (g) generally, to do all such other things as are necessary to facilitate the proper discharge of the functions of the Corporation.

6. (1) It shall be lawful for the Corporation from time to time, at a general meeting of the Corporation and by majority of votes of members present and voting to make Rules for the management of the affairs of the corporation and the accomplishment of its objects, powers and functions. Rules of the Corporation.

(2) Without prejudice to the generality of the powers conferred in subsection (1), such rules may make provision in respect of all or any of the following matters:—

- (a) the admission, resignation and expulsion of members;
- (b) the recruitment, appointment and disciplinary control of staff, servants and other employees and the appointment of agents and representatives; and
- (c) such other matters as are incidental or conducive to the attainment of the objects, powers and functions of the Corporation.

(3) The rules, at a like meeting, may be amended, altered or rescinded by a two third majority of the members present at the meeting.

(4) The members of the Corporation shall be subject to the rules of the Corporation.

7. (1) The Corporation shall have its own Fund. Fund of the Corporation.

(2) There shall be paid into the Fund all monies received by way of gifts, bequests, donations, subscriptions, contributions, fees or grants for and on account of the Corporation.

6 *Red Lotus Organization for Humanitarian Services (Incorporation) Act, No. 8 of 2011*

(3) There shall be paid out of the Fund all such sums of money as required to defray any expenditure incurred by the Corporation in the exercise performance and discharge of its powers, duties and functions under this Act.

Debts due by and payable to Corporation.

8. All debts and liabilities of the Organization existing at the time of coming into operation of this Act shall be paid by the Corporation and all debts due to, and subscriptions payable to, the Organization shall be paid to the Corporation for the purposes of this Act.

Accounts and audit.

9. (1) The Corporation shall cause proper books of accounts to be kept for the income and expenditure, assets and liabilities and all other transactions of the Corporation.

(2) The accounts of the Corporation shall be examined and audited at least once in every year by one or more of qualified auditors.

(3) In this section “qualified auditor” means—

- (i) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka or any other institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute; or
- (ii) a firm of Accountants each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute.

The logo and seal of the Corporation.

10. (1) The Logo of the corporation shall be the Red Lotus on a Dhammachakka with words metta, karuna, mudita and upekkha around the ring of the Dhammachakka.

(2) the seal of the corporation shall not be affixed to any instrument whatsoever except with the authority of the Executive Council and in the presence of two members of the Executive Council who shall sign their names to the instrument in token of their presence, and such signing shall be independent of the signing of any person as a witness.

11. No member of the Corporation shall for the purpose of discharging the debts and liabilities of the Corporation, be liable to make any contribution whatsoever.

Limitations of liability on Members of the Corporation.

12. If upon dissolution of the Corporation there remains, after the satisfaction of all its debts and liabilities, any property including money, such property shall not be distributed among the members of the Corporation, but shall be given or transferred to some other institute or institutions having objects similar to those of the Corporation and which is or are by its or their rules prohibited from disturbing any income or property among its or their members.

Property remaining on dissolution.

13. Nothing in this Act contained shall prejudice or affect the rights of the Republic, or any body politic or corporate.

Saving of the rights of Republic and others.

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

Sinhala text to prevail in case of inconsistency.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



**PARLIAMENT OF THE DEMOCRATIC
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**VALUE ADDED TAX (AMENDMENT)
ACT, NO. 9 OF 2011**

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*Value Added Tax (Amendment)
Act, No. 9 of 2011*

[Certified on 31st March, 2011]

L.D.— O. 16/2011.

AN ACT TO AMEND THE VALUE ADDED TAX ACT, NO. 14 OF 2002

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

1. This Act may be cited as the Value Added Tax (Amendment) Act, No. 9 of 2011 and shall be deemed to have come into operation on January 1, 2011 unless different dates of operation are specified in the relevant sections.

Short title and date of operation.

2. Section 2 of the Value Added Tax Act, No. 14 of 2002 (hereinafter referred to as the "principal enactment") is hereby amended as follows :-

Amendment of section 2 of the Value Added Tax Act, No.14 of 2002.

(1) in subsection (1) of that section-

(a) by the repeal of sub-paragraph (iv) (b) thereof and the substitution therefor of the following :-

"(b) (i) for the period commencing on August 2, 2005 and ending on September 30, 2005, at the rate of twenty *percentum* (Luxury Rate) of which the tax fraction is 1/6;

(ii) for any taxable period commencing on or after October 1, 2005 and ending on November 23, 2010, in respect of goods at the rate of twenty *percentum* (Luxury Rate) of which the tax fraction is 1/6;

(iii) for any taxable period commencing on or after October 1, 2005 and ending on December 31, 2010, in respect of services at the rate of twenty *percentum* (Luxury Rate) which the tax fraction is 1/6;

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on the value of such goods or services supplied as referred to in the Fourth Schedule, other than such goods chargeable with the tax at zero *per centum*;

(b) in sub-paragraph (v) of that subsection-

(i) in item (ii) thereof, by the substitution for the words and figures "commencing on or after January 1, 2009" of the words and figures "commencing on or after January 1, 2009 and ending on December 31, 2010"; and

(ii) by the addition, immediately after item (ii) thereof, the following new item :-

"(iii) for the period commencing on November 23, 2010 and ending on December 31, 2010, and for any taxable period commencing on or after January 1, 2011, at the rate of twelve *per centum* (of which the tax fraction is 3/28) on the value of such goods or services supplied, or goods imported, other than goods or services chargeable with tax at Zero *per centum*."

(2) in subsection (2) of that section-

(a) in sub-paragraph (iv) of paragraph (c) thereof, by the substitution for all the words from "until such time as the activities" to the end of that sub-paragraph of the following :-

"until such time as the activities of such garment manufacture or service provider are carried out in the manner stipulated by the Commissioner-General in the guidelines issued for this purpose, on the submission of the reconciliation relating to -

(a) the disposal of such goods, stating that such finished goods have in fact been

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exported by the recipient of the supplies; or

- (b) the supply of value added services, stating that such services have in fact been used for the manufacture of garments which have been exported:

Provided that, with effect from April 1, 2011, deferment of tax under this paragraph shall be administrated by the Commissioner-General.";

- (b) in sub-paragraph (d) thereof, by the substitution for all the words from "until such time as the activities" to the end of that sub-paragraph, of the following :-

"until such time as the activities of such manufacture of goods or service provider are carried out in the manner stipulated by the Commissioner-General of Inland Revenue in the guidelines issued for this purpose, on the submission of the reconciliation relating to -

- (a) the disposal of such goods, stating that such finished goods have in fact been exported by the recipient of the supplies; or
- (b) the supply of value added services, stating that such services have in fact been used for the manufacture of goods which have been exported:

Provided that, with effect from April 1, 2011, deferment of tax under this paragraph shall be administrated by the Commissioner-General.";

(c) by the addition immediately after sub-paragraph (d) thereof the following new paragraph :-

"(e) on the supply of goods or services other than the goods or services referred to in sub-paragraphs (c) or (d), the Commissioner - General may after affording the applicant who is a registered person, an opportunity of being heard, and having regard to the nature of the business carried on or carried out by such applicant, defer the payment of tax, subject to the conditions stipulated by the Commissioner - General in the guidelines issued for this purpose, in respect of supplies made to :-

- (i) a registered person engaged in any specific project referred to in sub paragraph (ii) of paragraph (f) of PART II of the First Schedule;
- (ii) an exporter or to a manufacturer who supplies goods manufactured in Sri Lanka to an exporter;
- (iii) any supplier who provides value added services to an exporter which results in the improvement of the quality, character or value of any goods manufactured for export;
- (iv) any person registered under the provisions of subsection (7) of section 22 of the Act, during the project implementation period so far as such supplies are project related supplies

until such time as the activities of such suppliers of goods or providers of service are carried out as stipulated by the Commissioner-General in the guidelines

issued by him for this purpose, and on the submission of the reconciliation relating thereto, stating that such goods or services are in fact made to a registered person referred to in this sub-paragraph and such goods or services are utilized for the purposes of such specified activities."

- 3.** Section 16 of the principal enactment is hereby amended by the addition immediately after subsection (2) thereof, the following new subsection :-
- Amendment of section 16 of the principal enactment.

"(2A) Where the Commissioner-General cancels any registration under subsection (2), he shall cause a list of names and the registration numbers of such registered persons to be published in three daily newspapers in the Sinhala, Tamil and English languages, having a wide circulation."

- 4.** Section 20 of the principal enactment is hereby amended in paragraph (b) of subsection (6) of that section by the substitution for words and figures "under paragraphs (a) or (c) of subsection (2) of section 2," of the words and figures "under paragraphs (a), (c), (d) or (e) of subsection (2) of section 2,".
- Amendment of section 20 of the principal enactment.

- 5.** Section 22 of the principal enactment is hereby amended as follows:-
- Amendment of section 22 of the principal enactment.

(1) in paragraph (e) of the proviso to subsection (5) of that section -

(a) in sub-paragraph (b) thereof, by the substitution for the words and figures "if the excess is in respect of the taxable period commencing on or after January 1, 2006" of the words and figures "if the excess is in respect of the taxable period commencing on or after January 1, 2006 and ending on March 31, 2011",

- (b) by the addition immediately after subparagraph (b), of the following new subparagraph :-

"(c) if the excess is in respect of any taxable period commencing on or after April 1, 2011, such excess shall be refunded no later than forty-five days after the end of that taxable period or from the date of receipt of the return for the relevant taxable period whichever is later.";

- (2) in subsection (6) of that section, by the substitution in the proviso to paragraph (iv) thereof, for the words "to supply of goods or services to such projects." of the words "to supply of goods or services to such projects :

Provided further, notwithstanding the provisions of subsection (2), the tax paid by the employer as a registered person, on the payments borne by him on the outsourcing of the supply of meals and transport, in respect of a benefit referred to in the exemption specified in item (iv) of paragraph (b) of Part II of the First Schedule, may be allowed as the input credit of a registered person.";

- (3) in subsection (10) of that section, by the substitution for the words and figures from "The amount of input tax allowable under the preceding provisions of this section" to "subject however to the same restriction:" of the following:-

"The amount of any input tax allowable for any taxable period, shall be subject to the following further restrictions :-

- (a) for any taxable period commencing on or after January 1, 2007 but prior to December 31, 2010, including in the case of a registered person who imports goods for re-sale without processing referred to in the third proviso to subsection (5)

of this section, the excess input tax as at December 31, 2006 to the lesser amount of eighty-five *percentum* of the output tax declared for that taxable period or the input tax allowable under the provisions of this Act. The residue, if any, shall be deemed to be a part of the input tax allowable in the subsequent taxable period or periods, subject however to the same restriction up to the taxable period ended as at December 31, 2010. The unabsorbed residue, if any, as at December 31, 2010 shall be carried forward and may be claimed by a registered person for any taxable period not exceeding a sum equivalent to ten *percentum* of the unabsorbed amount for each month, provided that such sum does not exceed five *percentum* of the net tax payable after deducting allowable input credit from the output tax by such person;

- (b) for any taxable period commencing on or after January 1, 2011, excluding the input tax referred to in sub-paragraph (a) above claimed up to December 31, 2010, to the lesser amount of hundred *percentum* of the output tax declared for that taxable period or the input tax allowable under the provisions of this Act. The residue, if any, shall be deemed to be a part of the input tax allowable in the subsequent taxable period or periods, subject however to the same restriction:

Provided that, in the case of a registered person who has at December 31, 2010, an unabsorbed input credit, but from and after January 1, 2011, such person has no taxable supplies liable to tax under the provisions of this Act, then, the unabsorbed input credit referred to in paragraph (a) may be set off after ascertaining the amount of the unabsorbed

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input credit, in the manner provided for in either paragraph (i), paragraph (ii) or paragraph (iii) as the case may be :-

- (i) Where the registered person is an operator of a telecommunication services licensed under section 17 of the Sri Lanka Telecommunication Act, No. 25 of 1991, the set off shall be made as against the sum payable by him as Telecommunication Levy payable under the Telecommunication Levy Act, No. 21 of 2011 ;
- (ii) in the case of a registered person who is liable to pay income tax, the set off shall be made as against the sum payable by such person as income tax after January 1, 2011;
- (iii) in a case of a person to whom the provisions of either paragraph (i) or (ii) above does not apply, the set off shall be made against the sum payable after January 1, 2011, by such person as tax under any written law for the time being in force, administrated by the Commissioner - General.

The set off for each month in terms of this proviso, shall not exceed ten *per centum* of the unabsorbed input credit as at December 31, 2011 or five *per centum* of the relevant tax imposed referred to in items (i), (ii) or (iii) above for that particular month, whichever is less."

Replacement of section 25B of the principal enactment.

6. Section 25B of the principal enactment is hereby repealed and the following section substituted therefor :-

"Taxable period.

25B. (1) The taxable period of every registered specified institution or other person shall be :-

- (a) one month for any taxable period prior to January 1, 2011; and

(b) six months for any taxable period commencing on or after January 1, 2011.

(2) Every registered specified institution or other person shall furnish a return in the Form specified, in respect of each taxable period before the end of the following month of the taxable period.

(3) (a) Notwithstanding the provisions of subsection (1) of section 26, tax payable for any taxable period by every registered specified institution or other person shall be paid on a monthly basis on or before the twentieth day of the succeeding month subject to the making of the final adjustment, if any, with the submission of the return as specified in this section.

(b) Any tax which is not so paid as set out in paragraph (a) shall be deemed to be in default and any registered specified institution or other person to whom this subsection applies shall be deemed to be a defaulter within the meaning of this Act.”.

7. Section 25c of the principal enactment is hereby amended as follows :-

Amendment of section 25C of the principal enactment.

(1) in subsection (1) of that section, by the substitution for all the words from "for avoidance of doubts it is here by declared" to the words "the tax payable under this Chapter" of the following :-

"for the purpose of this Chapter the value addition of such specified institution shall be computed :-

- (i) for any taxable period commencing prior to January 1, 2011, based on the net profit or loss prior to the deduction of the tax payable under this Chapter; and
- (ii) for any taxable period commencing on or after January 1, 2011, based on the net profit or loss after the deduction of the tax payable under this Chapter.";

- (2) by the repeal of subsection (3) of that section and the substitution therefor of the following :-

"(3) The amount of tax payable for any taxable period :-

- (a) commencing from January 1, 2003 but prior to January 1, 2004 shall be ten *percentum*;
- (b) commencing from January 1, 2004, but prior to January 1, 2005, shall be fifteen *percentum*;
- (c) commencing from January 1, 2005, but prior to January 1, 2011, shall be twenty *percentum*; and
- (d) commencing from January 1, 2011 shall be twelve *percentum*;

of the value addition specified in subsection (i)";

- (3) by the repeal of subsection (8) of that section and the substitution therefor of the following :-

"(8) for the purpose of calculation of tax under this section, every specified institution or any other person shall follow the guidelines specified by the Commissioner-General having considered the uniform application of the calculation of such tax.";

- (4) by the addition immediately after subsection (8) of that section, of the following new subsection :-

"(9) eight *percentum* of the value addition specified in subsection (1) of section 25c shall be invested in the fund established in the Central Bank of Sri Lanka as specified in the guidelines issued for this purposes with the concurrence of the Commissioner - General for the period of three

years commencing from January 1, 2011 and the investment shall be made on a monthly basis on or before the twentieth day of the subsequent month."

8. Section 25H of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words and figures "of this Chapter for every quarter commencing on or after January 1, 2007, at the rate of five *per centum*" of the following :-

Amendment of section 25H of the principal enactment.

"of this Chapter :-

- (a) for every quarter commencing on January 1, 2007 and ending on December 31, 2010, and for every quarter commencing from the quarter in which the registration falls due, at the rate of five *per centum*; and
- (b) every quarter commencing on January 1, 2011, in the following manner :-
 - (i) at the rate of two *per centum*, for every quarter falling within the three years commencing from the beginning of the quarter in which registration falls due, but after the December 31, 2010;
 - (ii) at the rate of four *per centum*, for every quarter falling within the three years commencing immediately after the end of the three years referred to in item (i);
 - (iii) at the rate of eight *per centum*, for every quarter falling within the three years commencing immediately after the end of three years referred to in item (ii); and
 - (iv) at the rate of twelve *per centum*, for every quarter falling within the three years commencing immediately after the end of three years referred to in item (iii);"

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Amendment of section 25i of the principal enactment.

9. Section 25i of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for paragraph (b) thereof, of the following :-

"(b) such registration shall be valid for a period of twelve years from the date of commencement of the quarter in which the registration is obtained by such person or partnership."

Insertion of new section 25j in the principal enactment.

10. The following new section is hereby inserted immediately after section 25i and shall have effect as section 25j of that enactment :—

"The value of supplies from any Islamic Financial Transactions to be chargeable to tax.

25j. (1) The values of supplies from any Islamic Financial Transaction shall be chargeable to tax in terms of the provisions of this Act.

(2) The Commissioner-General of Inland Revenue shall in order to determine the extent of liability to tax of any particular Islamic Financial Transaction, issue, from time to time, such rules and guidelines as may be required for the purpose of—

(a) identifying the circumstances which would amount to an Islamic Financial Transaction ; and

(b) ascertaining the value of supplies arising out of any Islamic Financial Transaction."

Amendment of section 26A of the principal enactment.

11. Section 26A of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words "Every Government Agency which makes payments in pursuance of a contract" of the words and figures "Every Government Agency which makes payments prior to January 1, 2011, in pursuance of a contract."

12. Section 33 of the principal enactment is hereby amended in subsection (2) thereof by the substitution for the words "within a period of five years from the end of the taxable period to which the assessments relates." of the words "at any time".

Amendment of section 33 of the principal enactment.

13. Sections 34 to 36 (both inclusive) appearing under the Heading "Chapter VI - appeals" of the principal enactment are hereby amended by the substitution for the words "Board of Review constituted under the Inland Revenue Act, No. 10 of 2006" and "Board of Review" respectively wherever such words appear in that Chapter, of the words "Board of Review or any Commission which may be constituted by any written law for the purpose of hearing appeals in terms of this Act."

Amendment of section 34 to 36 of the principal enactment.

14. Section 43 of the principal enactment is hereby amended in the proviso to subsection (1) thereof, by the substitution for the words "examine or decide the correctness of any statement in the statement of certificate of the Commissioner-General." of the words "examine or decide the correctness of any statement in the certificate of the Commissioner-General or to postpone or defer such proceeding for a period exceeding thirty days, by reason only of the fact that an appeal is pending against the assessment in respect of which the tax in default is charged."

Amendment of section 43 of the principal enactment.

15. Section 55 of the principal enactment is hereby amended as follows :-

Amendment of section 55 of the principal enactment.

- (1) by the re-numbering of that section as subsection (1) thereof;
- (2) by the addition immediately after the re-numbered subsection (1), of the following new subsection :-

"(2) All the taxable supplies of a non-resident person shall be assessable either directly or in the name of his agent, in or derived from Sri Lanka, whether such agent

has the receipt of such supplies or not, and the tax in terms of this Act so assessed whether directly or in the name of the agent shall be recoverable in the manner provided for in this Act, out of the assets of the non-resident person or from the agent. Where there are more agents than one, they may be assessed jointly or severally in respect of the taxable supplies of the non-resident person and shall be jointly and severally liable for tax thereon, in terms of this Act."

Amendment of section 58 of the principal enactment.

16. Section 58 of the principal enactment is hereby amended as follows :-

- (1) in the second proviso to subsection (1) of that section, by the substitution for the words "Provided further, that any such amount" of the words and figures "Provided further, that any such amount prior to any taxable period commencing on April 1, 2011,"
- (2) in subsection (3) of that section, by the addition immediately after paragraph (b) of that subsection of the following:-

"(c) (i) fails to furnish the fuller and further information relating to any claim of refunds within the period specified in the letter issued to such person,

- (ii) fails to attend in person or make representation by an authorized representative at such place and on such date and at such time as may be specified in the letter issued to such person,

by any Assessor, the Commissioner-General may disregard the claim of refund made by such person:

Provided however, if the registered person within a reasonable period after the

claim of refund being disregarded by the Commissioner-General prove to the satisfaction of the Commissioner-General that he or his authorized representative was prevented from submitting the required information as specified in the letter or due attendance at the interview, as the case may be, by reason of absence from Sri Lanka, or sickness or other unavoidable cause, the Commissioner- General may re-open the inquiry of the refund claim subject to any conditions specified by him.";

- (3) by the addition immediately after subsection (3) of that section, of the following new subsection:-

"(4) The Commissioner-General shall credit, the amount refundable under this section only to the bank account assigned to a registered person for such purpose."

17. Section 58A of the principal enactment is hereby repealed. Repeal of section 58A of the principal enactment.

18. Section 67 of the principal enactment is hereby amended in paragraph (f) of that section, by the substitution for the words and figures "return under section 21 or comply", of the words and figures "return under section 21, section 25B or subsection (4) of section 25H or comply". Amendment of section 67 of the principal enactment.

19. Section 83 of the principal enactment is hereby amended as follows:- Amendment of section 83 of the principal enactment.

- (1) by the insertion immediately before the definition of the expression "Assessor" of the following definition:-

' "agent" in relation to a non-resident person or

to a partnership in which any partner is a non - resident person, includes-

- (a) the agent, attorney, factor, receiver or manager in Sri Lanka of such person or partnership; and
 - (b) any person in Sri Lanka through whom such person or partnership is in receipt of any profits or income, arising in or derived from Sri Lanka;";
- (2) in the definition of the expression "educational services" by the substitution for the words "by any educational establishment" of the words "by any person or partnership.";
- (3) in the definition of the expression "taxable period" by the repeal of item (i) of paragraph (a) and the re-numbering of items (ii), (iii), (iv), (v), and (vi) as items (i), (ii), (iii), (iv) and (v) respectively;
- (4) by the addition immediately after the definition of "taxable supply" the following new definition:-
- "telecommunication service" means the service provided by telecommunication operators licensed under section 17 of the Sri Lanka Telecommunication Act, No. 25 of 1991 to other similar operators and to end subscribers."

Amendment of the First Schedule to the principal enactment.

20. The First Schedule to the principal enactment is hereby amended in Part II thereof as follows:-

- (1) in paragraph (a) of that Part by the addition immediately after item (xvii) the following:-
- "(xviii) Petrol, Coal or Bitumen specified under Harmonized commodity Description and Coding System Numbers for Custom purposes with effect from November 26, 2010;

- (xix) (a) machinery and equipment for manufacture of grain mixed bakery products with effect from November 29, 2010;
 - (b) machinery and equipment for the use of leather or footwear industry or bags, motor homes, taxi meters, agricultural machinery and parts, electronic equipments or articles use manufacture of fashion jewellery with effect from January 1, 2011;
 - (c) light weight electrical and electronic items with effect from June 1, 2010;
 - (d) fruit seeds with effect from August 16, 2010;
 - (e) telecommunication equipment with effect from January 1, 2011;
- as specified under Harmonized Commodity Description and Coding System Numbers for Custom purposes;
- (xx) any machinery or high-tech equipment for the telecom industry, having identified that such machinery or equipment is imported or purchased exclusively for the use in the telecom industry and imported or purchased by any operator of telecommunication services, with effect from January 1, 2011 ;
 - (xxi) spare parts and accessories for exclusive use by Sri Lanka Transport Board and Department of Sri Lanka Railways (including imports made on or after 18.08.2010);";

(2) in paragraph (b) of that part :

- (a) in sub-paragraph (a) of item (i), by the substitution for the words and figures "educational services by an educational establishment (effective from January 1, 2006); or" of the words and figures -

"(a)(1) educational services provided by an educational establishment (effective from January 1, 2006 and ending on December 31, 2010); and

- (2) educational services provided by any person or partnership with effect from January 1, 2011); or";

- (b) in paragraph (b) of item (ii), by the repeal of sub-paragraph A of that item and the substitution therefor of the following -

"(A) (i) such motor coaches with a seating capacity not less than twenty-eight passenger seats and used for such public passenger transport services if such lease agreement is entered into prior to January 1, 2004 and ending on December 31, 2010;

- (ii) lorries, tractors or motor coaches with seating capacity not less than twenty-eight passenger seats and used for public passenger transport services by the holder of any passenger service permit issued by the National Transport Commission established by the National Transport Commission Act, No. 37 of 1991 or any Provincial Road Passenger Transport Authority, in respect of any rental falling due for payments on or after January 1, 2011;"

(3) by the addition immediately after item (xxx) the following :-

"(xxxi) telecommunication services (with effect from January 1, 2011);

(xxxii) locally manufactured briquettes and pallets using bio mass wastes (with effect from January 1, 2011;

(xxxiii) locally developed software with effect from January 1, 2011;

(xxxiv) services being receipts from re-insurance by any local insurance company by way of commission or compensation in an insurance business (with effect from January 1, 2011);

(xxxv) services being the issue of licenses to local telecom operators by Telecommunication Regulatory Commission, established by the Sri Lanka Telecommunications Act, No. 25 of 1991 (with effect from January 1, 2011)";

(4) in paragraph (c) of that Part by the addition immediately after item (xxviii) thereof the following new items :-

"(xxix) aircraft stimulators and parts specified under Harmonized Commodity Description and Coding System Numbers for Custom purposes with effect from January 1, 2011;

(xxx) samples in relation to a business worth not more than rupees twenty five thousand subject to such terms and conditions as prescribed by the Director General of Customs";

- (5) in paragraph (f) of that Part, by the repeal of items (ii) and (iii) and the substitution therefor of the following items :-

"(ii) (a) goods or services to any specified project identified by the Minister in charge of the subject of Finance, taking into consideration the economic benefit to the country, on which the tax is borne by the Government with effect from January 1, 2008); or

(b) goods or services to any infrastructure development project funded through foreign loans or donations directly to the Government Ministries (with effect from January 1, 2011);

and every such project shall be approved by the Minister of Finance, and Notification of such approval shall be published in the *Gazette*;

(iii) any goods or services provided by any society registered under the Co-operative Societies Law, No. 5 of 1972, or under the respective Statutes enacted by the Provincial Councils providing for such registration, or Lak Sathosa registered under the Companies Act, No. 7 of 2007;

- (6) by the addition immediately after paragraph (g) of that Part, the following new paragraph :-

"(h) goods or services by an institution set up by the Ministry of Defence for the rehabilitation of disabled soldiers, in so far as the activities are carried out by the participation of such soldiers. (with effect from January 1, 2011)".

21. Any person or partnership supplying any goods or services having an annual turnover of a sum not exceeding rupees one hundred million who has defaulted in the payment of taxes payable by him under this Act in respect of any taxable period ending on or before December 31, 2010, due to the existence generally of any conflict environment or due to any financial constraints of such person or partnership, shall be exempt from the payment of such charge as is in default under this Act:

Exemption of certain small and medium enterprises from the payment of taxes payable by them.

Provided that, the Commissioner-General of Inland Revenue shall on a request made to him in that behalf, issue to such person or partnership a Certificate of Exemption in respect of the sum as in default:

Provided further, the person or partnership to whom the Certificate of Exemption is issued, shall simultaneously forward to the Commissioner-General of Inland Revenue a written assurance to the effect that such person or partnership shall be responsible for the payment of all sums which may become payable by him under this Act, in respect of any future taxable period commencing on or after January 1, 2011.

22. Any person who collects the Value Added Tax as provided for in this Act during the period commencing from December 31, 2010, and ending on the date of the coming into operation of this Act, shall be deemed to have acted with due authority and such collection shall be deemed to have been, and to be, validly made and such person is hereby indemnified against all actions civil or criminal, in respect of any such collections.

Indemnity.

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

Sinhala text to prevail in case of inconsistency.

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

**NATION BUILDING TAX (AMENDMENT)
ACT, No. 10 OF 2011**

[Certified on 31st March, 2011]

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*Nation Building Tax (Amendment)
Act, No. 10 of 2011*

[Certified on 31st March, 2011]

L. D.—O. 15/2011.

AN ACT TO AMEND THE NATION BUILDING TAX ACT NO. 9 OF 2009

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

1. This Act may be cited as the Nation Building Tax (Amendment) Act, No. 10 of 2011 and shall be deemed to have come into operation from January 1, 2011.

Short title.

2. Section 2 of the Nation Building Tax Act, No. 9 of 2009 (hereinafter referred to as the “principal enactment”) is hereby amended in subsection (1) of that section, by the substitution in subsection (c) thereof, for the words “a service of any description.”, of the following :—

Amendment of the section 2 of the Act No. 9 of 2009.

“a service of any description; or

- (d) carries on the business of wholesale or retail sale of any article other than such sale by the manufacturer of that article being a manufacturer to whom the provisions of paragraph (b) applies.”

3. Section 3 of the principal enactment is hereby amended as follows:—

Amendment of the section 3 of the principal enactment.

(1) in subsection (1) of that section—

- (a) by the substitution for all the words and figures from “every person to whom this Act applies, calculated” to “in the following manner:-”, of the words “every person to whom this Act applies, calculated at the appropriate rate specified in the Second Schedule to this Act, in the following manner:—”

- (b) in paragraph (ii) thereof, by the substitution for the words and figures “paragraph (b) or (c) of subsection (1)”, of the words “paragraphs (b), (c) or (d) of subsection (1)”

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(2) in subsection (2) of that section—

(a) by the substitution in paragraph (i) thereof, for the words and figures “under section 6 of the Value Added Tax Act, No. 14 of 2002;” of the words and figures “under section 6 of the Value Added Tax Act, No. 14 of 2002, but does not include the value of any excepted article referred to in the First Schedule to this Act;”;

(b) by the substitution in paragraph (ii) thereof, for the words “of every article manufactured by such person;” of the words “of any article manufactured by such person, other than any excepted article referred to in the First Schedule to this Act;”;

(c) by the substitution in paragraph (iii), for the words “any service referred to in that paragraph.”, of the following:—

“any service referred to in that paragraph, other than any excepted service referred to in the First Schedule to this Act;

(iv) with reference to any person referred to in paragraph (d) of subsection (1) of section 2 and to any relevant quarter means the sum receivable whether received or not from the sale in that quarter, of any article, other than—

(1) pharmaceuticals;

(2) any article subject to the Special Commodity Levy under the Special Commodity Levy Act, No. 48 of 2007, where such article is subsequently sold by the importer of such article; and

(3) gems or jewellery, if sold on the payment of foreign currency by any person authorized by the Central Bank of Sri Lanka to accept payment in foreign currency.”.

(3) in subsection (3) of that section—

(a) by the substitution, for the words and figures “in paragraph (ii) or (iii) of that section” of the words and figures “in paragraph (ii), (iii) or (iv) of that section”;

(b) by the addition immediately after paragraph (iii) thereof, of the following paragraphs:—

“(iv) rebate paid under the Export Development Rebate in relation to any international event as be approved by the Minister of Finance;

(v) any turnover from the supply of any goods or services in relation to any international events as approved by the Minister of Finance (with effect from May 12, 2010).”.

(4) in subsection (4) thereof,

(a) by the substitution for the words and figures “paragraph (b) or paragraph (c) of subsection (1) of section 2”, of the words and figures “paragraph (b), paragraph (c) or paragraph (d) of subsection (1) of section 2”;

(b) in paragraph (i), by the substitution for the words “liable turnover of such person for that relevant quarter does not exceeds” of the

*Nation Building Tax (Amendment)
Act, No. 10 of 2011*

words and figures “such quarter is a relevant quarter which commenced prior to January 1, 2011 and the liable turnover of such person for that relevant quarter does not exceed;”;

(c) in paragraph (ii) thereof—

(i) by the substitution for the words “that relevant quarter optional Value Added Tax” of the words and figures “that relevant quarter which commenced prior to January 1, 2011, Optional Value Added Tax”;

(ii) by the substitution for the words and figures “Value Added Tax Act, No. 14 of 2002.” of the following:—

“Value Added Tax Act, No. 14 of 2002;

(d) by the addition immediately after paragraph (ii) of the following new paragraphs :—

(iii) such relevant quarter is any quarter commencing on or after January 1, 2011 and the liable turnover of such person from the supply of any goods or services other than services referred to in paragraph (iv) and paragraph (v), does not exceed the sum of five hundred thousand rupees; and

(iv) such quarter is a quarter commencing on or after January 1, 2011 and the liable turnover of such person from —

(a) operating a hotel, guest house, restaurant or other similar business;

(b) the processing of any locally procured agricultural produce in the preparation for sale;

(c) providing educational services by any institution established locally for that purpose; or

(d) supply of labour (manpower),

and which do not exceed the sum of twenty five million rupees.”.

4. Section 4 of the principal enactment is hereby repealed and the following section substituted therefor:—

Replacement of the section 4 of the principal enactment.

“Payment of the tax

4. Every person referred to in paragraph (b), paragraph (c) or paragraph (d) of subsection (1) of section 2 to whom this Act applies, shall, notwithstanding that no assessment has been made on such person for any relevant quarter, pay—

- (i) the tax payable for the first month of that quarter on or before the twentieth day of the second month of that quarter;
- (ii) the tax payable for the second month of that quarter on or before the twentieth day of the third month of that quarter;
- (iii) the balance tax payable for that quarter on or before the twentieth day of the month immediately succeeding the end of the relevant quarter, calculated by deducting the tax paid under paragraphs (i) and (ii) from the tax payable for that quarter,

to the Commissioner-General, in such manner as may be specified by him in that behalf.”.

6 *Nation Building Tax (Amendment)*
Act, No. 10 of 2011

Replacement of section 6 of the principal enactment.

5. Section 6 of the principal enactment is hereby repealed and the following section substituted therefor:—

“Tax Credits. 6. Where any person to whom this Act applies, utilizes wholly or partly any goods purchased from a manufacturer registered for payment of tax under this Act or imported by himself, in the manufacture of goods liable to tax under this Act, such manufacturer shall be entitled to tax credit in respect of such tax paid on such goods in proportion to the value of goods manufactured by such person which are liable to tax under this Act.”.

Insertion of new section 6A in the principal enactment.

6. The following new section is hereby inserted immediately after section 6 of the principal enactment and shall have effect as section 6A of that enactment :—

“Turnover from Islamic Financial Transactions to be chargeable to tax. 6A. (1) The turnover from the business of any Islamic Financial Transaction shall be chargeable to tax in terms of the provisions of this Act.

(2) The Commissioner - General of Inland Revenue shall in order to determine the extent of liability to tax of any particular Islamic Financial Transaction, issue from time to time, such rules and guidelines as may be required for the purpose of -

- (a) identifying the circumstances which would amount to an Islamic Financial Transaction ;
and
- (b) ascertaining the profits and income arising out of any Islamic Financial Transaction.”.

*Nation Building Tax (Amendment)
Act, No. 10 of 2011* 7

7. Section 10 of the principal enactment is hereby amended as follows: Amendment of the section 10 of the principal enactment.

- (1) in the definition of the expression “article”, by the substitution for the words “any agricultural or horticultural produce, but does not include any excepted article”, of the words “any agricultural or horticultural produce, but for any period ended prior to January 1, 2011 does not include any excepted article”;
- (2) in the definition of the expression “service”, by the substitution for the words “does not include any excepted service”, of the words “for any period ended prior to January 1, 2011 does not include any excepted service”,
- (3) in the definition of the expression “person”, by the substitution for the words “any company, body of persons or any partnership”, of the words “any company, body of persons or any partnership”.

8. The Schedule to of the principal enactment is hereby amended as follows:— Amendment of the Schedule to the principal enactment.

- (1) by the renaming of the “SCHEDULE” hereto as the “FIRST SCHEDULE”;
- (2) in Part I of such Schedule—
 - (a) in item (xiii), by the substitution for the words “pharmaceuticals; and”, of the words “pharmaceuticals;”
 - (b) in item (xv), by the substitution for the words “borne by the Government” of the words “borne by the Government ;”

(c) by the addition immediately after item (xv) thereof of the following items:—

“(xvi) any goods imported or supplied to a specified project carried on, out of foreign funds or donations received by the Government, as approved by the Minister considering the economic benefit to the country.

(xvii) bitumen classified under HS code No. 2714 ;

(xviii) any article imported or sold by any society registered under Co- operative Societies Act, No. 5 of 1972 or under the respective statutes enacted by the Provincial Councils providing for such registration or Lak Sathosa Limited registered under the Companies Act, No. 7 of 2007 ;

(xix) tractors classified under HS codes 8701.10.10, 8701.10.90, 8701.90.10 and 8701.90.20 ;

(xx) raw materials or packing materials imported for the manufacture of pharmaceuticals subject to the approval of the relevant authority ;

(xxi) gold imported (effective from March 1, 2010) ;

(xxii) plant, machinery or equipment imported on temporary basis for the use of large scale infrastructure development projects approved by the

Minister in charge of the subject of Finance as being of beneficial for the economic development of Sri Lanka, on condition that goods will be re-exported after the completion of work (effective from July 1, 2010);

- (xxiii) foreign currency notes imported, being notes classified under HS Codes 4907.00.90 (effective from June 1, 2010) ;
- (xxiv) raw materials or packing materials imported for the manufacture of ayurvedic preparations which belong to the Ayurveda Pharmacopoeia or ayurveda preparation subject to the approval of the relevant authority ;
- (xxv) pure-bred breeding animals under HS 0102.10 or HS 0104.20.10, milking machines under HS 8434.10, dairy machinery under HS 8434.20 and spare parts under HS 8434.90, at the point of importation. (effective from 18.01.2011);
- (xxvi) import of samples in relation to business which is worth not more than rupees twenty- five thousand, subject to which terms and conditions as prescribed by the Director - General of Customs.”.

(3) in Part II of that Schedule—

- (a) in item (vii), by the substitution for the words “services of a construction contractor, not being a sub-contractor, insofar as”, of the following words and figures:—

*Nation Building Tax (Amendment)
Act, No. 10 of 2011*

“Services—

- (i) prior to January 1, 2011, of a construction contractor, not being a sub-contractor; or
- (ii) on or after January 1, 2011, of a construction contractor or sub-contractor”,

in so far as”;

- (b) in item (xii), by the substitution for the words “operating a hotel, guest house, restaurant or other similar business”, of the words and figures “For any period ended prior to January 1, 2011, operating a hotel, guest house, restaurant or other similar business”;
- (c) in item (xiii), by the substitution for the words “local produce”, of the words “local produce”;
- (d) in item (xxiii), by the substitution for the words “Act, No. 34 of 2002,”, of the words “Act, No. 34 of 2002;”;
- (e) by the addition, immediately after the item (xxiii), the following new items :—
 - (xxiv) the services provided by foreign consultancies for the large scale infrastructure development projects being projects which have been approved by the Minister of Finance, as beneficial for the economic development of Sri Lanka (effective from July 1, 2010)

- (xxv) services provided to any specific project carried on, out of foreign funds or donations received by the Government, as approved by the Minister considering the economic benefit to the country;
- (xxvi) services provided to the port or airline in relation to international transportation;
- (xxvii) services provided in relation to ship building for the international market for payments made in foreign currency;
- (xxviii) telecommunication services;
- (xxix) supply of locally developed soft ware;
- (xxx) services provided by any Government Department, Ministry or any undertaking fully owned by the Government;
- (xxxi) services provided by Sri Lankan Airlines Ltd.;
- (xxxii) services provided by Mihin Air (Pvt.) Ltd.;
- (xxxiii) services provided by Air Lanka Catering Services Ltd.;
- (xxxiv) services provided by any society registered under the Co-operative Societies Law No. 5 of 1972 or under any Statute enacted by a Provincial Council, or Lak Sathosa Limited, registered under the Companies Act, No. 7 of 2007;

12 *Nation Building Tax (Amendment)*
Act, No. 10 of 2011

Addition of
Second
Schedule to the
principal
enactment.

9. The following new Schedule, as the Second Schedule,
is added immediately after the First Schedule:—

“SECOND SCHEDULE [Section 3]

**Tax Rates of Nation Building Tax payable by any person to
whom this Act applies**

PART I

For the period ending on April 30, 2009
on the liable turnover – 01 *per centum*.

PART II

For the period commencing on May 1, 2009 but
prior to December 31, 2010—

- (1) on the liable turnover (other than in respect
of turnover from the sale of rice manufactured
from locally procured paddy for the period
from July 1, 2009 to December 31, 2010)

– 03 *per centum*.

- (2) on the liable turnover from rice manufactured
out of locally procured paddy for the period
from July 1, 2009 to December 31, 2010

– 1.5 *per centum*.

PART III

For any quarter commencing on or after January 01, 2011—

- (1) on the liable turnover (other than any
turnover from the wholesale or retail sale) of
any article

– 02 *per centum*.

- (2) on the liable turnover from wholesale or retail
sale of any article—

- (a) three fourth of liable turnover of any
distributor—

Nil

Nation Building Tax (Amendment) 13
Act, No. 10 of 2011

(b) one half of the liable turnover from
(the wholesale or retail sale of) any
article other than any turnover of a
distributor—

Nil

(c) the balance liable turnover

– 02 *per centum*.

For the purposes of Part III of the
Second Schedule the expression
“distributor”, shall have the same
meaning as is assigned to it in section
13 of the Economic Service Charge
Act, No. 13 of 2006.”.

10. The Commissioner-General shall transfer 33 1/3 *per centum* of the total sum collected as Nation Building Tax to the respective Provincial Council within such intervals and in such proportions as the Secretary to the Treasury may, from time to time, taking into consideration the required budget of each such Council, direct.

Apportionment
of revenue to
the Provincial
Councils,

11. Any person or partnership carrying on an enterprise, having an annual turnover of a sum not exceeding rupees one hundred million who is liable to pay the Nation Building Tax under this Act and who has defaulted in the payment of such Nation Building Tax as is payable by him under this Act in respect of any taxable quarter ending on or before December 31, 2010 due to the existence generally of any conflict environment or due to any financial constraints of such person or partnership shall be exempted from the payment of such charge as is in default under this Act:

Exemption of
certain small and
medium
enterprises from
the payment of
taxes payable by
them .

Provided that, the Commissioner - General of Inland Revenue shall on a request made in that behalf, issue to such person or partnership a Certificate of Exemption in respect of the sum in default:

Provided further, the person or partnership to whom the Certificate of Exemption is issued shall simultaneously forward to the Commissioner - General of Inland Revenue, a written assurance to the effect that such person or

partnership will be responsible for the payment of all sums which may become payable by him under this Act, in respect of any future taxable quarter commencing on or after January 1, 2011.

Indemnity.

12. Where the Commissioner - General of Inland Revenue or the Director - General of Customs as the case may be collects under the provisions of section 4 or section 5 respectively of the principal enactment, the levy calculated at the rate specified in section 3 of this Act, during the period commencing on January 1, 2011 and ending on the date of the coming into operation of this Act from a person to whom the provisions of this Act applies, such collection shall be, deemed for all purposes to have been, and to be, validly made, and the Commissioner - General of Inland Revenue and the Director - General of Customs, as the case may be, are hereby indemnified against all actions, civil or criminal in respect of such collection.

Sinhala text to prevail in case of an inconsistency.

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

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**PARLIAMENT OF THE DEMOCRATIC
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**ECONOMIC SERVICE CHARGE
(AMENDMENT) ACT, No. 11 OF 2011**

[Certified on 31st March, 2011]

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*Economic Service Charge (Amendment)
Act, No. 11 of 2011*

[Certified on 31st March, 2011]

L.D.—O. 11/2011.

AN ACT TO AMEND THE ECONOMIC SERVICE CHARGE
ACT, No. 13 OF 2006

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

- 1.** This Act may be cited as the Economic Service Charge (Amendment) Act, No. 11 of 2011. Short title.
- 2.** The Economic Service Charge Act, No. 13 of 2006 (hereinafter referred to as the “principal enactment”) is hereby amended in section 2 as follows:— Amendment of section 2 of the Economic Service Charge Act, No. 13 of 2006.
- (1) by the substitution for paragraph (a) and (b) of subsection (2) thereof, of the following—
- “(a) commencing before March 31, 2007, does not exceed ten million;
- (b) commencing on or after April 1, 2007, but before April 1, 2011, does not exceed rupees seven million five hundred thousand;
- (c) commencing on or after April 1, 2011, does not exceed rupees twenty-five million.”; and
- (2) by the substitution for the word “Schedule” in subsection 1 of that section the words “Schedule I” or “Schedule II” as the case may be of the words “First Schedule”.
- 3.** Section 7 of the principal enactment is hereby amended as follows :— Amendment of section 7 of the principal enactment.
- “(1) by the re-numbering of that section as subsection (1) thereof;
- (2) in the re-numbered subsection (1), by the substitution for the words “for any relevant quarter shall,” of the words and figures “for any relevant quarter ending on or before March 31, 2011 shall.”; and

2 *Economic Service Charge (Amendment)*
Act, No. 11 of 2011

- (3) by the addition immediately after the re-numbered subsection (1) of the following new subsection:—

“(2) Every person and partnership chargeable with the service charge for any relevant quarter commencing on or after April 1, 2011 shall, whether or not requested by an Assessor to do so, furnish to an Assessor, on or before the twentieth day of April of each year, a return for the year of assessment ending on March 31 of that year, in such form and containing such particulars as may be specified by the Commissioner-General, of the relevant turnover of such person or partnership, as the case may be. The return shall also indicate the basis of the calculation of the service charge and other details, if any, specified by the Commissioner-General in relation to this section.”.

Insertion of new section 10A in the principal enactment.

4. The following new section is hereby inserted immediately after section 10 of the principal enactment and shall have effect as section 10A of that enactment :—

“Turnover from Islamic Financial Transactions to be chargeable to tax. 10A. (1) The turnover from the business of any Islamic Financial Transaction shall be chargeable to tax in terms of the provisions of this Act.

(2) The Commissioner-General of Inland Revenue shall in order to determine the extent of liability to tax of any particular Islamic Financial Transaction, issue from time to time, such rules and guidelines as may be required for the purpose of—

- (a) identifying the circumstances which would amount to an Islamic Financial Transaction ; and
- (b) ascertaining the profit and income arising out of any Islamic Financial Transaction.”.

Economic Service Charge (Amendment) 3
Act, No. 11 of 2011

5. Section 13 of the principal enactment is hereby amended by the substitution for the definition of the expression “person” of the following definition :—

Amendment of section 13 of the principal enactment.

“person” includes a company or body of persons, but does not include—

- (a) any registered society, within the meaning of the Co-operative Societies Law, No. 5 of 1972 or under the respective Statute enacted by a Provincial Council providing for such registration;
- (b) any person carrying on business as an owner or charterer of an aircraft or ship;
- (c) any government institution or local authority as defined in the Inland Revenue Act, No. 10 of 2006;
- (d) any distributor;
- (e) any dealer in a lottery;
- (f) any Unit Trust or Mutual Fund.”.

6. The Schedule to the principal enactment is hereby amended by the substitution for the word “Schedule” of the following:—

Amendment of the Schedule to the principal enactment.

“SCHEDULE I

For the period ending on March 31, 2011”; and

7. The following new Schedule is hereby inserted immediately after Schedule I of the principal enactment and shall have effect as Schedule II of that enactment:—

Replacement of the Schedule to the principal enactment.

4 *Economic Service Charge (Amendment)*
Act, No. 11 of 2011

“SCHEDULE II (Section 2)	
For the period commencing on April 1, 2011	
PART OF THE LIABLE TURNOVER	RATE OF THE SERVICE CHARGE APPLICABLE TO THAT PART
1. Enterprises to which the Board of Investment of Sri Lanka Law, No. 4 of 1978 is applicable (liable to pay income tax)— (a) Apparel exporters; (b) Board of Investment houses; (c) Manufacturers of textiles for apparel exporters.	} 0.1 per centum
2. Persons granted Exemptions/Concessionary Rates/Others (a) who are exempt from income tax (including tax holiday companies); (b) who during certain periods are incurring losses; (c) who are subject to tax under concessionary rates; (d) who are engaged in wholesale or retail trade other than products manufactured or produced by the seller (excepting distributors or dealers in motor vehicles or liquor); (e) who carry out primary conversion of any tea, rubber or coconut plantation including desiccated coconut, coconut oil or fiber, copra and sheet rubber, but excluding any conversion which produces any alcoholic beverage.	} 0.25 per centum
3. Advertising Agents— (a) prior to April 1, 2011 (b) on or after April 1, 2011	1.0 per centum 0.25 per centum
4. any other businesses including of which the turnover is defined by Notice published in the <i>Gazette</i> . (including dealers in motor vehicles, liquor, tobacco and petroleum)”	1.0 per centum

8. Any person or partnership carrying on an enterprise, having an annual turnover of a sum not exceeding rupees one hundred million who is liable to pay the economic service charge under this Act, who has defaulted in the payment of such economic service charge as is payable by him under this Act in respect of any year of assessment ending on or before December 31, 2010, due to the existence generally of any conflict environment or due to any financial constraints of such person or partnership, shall be exempt from the payment of such charge as is in default under this Act :

Exemption of certain small and medium enterprises from the payment of taxes payable by them.

Provided that, the Commissioner-General of Inland Revenue shall on a request made in that behalf, issue to such person or partnership a Certificate of Exemption in respect of the sum in default :

Provided further, the person or partnership to whom the Certificate of Exemption is issued, shall simultaneously forward to the Commissioner-General of Inland Revenue a written assurance to the effect that such person or partnership will be responsible for the payment of all sums which may become payable by him under this Act, in respect of any future year of assessment commencing on or after January 1, 2011.

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

Sinhala text to prevail in case of an inconsistency.

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**PARLIAMENT OF THE DEMOCRATIC
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**STRATEGIC DEVELOPMENT PROJECTS
(AMENDMENT) ACT, No. 12 OF 2011**

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*Strategic Development Projects (Amendment)
Act, No. 12 of 2011*

[Certified on 31st March, 2011]

L.D.—O. 21/2011.

AN ACT TO AMEND THE STRATEGIC DEVELOPMENT PROJECTS
ACT, NO. 14 OF 2008

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

1. This Act may be cited as the Strategic Development
Projects (Amendment) Act, No. 12 of 2011 and shall be
deemed to have come into operation on January 1, 2011.

Short title.

2. Section 2 of the Strategic Development Projects Act,
No. 14 of 2008 is hereby amended by the substitution for all
the words from “to which exemptions’ to the words” be
granted :” of the following :—

Amendment of
section 2 of the
Strategic
Development
Projects Act, No.
14 of 2008.

“to which may be granted from time to time,
exemptions either in full or part, from the applicability of
the provisions of one or more of the enactments specified
in the Schedule to this Act or such other assistance or
facilitation as may be necessary to attract strategic
investment, in the national interest.”.

3. The Schedule to the Strategic Development Projects
Act, No. 14 of 2008 is hereby amended, by the addition
immediately after item 8 of the Schedule, of the following new
items :—

Amendment of
the Schedule to
the Act.

“9. The Nation Building Tax Act, No. 9 of 2009.

10. The Ports and Airports Development Levy Act,
No. 18 of 2011.”.

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

Sinhala text to
prevail in case of
inconsistency.

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**PARLIAMENT OF THE DEMOCRATIC
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**PROVINCIAL COUNCILS (TRANSFER OF
STAMP DUTY) ACT, No. 13 OF 2011**

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*Provincial Councils (Transfer of Stamp Duty)
Act, No.13 of 2011*

[Certified on 31st March, 2011]

L.D.—O. 21/2011.

AN ACT TO MAKE PROVISION FOR THE TRANSFER OF ALL STAMP DUTY
COLLECTED BY THE GOVERNMENT TO THE PROVINCIAL COUNCILS AND
TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL
THERE TO.

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

- 1.** This Act may be cited as the Provincial Councils (Transfer of Stamp Duty) Act, No. 13 of 2011.

Short title.
- 2.** Pursuant to a proposal contained in the 2011 Budget Proposals, from and after the date of the coming into operation of this Act, all revenue collected by the Government as Stamp Duty, in terms of the Stamp Duty (Special Provisions) Act, No. 12 of 2006 shall be transferred to the respective Provincial Councils, on the basis of the revenue so collected.

Transfer of Stamp Duty to the Provincial Councils.
- 3.** In the event of an inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text to prevail.

In case of an inconsistency the Sinhala text to prevail.

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**PARLIAMENT OF THE DEMOCRATIC
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**DEBITS TAX (REPEAL)
ACT, No. 14 OF 2011**

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Debits Tax (Repeal) Act, No. 14 of 2011

[Certified on 31st March, 2011]

L.D.—O. 18/2011.

AN ACT TO PROVIDE FOR THE REPEAL OF THE DEBITS TAX
ACT, NO. 16 OF 2002

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

1. This Act may be cited as the Debits Tax (Repeal) Act, No. 14 of 2011. Short title.

2. (1) The Debits Tax Act, No. 16 of 2002 is hereby deemed to be repealed with effect from March 31, 2011. Repeal and savings.

(2) The provisions of this Act shall, notwithstanding such repeal, in respect of the matters set out in subsection (3), be in force for a period of three years from the date of the coming into operation of this Act.

(3) Notwithstanding the repeal of the Debits Tax Act, No. 16 of 2002 with effect from March 31, 2011:—

(a) the debits tax imposed under section 2 of the repealed Act, with effect from April 1, 2011, to the day immediately preceding the day on which the operation of the period of three years as specified in subsection (2) expires, be collected by every licensed commercial bank or specialised bank or every financial institution in terms of section 5 of the repealed Act and all sums so recovered by every such bank and financial institution as debits tax shall be remitted to the Commissioner-General in terms of section 6 of the repealed Act ; and

(b) any action, proceeding or matter filed under the provisions of the Debits Tax Act, No. 16 of 2002 prior to its repeal, shall notwithstanding such repeal, with effect from April 1, 2011, be continued until they are concluded :

2 *Debits Tax (Repeal) Act, No. 14 of 2011*

Provided that, the period of three years specified in subsection (2) of section 2 shall not apply in respect of any action, proceeding or matter filed under the repealed Act, which has not as at the end of such period of three years, been concluded.

In case of inconsistency the Sinhala text to prevail.

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

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**PARLIAMENT OF THE DEMOCRATIC
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**FINANCE (AMENDMENT)
ACT, No. 15 OF 2011**

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Finance (Amendment) Act, No. 15 of 2011

[Certified on 31st March, 2011]

L.D.— O. 6/2011

AN ACT TO AMEND THE FINANCE ACT, NO. 11 OF 2006, THE FINANCE ACT, NO. 5 OF 2005, THE FINANCE ACT, NO. 25 OF 2003 AND THE FINANCE ACT, NO. 16 OF 1995

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

1. This Act may be cited as the Finance (Amendment) Act No. 15 of 2011. Short title.

PART I

AMENDMENT OF PART I OF THE FINANCE ACT, NO. 11 OF 2006

2. Part I of the Finance Act, No. 11 of 2006 is hereby amended in sub-paragraph (ii) of paragraph (b) of subsection (1) of section 2 thereof, by the substitution for the words and figures “(ii) from and after the date of commencement of this Act,” to the words and figures “Act, No. 10 of 2006, as the case may be,” of the following:- Amendment of section 2 of Part I of Act, No. 11 of 2006.

“(ii) from and after the commencement of this Act,-

- (a) from every individual who has not in terms of paragraph (i) above, availed himself of the concession referred to therein, or every individual who has paid in respect of any period of five consecutive years of assessment commencing on April 1, 2001 and ending on March 31, 2011; or
- (b) from every individual who has not in terms of paragraph (i) above, availed himself of the concession referred to therein, or every individual who has paid in respect of any period of ten consecutive years of assessment commencing on April 1, 2001 ,

income tax in terms of the Inland Revenue Act, No. 38 of 2000, or the Inland Revenue Act, No. 10 of 2006, as the case may be.”.

PART II

AMENDMENT OF PART I OF THE FINANCE ACT, No. 5 OF 2005

Amendment of section 2 of Part I of Act, No. 5 of 2005.

3. Part I (Imposition of Social Responsibility Levy) of the Finance Act, No. 5 of 2005 (hereinafter in this Part referred to as the “principal enactment”), is hereby amended in section 2 thereof as follows -

- (1) by the repeal of paragraph (c) of that section, and the substitution therefor of the following new paragraph:-

“(c) the rate of *1.5 per centum*, for the period commencing on January 1, 2008 and ending on -

- (i) November 22, 2010 in respect of the Social Responsibility Levy chargeable under the Excise Ordinance (Chapter 52), the Customs Ordinance (Chapter 235) and the Excise (Special Provisions) Act, No.13 of 1989; and
- (ii) March 31, 2011 in respect of the Social Responsibility Levy chargeable under the provisions of the Inland Revenue Act No. 10 of 2006.”;

- (2) by the repeal of sub-paragraph (ii) of the second proviso to that section and substitution therefore of the following new sub-paragraph:-

“(ii) in respect of the period commencing on April 1, 2008, but prior to April 1, 2011, be calculated at the rate of *1.5% per centum*.”.

4. The First Schedule to the principal enactment (relating to the Imposition of Social Responsibility Levy) is hereby amended by the substitution for item 6 of that Schedule of the following new item:-

Amendment of the First Schedule to the principal enactment.

“6. The Inland Revenue Act No. 10 of 2006, (other than the provisions of Chapters XVI, XVII and XXI and sections 36 and 65, in so far as such Act applies to any company and to any period commencing on or after April 1, 2008 and ending on March 31, 2011.”

PART III

AMENDMENT OF PART II OF THE FINANCE ACT, No. 5 OF 2005

5. Part II (Imposition of Share Transaction Levy) of the Finance Act, No. 5 of 2005 is hereby amended with effect from January 1, 2011, by the repeal of section 7 thereof and the substitution therefor of the following section:-

Replacement of section 7 of Act, No. 5 of 2005.

“Imposition of Share Transaction Levy.

7. There shall be imposed, a levy called the Share Transaction Levy -

(a) for any period commencing from January 1, 2005, but prior to January 1, 2011, at the rate of 0.2 *per centum*; and

(b) for any period commencing on or after January 1, 2011, at the rate of 0.3 *per centum*,

from every buyer and seller, on the turnover of every share trading transaction, which is conducted through a Stock Exchange.”.

Indemnity.

6. Where the Share Transaction Levy has been charged and collected by the Commissioner - General of Inland Revenue in terms of this Part of this Act, during the period commencing on January 1, 2011 and ending on the date of the commencement of this Act, such Levy shall be deemed to have been validly charged and collected and Commissioner - General of Inland Revenue is hereby indemnified from any action civil or criminal in respect of collection of the aforesaid Levy.

PART IV

AMENDMENT OF PART III OF THE FINANCE ACT, NO. 5 OF 2005

Amendment of section 13 of Act, No. 5 of 2005.

7. Part III (Construction Guarantee Fund Levy) of the Finance Act, No. 5 of 2005 is hereby amended with effect from January 1, 2011, in section 13 thereof as follows:-

- (1) by the renumbering of that section as subsection (1) of that section ;
- (2) by the addition immediately after the re- numbered subsection (1), of the following new subsection:-

“(2) No Construction Industry Guarantee Fund Levy shall be charged on any construction contract to be entered into and enforced in Sri Lanka by any construction contractor, on their contract value in respect of contracts for the implementation of specified projects approved by the Minister of Finance, entered into from and after January 1, 2011.”.

PART V

AMENDMENT OF PART II OF THE FINANCE ACT, NO. 25 OF 2003

8. The following new Part is hereby inserted immediately after section 13 (Part II) of the Finance Act, No. 25 of 2003 and shall have effect as Part IIA of that enactment:-

Insertion of new Part IIA in Act, No. 25 of 2003.

“PART IIA

THE LEVY ON ROOMS OF FIVE STAR HOTELS

“Payment of levy by five star hotels where room charges are less than one hundred and twenty five United States Dollars. .

13A. (1) Every hotel within the limits of the area of authority of the Colombo Municipal Council and Dehiwala-Mount Lavinia Municipal Council which are classified as a “Five Star Hotel” for the purpose of minimum rates in terms of Price Regulation Order made under section 53 of the Tourism Act, No. 38 of 2005, shall be required to pay, with effect from April 1, 2011, a levy, amounting to United States Dollars twenty or its equivalent in Sri Lanka rupees, in respect of each room in every such hotel, if such hotel comprises of rooms in respect of which charges per room is less than United States Dollars one hundred and twenty five.

(2) The levy imposed under subsection (1) shall be paid in such manner as specified in the guidelines issued for this purpose under subsection (3) and shall be collected by the Chairman of Sri Lanka Tourism Development Authority established under the Tourism Act, No. 38 of 2005 in respect of each month commencing from April 1, 2011. Such levy

shall be collected by the Chairman within fifteen days from the last day of the month in which such amount falls due and the Chairman shall within seven days from the date of collection, remit the same to the Consolidated Fund. The Chairman shall also submit a written statement setting out all details of the amounts collected by him to the Secretary to the Treasury.

(3) The Minister may, from time to time issue guidelines in relation to the collection and remittance of the levy under this section.”.

PART VI

AMENDMENT OF PART II OF THE FINANCE ACT, NO. 16 OF 1995

Replacement of section 3 of Act No.16 of 1995.

9. Section 3 of the Finance Act, No.16 of 1995 (hereinafter in this Part referred to as the “principal enactment”) is hereby repealed and the following section substituted therefor:-

“Annual luxury motor vehicle levy. 3. There shall be charged, levied and paid, on every luxury motor vehicle (other than a semi-luxury dual purpose motor vehicle or a wagon)-

- (a) where the first year of registration falls prior to January 1, 2011, for every year commencing on or after April 1, 1995, but for a period not more than seven years prior to January 1, 2011, at the respective rates set out in Part I of the First Schedule to this Act; and
- (b) where the first year of registration falls on or after January 1, 2011, for every year commencing on or after January 1, 2011, but for a period not more than seven years, at the respective rates set

out in Part II of the First Schedule to this Act,

a luxury motor vehicle levy . The levy payable for every such year shall be paid by the registered owner of the luxury motor vehicle on or before the relevant date.”.

10. Section 4 of principal enactment is hereby repealed and the following section substituted therefor :-

“Annual semi-luxury motor vehicle levy.

4. There shall be charged, levied and paid, on every semi-luxury motor vehicle (other than a semi-luxury dual purpose motor vehicle or a wagon) -

- (a) where the first year of registration falls prior to January 1, 2011, for every year commencing on or after April 1, 1995, but for a period not more than seven years, prior to January 1, 2011 at the respective rates set out in Part I of the Second Schedule to this Act; and
- (b) where the first year of registration falls on or after January 1, 2011, for every year commencing on or after January 1, 2011, but for a period not more than seven years, at the respective rates set out in Part II of the Second Schedule to this Act,

a semi-luxury motor vehicle levy. The levy payable for every such year shall be paid by the registered owner of the semi-luxury motor vehicle on or before the relevant date .”.

11. Section 5 of the principal enactment is hereby repealed and the following section substituted therefor :-

Replacement of section 4 of the principal enactment.

Replacement of section 5 of the principal enactment.

“Annual semi-luxury dual purpose motor vehicle levy. 5. There shall be charged, levied and paid, on every semi-luxury dual purpose motor vehicle (other than a wagon) -

(a) where the first year of registration falls prior to January 1, 2011, for every year commencing on or after April 1, 1995, but for a period not more than seven years prior to January 1, 2011, at the respective rates set out in Part I of the Third Schedule to this Act; and

(b) where the first year of registration falls on or after January 1, 2011, for every year commencing on or after January 1, 2011, but for a period not more than seven years, at the respective rates set out in Part II of the Third Schedule to this Act,

a semi-luxury dual purpose motor vehicle levy. The levy payable for every such year shall be paid by the registered owner of the semi-luxury dual purpose motor vehicle on or before the relevant date.”.

Amendment of the First Schedule to the principal enactment.

12. First Schedule to the principal enactment is hereby amended-

(1) by the insertion immediately after the heading “Rates of levy on luxury Motor vehicles” of the following:-

“PART-I

For any year commencing on or after April 1, 1995, but prior to January 1, 2011:-”;

(2) by the addition at the end of the First Schedule of the following Part:-”

“PART- II

For any year commencing on or after January 1, 2011:-

	<i>Year</i>	<i>Rate Rs.</i>
1	For the year in which such luxury motor vehicle is registered (being a year commencing on or after January 1, 2011)	100,000
2	For the first year succeeding the year in which such luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	78,750
3	For the second year succeeding the year in which such luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	68,000
4	For the third year succeeding the year in which such luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	57,750
5	For the fourth year succeeding the year in which such luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	48,000
6	For the fifth year succeeding the year in which such luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	38,750
7	For the sixth year succeeding the year in which such luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	30,000
8	For the seventh year succeeding the year in which such luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	Nil

EXAMPLE

- (a) A luxury motor vehicle is registered on August 1, 2007, the levy applicable on such luxury motor vehicle for the year commencing on January 1, 2011 (which is the fourth year succeeding the year of registration) is Rs. 30,000.
- (b) A luxury motor vehicle is registered on August 1, 2011, the levy applicable on such luxury motor vehicle for the year commencing on January 1, 2011 is Rs. 100,000.
- (c) A luxury motor vehicle is registered on August 1, 2012, the levy applicable on such luxury motor vehicle for the year commencing on January 1, 2013 (which is the first year succeeding the year of registration) is Rs. 78,750.”.

Amendment of the Second Schedule to the principal enactment.

13. Second Schedule to the principal enactment is hereby amended –

- (1) by the insertion immediately after the heading “Rates of levy on Semi-luxury Motor vehicles” of the following:-

“ PART - I

For any year commencing on or after April 1, 1995, but prior to January 1, 2011:-”;

- (2) by the addition at the end of the Second Schedule of the following Part:-”

“ PART - II

For any year commencing on or after January 1, 2011:-

	<i>Year</i>	<i>Rate Rs.</i>
1	For the year in which such semi-luxury motor vehicle is registered (being a year commencing on or after January 1, 2011)	50,000
2	For the first year succeeding the year in which such semi-luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	39,375
3	For the second year succeeding the year in which such semi-luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	34,000
4	For the third year succeeding the year in which such luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	28,875
5	For the fourth year succeeding the year in which such semi-luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	24,000
6	For the fifth year succeeding the year in which such semi-luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	19,375
7	For the sixth year succeeding the year in which such semi-luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	15,000
8	For the seventh year succeeding the year in which such semi-luxury motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	Nil”

14. Third Schedule to the principal enactment is hereby amended –

- (1) by the insertion immediately after the heading “Rates of levy on Semi-luxury Dual Purpose Motor Vehicles” of the following:-

Amendment of the Third Schedule to the principal enactment.

“PART-I

For any year commencing on or after April 1, 1995, but prior to January 1, 2011:-”;

- (2) by the addition at the end of the Third Schedule of the following Part:-

“PART – II

For any year commencing on or after January 1, 2011:-

	<i>Year</i>	<i>Rate Rs.</i>
1	For the year in which such semi-luxury dual purpose motor vehicle is registered (being a year commencing on or after January 1, 2011)	20,000
2	For the first year succeeding the year in which such semi-luxury dual purpose motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	15,750
3	For the second year succeeding the year in which such semi-luxury dual purpose motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	13,600
4	For the third year succeeding the year in which such semi-luxury dual purpose motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	11,550
5	For the fourth year succeeding the year in which such semi-luxury dual purpose motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	9,600
6	For the fifth year succeeding the year in which such semi-luxury dual purpose motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	7,750

7	For the sixth year succeeding the year in which such semi-luxury dual purpose motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	6,000
8	For the seventh year succeeding the year in which such semi-luxury dual purpose motor vehicle is registered (whether the year of registration is any year commencing on or after January 1, 2011)	Nil

15. The amendment made to the principal enactment by this Part of this Act, shall be deemed for all purposes to have come into force on January, 1, 2011. Retrospective effect.

16. Where any person or body of persons collects the levy as provided for in this Part of this Act, during the period commencing from January, 1, 2011 and up to the date of the coming into operation of this Act, such person shall be deemed to have acted with due authority and such collection shall be deemed for all purposes to have been and to be, validly made and is hereby indemnified against all actions, civil or criminal, in respect of such collection. Indemnity

17. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

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

**REGIONAL INFRASTRUCTURE
DEVELOPMENT LEVY (REPEAL)
ACT, No. 16 OF 2011**

[Certified on 31st March, 2011]

Printed on the Order of Government

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*Regional Infrastructure Development Levy
(Repeal) Act, No. 16 of 2011*

[Certified on 31st March 2011]

L. D.—O. 6/2011.

AN ACT TO PROVIDE FOR THE REPEAL OF THE REGIONAL
INFRASTRUCTURE DEVELOPMENT LEVY ACT, NO. 51 OF 2006

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

1. This Act may be cited as the Regional Infrastructure
Development Levy (Repeal) Act, No. 16 of 2011. Short title.

2. (1) The Regional Infrastructure Development Levy
Act, No. 51 of 2006 is hereby deemed to be repealed with
effect from January 1, 2011. Repeal and
Savings.

(2) The provisions of this Act shall, notwithstanding such
repeal, in respect of the matters set out in subsection (3), be
in operation for a period of one year from the date of the
coming into operation of this Act.

(3) Notwithstanding the repeal of the Regional
Infrastructure Development Levy Act, No. 51 of 2006 with
effect from January 1, 2011, the Director-General of Customs
is hereby empowered to recover all sums due under section
2 of the repealed Act, as Regional Infrastructure Development
Levy with effect from January 1, 2011, to the day
immediately preceding the day on which the period of
operation of one year specified in subsection (2) expires,
and transmit all sums so recovered by him as Regional
Infrastructure Development Levy, to the Consolidated Fund
in terms of section 5 of the repealed Act.

3. In the event of an inconsistency between the Sinhala
and Tamil texts of this Act, the Sinhala text to prevail. In case of an
inconsistency
the Sinhala text
to prevail.

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**PARLIAMENT OF THE DEMOCRATIC
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**EXCISE (SPECIAL PROVISIONS)
(AMENDMENT) ACT, No. 17 OF 2011**

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*Excise (Special Provisions) (Amendment)
Act, No. 17 of 2011*

[Certified on 31st March, 2011]

L. D.— O. 4/2011.

AN ACT TO AMEND THE EXCISE (SPECIAL PROVISIONS)
ACT, NO. 13 OF 1989

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

1. (1) This Act may be cited as the Excise (Special Provisions) (Amendment) Act, No. 17 of 2011.

Short title
and date
of operation.

(2) The provisions of this Act shall for all purposes be deemed to have come into operation on November 19, 2010.

2. Section 5 of the Excise (Special Provisions Act, No. 13 of 1989 is hereby amended in sub-paragraph (iii) of paragraph (b) of subsection (2) of that section, by the substitution for the words "an amount equal to the total of customs duty, surcharge, cesses, ports and airport development levy and value added tax" of the words, "an amount equal to the total of customs duty , cesses and ports and airport development levy".

Amendment of
section 5 of Act.
No. 13 of 1989.

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

Sinhala text to
prevail
in case of
inconsistency.

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**PARLIAMENT OF THE DEMOCRATIC
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**PORTS AND AIRPORTS DEVELOPMENT
LEVY ACT, No. 18 OF 2011**

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*Ports and Airports Development Levy
Act, No. 18 of 2011*

[Certified on 31st March 2011]

L.D.—O. 9/2011.

AN ACT TO MAKE PROVISION FOR THE IMPOSITION AND COLLECTION OF A LEVY TO BE CALLED THE PORTS AND AIRPORTS DEVELOPMENT LEVY ON EVERY ARTICLE ORIGINATING FROM OUTSIDE SRI LANKA AND IMPORTED INTO SRI LANKA; TO AMEND PART I OF THE FINANCE ACT, No. 11 OF 2002; 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 Ports and Airports Development Levy Act, No. 18 of 2011. Short title.

PART I

IMPOSITION OF PORTS AND AIRPORTS DEVELOPMENT LEVY

2. Subject to the provisions of section 7, there shall be charged and levied on the cost, insurance and freight value of every article originating from outside Sri Lanka and imported into Sri Lanka, a levy to be called the Ports and Airports Development Levy (hereinafter in this Part referred to as the “Levy”). Levy on articles imported into Sri Lanka.

3. (1) The levy to be charged and levied in respect of the cost, insurance and freight value of any article referred to in section 2 shall be calculated, at the rate of 5.0 *per centum*, for the period commencing on January 1, 2011. Manner of calculating the levy.

(2) With effect from January 1, 2011, no levy shall be charged in respect of the cost, insurance and freight value of any article imported into Sri Lanka—

- (a) for the purpose of processing and re-export; or
- (b) to be used for the manufacture of goods for exports.

2 *Ports and Airports Development Levy
Act, No. 18 of 2011*

(3) The Minister may, from time to time having regard to the interests of the national economy, by Order published in the *Gazette*—

- (a) exempt from the operation of the above levy, any article specified therein; or
- (b) specify a concessionary rate to be charged and levied in respect of any article or articles specified therein.

(4) Every Order, made in terms of subsection (3) by the Minister shall—

- (i) be in operation immediately upon the Minister affixing his signature thereto;
- (ii) be published in the *Gazette* as soon as convenient;
- (iii) be approved by resolution of Parliament as soon as convenient thereafter; and
- (iv) if not approved by Parliament, be deemed to be rescinded with effect from the date of such resolution.”.

No levy to be charged in respect of specified articles.

4. (1) The following articles shall be exempt from the Ports and Airports Development Levy—

- (i) foreign currency notes as specified under the relevant Harmonized Commodity Description and coding System Numbers for the purposes of Customs Ordinance (Chapter 235) (with effect from June 1, 2010);
- (ii) goods for the use of international events conducted in Sri Lanka, on donations from abroad, as approved by the Minister in charge of the subject of Finance having regard to the interests of the national economy (with effect from May 12, 2010);

- (iii) goods for any infrastructure development project out of the donations directly to Government Ministries, as approved by the Minister in charge of the subject of Finance;
- (iv) goods for any specified project funded through foreign loans and on which project the tax is borne by the Government, as approved by the Minister in charge of the subject of Finance having regard to the interests of the national economy; and
- (v) any other article which the Minister in charge of the subject of Finance may, by Order published in the *Gazette*, in terms of subsection (3) of section 3, declare as being an exempted article.

(2) Notwithstanding the provisions of sections 2 and 3, the Director-General of Customs shall defer the collection of the levy on the importation of any article, for the use of any specified project identified by the Minister in charge of the subject of Finance, by an Order published in the *Gazette*, having regard to the interests of the national economy on which the tax is borne by the government, with effect from July 1, 2009 until such time the article is re-exported after the completion of such project, subject to the furnishing of a corporate guarantee which covers the amount of the tax due on the articles so imported.

5. The levy payable under section 2 on an article imported into Sri Lanka, shall be paid by the person importing the article to the Director-General of Customs, at the time of the import of the article, and upon payment of the levy the Director-General of Customs shall cause an endorsement specifying the amount recovered as the levy to be made on the import invoice relating to that article.

Levy to be paid to the Director-General of Customs.

6. Where any article originating from outside Sri Lanka and imported into Sri Lanka is sold—

Purchase of certain articles deemed to be imported for the purpose of this Act.

- (a) by the Director-General of Customs for the recovery of any customs duty, surcharge or other levy payable

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Act, No. 18 of 2011*

or deemed to be payable under the Customs Ordinance or for any contravention of the provisions of the Customs Ordinance (Chapter 235);

- (b) by the Sri Lanka Ports Authority established by the Sri Lanka Ports Authority Act, No. 51 of 1979, for the recovery of any dues under that Act; or
- (c) by the Commissioner-General of Inland Revenue, for any taxes administered by him,

the purchaser of that article shall be deemed for the purposes of section 5 to be the person importing that article and the provisions of this Act shall accordingly apply to such purchaser.

Exemptions.

7. Nothing in section 2 shall apply to any article imported into Sri Lanka in respect of the provision of any service by a mission of any State or any organization to whom the provisions of the Diplomatic Privileges Act, No. 9 of 1996 applies.

Customs Ordinance to apply to the recovery of levy.

8. The levy shall, for purposes of recovery of the levy and notwithstanding anything to the contrary in this Act, be deemed to be a customs duty payable under the Customs Ordinance (Chapter 235), and accordingly the provisions of the Customs Ordinance (Chapter 235) shall apply to the recovery of such levy.

Amount recovered as levy to be credited to the Consolidated Fund.

9. The Director-General of Customs shall transmit to the Consolidated Fund, all sums recovered by him as the levy under this Act.

Interpretation.

10. In this Part, unless the context otherwise requires, “article” means any goods, materials, foreign currency notes, any agricultural or horticultural products or merchandise but does not include diamonds, gems, gold, jewellery and electronic items, imported for the purpose of processing and re-export.

- 11.** The provisions of— Retrospective effect.
- (1) paragraph (i) of subsection (1) of section 4 of this Act shall be deemed for all purposes to have come into effect on June 1, 2010;
 - (2) paragraph (ii) of subsection (1) of section 4 of this Act shall be deemed for all purposes to have come into effect on May 12, 2010;
 - (3) paragraph (iii) of subsection (1) of section 4 of this Act shall be deemed for all purposes to have come into effect on September 8, 2010;
 - (4) paragraph (iv) of subsection (1) of section 4 of this Act shall be deemed for all purposes to have come into effect on January 1, 2010;

12. The provisions of this Act shall, be deemed for all purposes to have come in to operation on January 1, 2011. Operation of the provisions of this Act,

13. Where the Director-General of Customs collects, during the period commencing on January 1, 2011 and ending on the date of the commencement of this Act, from a person importing any article, the levy on such amount as is equal to five *per centum* as specified in section 3 of this Act on the cost, insurance and freight value of such article, such collection, shall be deemed for all purposes to have been, and to be, validly made, and the Director-General of Customs is hereby indemnified against all action, civil or criminal, in respect of such collection. Indemnity.

14. (1) The Minister may make regulations in respect of all matters which are required by this Act to be prescribed or in respect of which regulations are required or authorized to be made under this Act. Regulations.

(2) Every regulation made under subsection (1) shall be published in the *Gazette* and shall come into operation on the date of publication, or on later date as may be specified therein.

(3) Every regulation made under subsection (1) shall, as soon as convenient after its publication in the *Gazette*, be placed before Parliament for approval. Every regulation which is not so approved shall be deemed to be rescinded as from the date of disapproval, but without prejudice to anything previously done thereunder.

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

PART II

AMENDMENT OF PART I OF THE FINANCE ACT, NO. 11 OF 2002

Amendment of section 2 of Part I of the Finance Act, No. 11 of 2002.

15. Section 2 of the Finance Act, No. 11 of 2002 (Part I) is hereby amended in the first proviso to that section, by the repeal of paragraph (d) thereof and the substitution therefor of the following paragraph:—

“(d) for the period commencing on January 1, 2009 and ending on December 31, 2010 at the rate of 5.0 *per centum*.”.

Part I of the Finance Act, No. 11 of 2002 not to apply.

16. It is hereby declared for the avoidance of doubts, that the provisions of Part I of the Finance Act, No. 11 of 2002 relating to the payment of the Ports and Airports Development Levy shall not apply to any article originating from outside Sri Lanka and imported into Sri Lanka or after January 1, 2011.

Sinhala text to prevail in case of any inconsistency.

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

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

**RECOVERY OF LOANS BY BANKS (SPECIAL
PROVISIONS) (AMENDMENT)
ACT, No. 19 OF 2011**

[Certified on 31st March, 2011]

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*Recovery of Loans by Banks (Special Provisions)
(Amendment) Act, No. 19 of 2011*

[Certified on 31st March, 2011]

L.D.—O. 20/2011

AN ACT TO AMEND THE RECOVERY OF LOANS BY BANKS (SPECIAL
PROVISIONS) ACT, NO. 4 OF 1990

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

- | | |
|--|---|
| <p>1. This Act may be cited as the Recovery of Loans by Banks (Special Provisions) (Amendment) Act, No. 19 of 2011 and shall be deemed to have come into operation with effect from January 28, 2011.</p> | <p>Short title and date of operation.</p> |
| <p>2. The Recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990 is hereby amended in section 5A thereof, by the substitution for the word “amount” wherever such word appears in that section, of the words “principal amount borrowed”.</p> | <p>Amendment of section 5A of the Recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990.</p> |
| <p>3. In the event of an inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.</p> | <p>In case of an inconsistency the Sinhala text to prevail.</p> |

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**PARLIAMENT OF THE DEMOCRATIC
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**EXCISE (AMENDMENT)
ACT, No. 20 OF 2011**

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Excise (Amendment) Act, No. 20 of 2011

[Certified on 31st March, 2011]

L.D.—O. 3/2011.

AN ACT TO AMEND THE EXCISE ORDINANCE (CHAPTER 52)

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

- 1.** (1) This Act may be cited as the Excise (Amendment) Act, No. 20 of 2011. Short title and date of operation.
- (2) The provisions of this Act shall for all purposes be deemed to have come into operation on November 19, 2010.
- 2.** Section 15 of the Excise Ordinance (Chapter 52) is hereby amended by the repeal of paragraphs (b) and (c) of that section, and the substitution therefor of the following :— Amendment of section 15 of the Excise Ordinance.
- “(b) no tree producing toddy, other than the kithul tree and the palmyrah tree, shall be tapped ; and
- (c) no toddy shall be drawn from any tree, other than the kithul tree and the palmyrah tree.”.
- 3.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.

Excise (Amendment) Act, No. 20 of 2011

[Certified on 31st March, 2011]

L.D.—O. 3/2011.

AN ACT TO AMEND THE EXCISE ORDINANCE (CHAPTER 52)

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

- 1.** (1) This Act may be cited as the Excise (Amendment) Act, No. 20 of 2011. Short title and date of operation.
- (2) The provisions of this Act shall for all purposes be deemed to have come into operation on November 19, 2010.
- 2.** Section 15 of the Excise Ordinance (Chapter 52) is hereby amended by the repeal of paragraphs (b) and (c) of that section, and the substitution therefor of the following :— Amendment of section 15 of the Excise Ordinance.
- “(b) no tree producing toddy, other than the kithul tree and the palmyrah tree, shall be tapped ; and
- (c) no toddy shall be drawn from any tree, other than the kithul tree and the palmyrah tree.”
- 3.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



**PARLIAMENT OF THE DEMOCRATIC
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**TELECOMMUNICATION LEVY
ACT, No. 21 OF 2011**

[Certified on 31st March, 2011]

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*Telecommunication Levy
Act, No. 21 of 2011*

[Certified on 31st March 2011]

L. D.—O. 8/2011.

AN ACT TO IMPOSE THE TELECOMMUNICATION LEVY FROM PERSONS RECEIVING ANY TELECOMMUNICATION SERVICE COMMENCING FROM JANUARY 1, 2011 ; TO AMEND PART II OF THE FINANCE ACT, NO. 11 OF 2004 ; 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 Telecommunication Levy Act, No. 21 of 2011 and shall be deemed for all purposes to have come into operation with effect from January 1, 2011.

Short title and date of operation.

PART I

TELECOMMUNICATION LEVY

2. There shall be charged and levied from every person receiving any telecommunication service (hereinafter referred to as “the recipient”) for the period commencing on or after January 1, 2011, a levy called Telecommunication Levy at the rate of 20 *per centum* on the value of the supply of telecommunication services provided by the operator, on the receipt of such telecommunication service in respect of each month :

Imposition of Telecommunication Levy.

Provided however, that no organization or individual to whom the provisions of the Diplomatic Privileges Act, No. 9 of 1996 applies, shall be required to pay the levy referred to above.

3. The levy payable under section 2 shall be collected by the operators licensed under section 17 of the Sri Lanka Telecommunication Act, No. 25 of 1991 and paid to the Telecommunications Regulatory Commission of Sri Lanka (hereinafter referred to as “the Commission”) established

Mode of collection of levy.

under the aforesaid Act, within fifteen days from the end of each month commencing on or after January 1, 2011 along with such details as may be specified by the Commission.

Commission to collect levy on behalf of the Government.

4. The levy, collected by the Commission on behalf of the Government in respect of each month in terms of section 3 shall be credited within seven days from the receipt of the levy to the Consolidated Fund.

Secretary to the Treasury to issue guidelines.

5. The Secretary to the Treasury may, from time to time, issue guidelines in relation to the collection and remittance of the levy on behalf of the Government.

Action in cases of failure to pay levy.

6. (1) Any operator who fails to pay the total amount of the levy that is due on the value of supply of services provided by such operator, as provided for in section 3, shall be deemed to be a defaulter and where such defaulter is a body corporate, the Chairman of the Board of Directors, any director or principal officer of such body corporate shall be deemed to be a defaulter for the purposes of this Part of this Act, and such levy as is not paid on or before the due date shall be deemed to be a levy in default.

(2) The defaulter shall be liable to pay to the Commission, in addition to the levy in default, a surcharge calculated,—

- (a) at the rate of ten *per centum* of the amount of such levy as is in default for the subsequent period of one month or part thereof, from the due date for the payment of the levy under section 3 ; and
- (b) at the rate of two *per centum* of the amount of such levy as is in default for each subsequent period of one month or part thereof, from the due date for the payment specified in paragraph (a)

which surcharge shall be collected by the commission.

(3) The Commission shall take action to recover any levy which is in default for a period of more than three months, along with amount of the surcharge accrued thereon, in the manner as is specified hereafter.

(4) The Commission shall cause to be issued on the defaulter, three weeks prior to the taking of any steps for the recovery of the levy in default along with amount of the surcharge accrued thereon, a Notice, informing the defaulter of the intention of the Commission to institute proceedings for the recovery of the amount of the levy in default and the surcharge accrued thereon in terms of the provisions of this section.

(5) Where the Commission issues Notice on the defaulter in terms of subsection (4) but the amount of the levy in default along with the surcharge thereon remains unpaid even though the period of three weeks specified in such Notice has elapsed, the Commission shall under the hand of the Chairman, issue to the Magistrate having jurisdiction over the division in which the defaulter resides or is carrying on business, a Certificate containing the name and address of the defaulter and the total sum in default along with a statement to the effect that the person so named has defaulted in making the payment as required by this section. Where the defaulter is a body corporate, the Certificate shall contain the names of the Chairman, the Board of Directors and of every Director of such body corporate.

(6) The Magistrate shall on receipt of the Certificate issued under subsection (5), issue summons on the defaulter requiring him to appear before him on a date to be specified and show cause as to why proceedings should not be instituted against him for the recovery of the amount of the levy in default along with the surcharge accrued thereon. Where the cause shown appears to the Magistrate to be insufficient so as to explain the reason for the non-payment, the Magistrate shall after recording the same, make order for the recovery of the amount of the levy in default along with the surcharge accrued thereon, from the defaulter as if it were a fine imposed by the Magistrate. The money so recovered shall be remitted to the Commission, which shall credit the same to the Consolidated Fund.

PART II

AMENDMENT OF PART II OF THE FINANCE ACT, NO. 11 OF 2004

Amendment of
Part II of the
Finance Act, No.
11 of 2004.

7. Part II of the Finance Act, No.11 of 2004 is hereby amended as in subsection (2) of section 14 thereof, by the substitution for the words “for the period ending on February 29, 2008” of the words “for the period commencing on February 29, 2008 and ending on December 31, 2010.”.

Part II of the
Finance Act, No.
11 of 2004 not
to apply.

8. It is hereby declared for the avoidance of doubts that the provisions of Part II of the Finance Act No.11 of 2004 shall not apply to any person to whom the provisions of that Part applied prior to January 1, 2011.

PART III

GENERAL

Regulations.

9. (1) The Minister may make regulations in respect of all matters in respect of which regulations are required or authorized to be made or in respect of matters which are required to be prescribed by this Act.

(2) Every regulation made by the Minister shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified in the regulation.

(3) Every regulation made by the Minister, shall, as soon as convenient after its publication in the *Gazette*, be brought before Parliament for approval. Any regulation which is not so approved shall deemed to be rescinded as from the date of disapproval but without prejudice to anything previously done there under.

(4) Notification of the date on which any regulation is deemed under subsection (3) to be rescinded shall be published in the *Gazette*.

- 10.** The amount of the levy charged and collected by any operator from any recipient, during the period commencing from January 1, 2011 and ending on the date of the coming into operation of this Act, shall be deemed to have been validly charged and levied and such operator is hereby indemnified from any action civil or criminal, in respect of the collection of such levy. Indemnity.
- 11.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.
- 12.** For the purposes of Part I of this Act- Interpretation.
- “value of supply” means the gross value of service after deducting the levy chargeable under the provisions of this Act ;
- “telecommunication service” means the services provided to end subscribers by telecommunication and other operators licensed under section 17 of the Sri Lanka Telecommunication Act, No. 25 of 1991 but shall not include interconnection services and access services provided between local operators, international settlements between local operators and overseas telecommunication settlements between local operators and overseas telecommunication service providers and international telecommunication services covered under subsection (1) of section 21 of Part III of the Finance Act, No.11 of 2004;
- “interconnection service” means interconnection services set out in Interconnection Rules 2003 made under section 68 of the Sri Lanka Telecommunication Act, No. 25 of 1991;
- “access services” include domestic or international leased line services, backhaul services and passive infrastructure services;
- “operator” means an operator licensed under section 17 of the Sri Lanka Telecommunication Act, No. 25 of 1991.

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**PARLIAMENT OF THE DEMOCRATIC
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**INLAND REVENUE (AMENDMENT)
ACT, No. 22 OF 2011**

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Inland Revenue (Amendment) Act, No. 22 of 2011

[Certified on 31st March, 2011]

L.D.—O. 12/2011.

AN ACT TO AMEND THE INLAND REVENUE ACT, NO. 10 OF 2006

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

1. This Act may be cited as the Inland Revenue (Amendment) Act, No. 22 of 2011. Short title

2. Section 4 of the Inland Revenue Act, No. 10 of 2006 (hereinafter referred to as the "Principal enactment") as amended by Act, No. 10 of 2007, is hereby further amended in paragraph (c) of subsection (1) as follows:— Amendment of section 4 of the Inland Revenue Act, No. 10 of 2006.
 - (1) by the substitution in sub-paragraph (ii), for the words "his contributions to that fund;", of the words and figures "his contributions to that fund, where such retirement took place prior to April 1, 2011;"; and
 - (2) by the substitution in sub-paragraph (iii) (b), for the words "such contribution and interest;", of the following words and figures:—

"such contribution and interest,

where such employee retires from the employment prior to April 1, 2011;".

3. Section 7 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended as follows:— Amendment of section 7 of the principal enactment.
 - (1) in paragraph (b) of that section, by the addition immediately after sub-paragraph (lx), of the following new sub-paragraph:—

“(lxi) the profits and income of the Insurance Board of Sri Lanka, established by the

2 *Inland Revenue (Amendment) Act, No. 22 of 2011*

Regulation of the Insurance Industry Act,
No. 43 of 2000." ;

(2) by the substitution in paragraph (e) of that section for the words " the profits and income of a charitable institution, of the words and figures" the profits and income accruing prior to April 1, 2011, of a charitable institution”;

(3) by the repeal of paragraph (h) of that section, and substitution therefor, of the following paragraph:—

"(h) the profits and income of any registered society within the meaning of the Co-operative Societies Law, No. 5 of 1972 or under the respective Statute enacted by a Provincial Council providing for such registration and the profits and income of Lak Sathoosa Limited registered under the Companies Act, No. 7 of 2007.";

(4) by the substitution in paragraph (i) of that section, for the words and figures "Apiwenuwen Api Fund Act, No. 6 of 2008.", of the words and figures "Apiwenuwen Api Fund Act, No. 6 of 2008;" ;

(5) by the addition immediately after paragraph (i) of that section, of the following new paragraphs:-

"(j) the profits and income for every year of assessment within the period of ten years commencing on April 1, 2011, of-

(i) Sri Lankan Airlines Limited;

(ii) Mihin Lanka (Pvt.) Limited;

(k) the profits and income for every year of assessment within the period of five years commencing on April 1, 2011, of -

(i) Ceylon Electricity Board;

- (ii) National Water Supply and Drainage Board;
- (iii) Ceylon Petroleum Corporation;
- (iv) Sri Lanka Ports Authority,

if, twenty five *per centum* of the gross profits of such Board, Corporation or Authority, as the case may be, for such year of assessment is paid as dividend to the Government."

4. Section 8 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended in subsection (1) as follows:—

Amendment of section 8 of the principal enactment

- (1) by the substitution in paragraph (*p*), of that subsection for the words "value of any benefits accruing to", of the words and figures "value of any benefits accruing before April 1, 2011, to";
- (2) in paragraph (*q*) of that subsection, by the substitution in sub-paragraph (ii), for the words and figures " the Merchant Shipping Act, No. 52 of 1971.", of the words and figures "the Merchant Shipping Act, No. 52 of 1971; " and
- (3) by the addition, immediately after paragraph (*q*) of that subsection, of the following new paragraphs:-
 - (*r*) rental value of one place of residence provided to any individual referred to in paragraph (*b*) of subsection (*I*), rent free or at a rent less than the rental value of such place;
 - (*s*) either the value of benefit from private use of one motor vehicle provided by the employer or any allowance paid in lieu of the provision of such vehicle, subject to a maximum of fifty thousand rupees for a calendar month;

4 *Inland Revenue (Amendment) Act, No. 22 of 2011*

(t) where the profits from employment of any individual who is a citizen of Sri Lanka or resident in Sri Lanka other than profits referred to in paragraph (c) of subsection (1) of section 4, exceeds five hundred thousand rupees, then-

(i) such part of such profits in excess of five hundred thousand rupees; or

(ii) one hundred thousand rupees,

whichever is lower;

(u) any special payment made to any individual or holder of office, referred to in paragraph (b) of subsection (1) for emergency or priority services or for any special task rendered or carried out by such individual;

(v) official emoluments arising in Sri Lanka to any non-citizen individual from the participation in any international event conducted in Sri Lanka;

(w) such part of official emoluments as does not exceed one hundred thousand rupees, arising in Sri Lanka to any individual who is not a citizen of Sri Lanka and not resident in Sri Lanka.”.

Amendment of section 9 of the principal enactment.

5. Section 9 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended in paragraph (h) of that section, by the substitution for the words "such part of any interest as does not exceed two hundred thousand rupees accruing or arising in any year of assessment

to any individual", of the words and figures "such part of any interest as does not exceed-

- (i) two hundred thousand rupees accruing for, or arising in, any year of assessment ending prior to April 1, 2011; and
- (ii) five hundred thousand rupees accruing for, or arising in, any year of assessment commencing on or after April 1, 2011,

to any individual".

6. Section 13 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended as follows:-

Amendment of section 13 of the principal enactment.

- (1) by the substitution in sub-paragraph (i) of paragraph (b) of that section, for the words "services relating to any construction project; and", of the words "services relating to any construction project;"
- (2) by the substitution in sub-paragraph (ii) of paragraph (b) of that section, for the words "any goods imported into Sri Lanka," of the following words and figures:-

"any goods imported into Sri Lanka; and

- (iii) in respect of any business of exporting any goods, being goods which were brought to Sri Lanka on a consignment basis, and re-exported without subjecting such goods to any process or manufacture, other than the repacking or labeling of such goods in the preparation to the market,"

6 *Inland Revenue (Amendment) Act, No. 22 of 2011*

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

“(bb) the profits and income earned in foreign currency by any manufacturer of textile, leather products, footwear or bags, from supplies made to any foreign buyer who has established his headquarters in Sri Lanka for management, finance, supply chain and billing;”;

- (4) by the substitution in paragraph (ddd) of that section, for all the words commencing from "from services rendered in or outside Sri Lanka," to "the national economy of Sri Lanka, ", of the words "from any service rendered in or outside Sri Lanka to any person or partnership outside Sri Lanka, other than any commission, discount or similar receipt for any such service rendered in Sri Lanka,";

- (5) by the insertion immediately after paragraph (xxxxx) of that section, of the following new paragraph:-

"(xxxxxx) (i) an amount equal to the interest payable to any bank or other financial institution in Sri Lanka, in respect of any loan granted out of the moneys lying into the credit of the Investment Fund account of such bank or institution, maintained and operated in accordance with the guidelines set by the Central Bank; or

(ii) an amount equal to the interest payable to any bank or other financial

institution in Sri Lanka, in respect of any loan granted-

- (A) to any company for investing in full in an undertaking referred to in section 17c;
- (B) to any person or partnership for investing in full for the operation of re-opened abandoned factory.

In this paragraph "re-opened abandoned factory" means a factory which was engaged in the production or manufacture of any commodity or article but which had not been so engaged for an unbroken period of not less than three years, preceding November 22, 2010, and which commences the production or manufacture of such commodity or article or any other commodity or article in commercial quantities before April 1, 2012.";

- (6) by the insertion, immediately after paragraph (yyy) of that section, of the following new paragraphs:-

"(yyy) the profits and income arising or accruing to any person from any undertaking for the operation of any port terminal in Sri Lanka;

(yyyy) the profits and income from any service rendered by any person or partnership in any port in Sri Lanka in the course of any business carried on within such port;" and

- (7) by the insertion, immediately after paragraph (zzzz) of that section, of the following new paragraph:-

"(zzzz) the profits and income arising or accruing to any person from any undertaking for the construction of any Port in Sri Lanka."

8 *Inland Revenue (Amendment) Act, No. 22 of 2011*

Insertion of new sections 16A, 16B and 16c in the principal enactment.

7. The following new sections are inserted immediately after section 16 of the principal enactment and shall have effect as section 16A, section 16B and section 16c respectively, of that enactment:—

"Exemption from income tax of the profits and income of any undertaking for fishing.

16A . (1) The profits and income within the meaning of paragraph (a) of section 3, other than any profits and income from the disposal of any capital asset, of any person or partnership from any undertaking for fishing carried on in Sri Lanka, shall be exempted from income tax for each year of assessment within the period of five years commencing on April 1, 2011.

(2) In this section "undertaking for fishing" includes any undertaking for the cleaning, sizing, sorting, grading, chilling, dehydrating, packaging, cutting or canning of fish in preparation of such produce for the market.

(3) In relation to an undertaking which consists of fishing and utilizing such fish for manufacturing of any product, such fish shall be deemed to have been sold for the manufacture of such product at the open market price prevailing at the time of such deemed sale, and the exemption granted under subsection (1) shall be applicable to that undertaking, on the profits and income computed on the basis of such deemed sale.

Exemption from income tax of the profits and income of any undertaking for producing agricultural seeds or planting materials.

16B. (1) The profits and income within the meaning of paragraph (a) of section 3, other than any profits and income from the disposal of any capital asset, of any person or partnership from any undertaking for producing of agricultural seeds or planting materials, or primary processing of such seeds or materials, shall be exempted from income tax for each year of assessment within the period of five years, commencing on April 1, 2011.

(2) In this section "primary processing" means cleaning, sizing, sorting, grading, chilling, dehydrating, cutting, canning or packaging for the purpose of preparation of such produce for the market.

(3) In relation to an undertaking which consists of producing of agricultural seeds or planting materials and utilizing such seeds or materials in the agriculture or horticulture, such produce shall be deemed to have been sold for such purpose at the open market price prevailing at the time of such deemed sale, and the exemption granted under subsection (1) shall be applicable to that undertaking, on the profits and income computed on the basis of such deemed sale.

Exemption from income tax of the profits and income of any new undertaking investing not less than fifty million rupees.

16C. (1) The profits and income within the meaning of paragraph (a) of section 3 (other than any profits and income from the sale of any capital asset) of any new undertaking referred to in subsection (2), and carried on by any person or partnership on or after April 1, 2011, shall be exempted from income tax for a period of three years reckoned from the commencement of the year of assessment in which such undertaking commences to make profits from transactions entered into in that year of assessment, or from the commencement of the year of assessment immediately succeeding the year of assessment in which the undertaking completes a period of two years reckoned from the date on which the undertaking commences to carry on commercial operations, whichever occurs earlier.

(2) For the purpose of subsection (1), "new undertaking" means an undertaking-

- (a) which is engaged in the manufacture of any article other than any liquor or tobacco product;

10 *Inland Revenue (Amendment) Act, No. 22 of 2011*

- (b) in which the sum invested in the acquisition of fixed assets after November 22, 2010 but before March 31, 2012 is not less than fifty million rupees; and
- (c) which commences commercial operations on or after April 1, 2011."

Amendment of section 17 of the principal enactment.

8. Section 17 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended in subsection (2) of that section, by the substitution in subparagraph (ii) of paragraph (a), for the words and figures "incorporated on or after April 1, 2002," of the words and figures "incorporated on or after April 1, 2002, but prior to April 1, 2011,".

Insertion of new section 17A in the principal enactment.

9. The following new section is hereby inserted immediately after section 17 of the principal enactment and shall have effect as section 17A of that enactment:-

"Exemption from income tax of the profits and income from any new undertaking engaged in any pre-scribed activities.

17A. (1) The profits and income within the meaning of paragraph (a) of section 3 (other than any profits and income from the sale of any capital asset) of any company from any new undertaking referred to in subsection (2), and carried on by such company on or after April 1, 2011, shall be exempted from income tax for a period of five years reckoned from the commencement of the year of assessment in which such undertaking commences to make profits from transactions entered into in that year of assessment or from the commencement of the year of assessment immediately succeeding the year of assessment in which such undertaking completes a period of two years reckoned from the date on which such undertaking commences to carry on commercial operations, whichever occurs earlier:

Provided that where the quantum of investment made in such undertaking is more than United State Dollars three million or its

equivalent, the Minister may, having regard to the economic development of the country, grant tax exemption on the same basis, for a period not exceeding seven years.

(2) For the purpose of subsection (1), "new undertaking" means an undertaking engaged in any activity prescribed by the Minister having regard to the development of the national economy, as needed for the economic development of the country and which shall be with an investment of not less than United State Dollars three million or equivalent in other currencies invested in fixed assets."

10. Section 20 of the principal enactment as amended by the Act, No. 9 of 2008, is hereby further amended in subsection (2) of that section as follows:-

Amendment of section 20 of the principal enactment.

- (1) by the substitution in paragraph (c) of that subsection, for the words and figures "April 1, 2009-", of the words and figures "April 1, 2010-"; and
- (2) by the substitution in paragraph (e) of that subsection, for the words and figures "prior to April 1, 2009", of the words and figures "prior to April 1, 2010".

11. Section 21 of the principal enactment as amended by Act, No. 9 of 2008, is hereby further amended in paragraph (b) of subsection (2) of that section, by the substitution for the words and figures "not later that March 31, 2009,", of the words and figures "not later than March 31, 2010,".

Amendment of section 21 of the principal enactment.

12. Section 21A of the principal enactment is hereby amended in paragraph (b) of subsection (2) of that section, by the substitution for the words and figures "not later than March 31, 2009, of the words and figures "not later than March 31, 2010".

Amendment of section 21A of the principal enactment.

13. Section 23 of the principal enactment as last amended by Act, No. 9 of 2008, is hereby further amended in subsection (1) of that section by the substitution in the further proviso

Amendment of section 23 of the principal enactment.

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to that subsection, for the words "be three years.", of the following :-

“be three years.

Provided further that where any venture capital company had not made any investment prior to April 1, 2011 for the purchase of ordinary shares in any project referred to in paragraph (a), (b) or (c) of this subsection, such company shall not be entitled to any tax exemption under this section.”.

Amendment of section 25 of the principal enactment.

14. Section 25 of the principal enactment as last amended by Act No. 19 of 2009, is hereby further amended in subsection (1) of that section as follows:-

(1) in paragraph (a) of that subsection-

(a) by the substitution in sub-paragraph (iii), for the words "sub-paragraph (v), acquired or assembled by such person, at the rate of twelve and one half *per centum* on the cost of acquisition or assembly;", of the following words and figures:-

"sub-paragraph (iv)-

(A) acquired or assembled prior to April 1, 2011 by such person, at the rate of twelve and one half *per centum per annum*; or

(B) acquired or assembled on or after April 1, 2011 by such person, at the rate of thirty three and one third *per centum per annum*,

on the cost of acquisition or assembly;"

(b) in sub-paragraph (v) of that paragraph by the substitution for the words "any qualified building" of the words and figures "any qualified building constructed prior to April 1, 2011,";

(c) by the insertion immediately after sub-paragraph (v) of that paragraph, of the following new sub-paragraph:-

"(vi) any qualified building constructed on or after April 1, 2011, at the rate of ten *per centum*, on the cost of construction;"

(d) in paragraph (b) of the proviso to that paragraph-

(i) in sub-paragraph (i), by the substitution for the words "machinery acquired is used in any business", of the words and figures "machinery acquired prior to April 1, 2011, is used in any business"; and

(ii) in sub-paragraph (ii), by the substitution for the words and figures "acquired on or after April 1, 2007, being a ship", of the words and figures "acquired on or after April 1, 2007, but prior to April 1, 2011, being a ship";

(2) by the substitution in paragraph (i) of that subsection, for the words " the expenditure, including capital expenditure incurred by such person", of the following words and figures:-

"for any year of assessment-

(i) commencing prior to April 1, 2011, the expenditure including capital expenditure; or

(ii) commencing on or after April 1, 2011, an amount equal to two hundred *per centum* of the expenditure, including capital expenditure,

incurred by such person";

(3) in paragraph (r) of that subsection, by the substitution for the words "carrying on any profession,", of the words "carrying on any profession;"; and

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- (4) by the addition, immediately after paragraph (r) of that subsection, of the following new paragraph:-

"(s) any expenditure incurred in any year of assessment in quoting any shares of a company in any official list of any stock exchange licensed by the Securities and Exchange Commission of Sri Lanka, provided that the aggregate of such expenditure incurred in that year if assessment and in any previous year of assessment shall not exceed one *per centum* of the value of the Initial Public Offering of Such company.",

Amendment of section 26 of the principal enactment.

15. Section 26 of the principal enactment as last amended by Act, No. 9 of 2008, is hereby further amended in subsection (1) as follows:-

- (1) by the substitution in sub-paragraph (ii) of paragraph (c) of that subsection, for the words "in foreign currency;", of the following words and figures :-

“in foreign currency:

Provided that for any year of assessment commencing on or after April 1, 2011 -

- (A) such part of expenditure incurred in travelling outside Sri Lanka in the production of profits or income from any trade or business carried on or exercised in Sri Lanka by any person, other than-
- (i) such expenses incurred solely in connection with the promotion of export trade of any article or goods or the provision of any services for payment in foreign currency ; or
 - (ii) such expenditure incurred in carrying out an approved programme as referred to in paragraph (d); or

- (B) an amount equal to two *per centum* of the profits and income of such trade or business in the immediately preceding year of assessment;”;

whichever is lower, shall be deductible in ascertaining the profits and income from such trade or business for that year of assessment;”;

- (2) by the substitution in sub-paragraph (i) of paragraph (r) of that subsection for the words “one million rupees or”, of the words “two million rupees or”;
- (3) by the substitution in paragraph (v) of that subsection, for the words “one half of such person’s cost of advertisement”, of the following words and figures:-

“for any year of assessment-

- (i) commencing prior the April 1, 2011, one half;
and
- (ii) commencing on or after April 1, 2011, one fourth,

of such person’s cost of advertisement”;

- (4) by the substitution in paragraph (y) of that subsection, for the words “debt instrument.”, of the words “debt instruments;”;
- (5) by the addition immediately after paragraph (y) of that subsection, of the following new paragraph:-

“(z) the income tax paid by any employer in respect of the employment income of any individual employed by such employer.”.

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Amendment of section 32 of the principal enactment.

16. Section 32 of the principal enactment as last amended by Act, No. 9 of 2008, is hereby further amended as follows:-

(1) in subsection (3) of that section-

(a) by the substitution in paragraph (g), for the words “Sri Lanka currency for such purchase; and”, of the words “Sri Lanka currency for such purchase;”;

(b) by the substitution in paragraph (h), for the words and figures “section 161A of this Act.”, of the words and figures “section 161A of this Act; and”;and

(c) by the addition immediately after paragraph (h) of that subsection, of the following new paragraph:-

“(i) profits from any employment, other than profits referred to in paragraph (c) of subsection (1) section 4, from which income tax is deducted by the employer under section 114 and such person being an individual has no other income other than any income referred to in this section as not forming part of assessable income of such individual.”.

(2) in subsection (5) of that section, by the addition immediately after sub-paragraph (iv) of the proviso to paragraph (a) of that subsection, of the following new sub-paragraph:—

“(v) no deduction under this section shall be made from any employment income included in the total statutory income;”.

Amendment of section 33 of the principal enactment.

17. Section 33 of the principal enactment is hereby amended in subsection (1) of that section, as follows:-

(1) by the substitution in paragraph (a) of that subsection for the words “an allowance of three hundred

thousand rupees; and”, of the following words and figures:-

“an allowance of-

- (i) three hundred thousand rupees in respect of any year of assessment commencing prior to April 1, 2011; and
- (ii) five hundred thousand rupees in respect of any year of assessment commencing on or after April 1, 2011, and”;

- (2) by the substitution in the proviso to that subsection, for the words ‘as such trustee, receiver, executor or liquidator.’, of the following words and figures :-

“as such trustee, receiver, executor or liquidator:”

Provided further, that for any year of assessment commencing on or after April 1, 2011—

- (i) any individual being a citizen of Sri Lanka irrespective of whether such individual is resident in Sri Lanka or not, shall be entitled to deduct the allowance referred to in paragraph (a); and
- (ii) an individual shall not be entitled to deduct any part of any allowance under section 34 from any employment income which is included in such assessable income.”.

18. Section 34 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended as follows:—

Amendment of section 34 of the principal enactment.

- (1) in subsection (2) of that section-

- (a) by the substitution in paragraph (a), for the words “made by any person in money to an approved charity;”, of the words “made by any person in money to an approved charity being a charity which is established for the provision of institutionalized care for the sick or the needy;”;

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- (b) by the substitution in paragraph (d), for the words “amount paid by an individual as a contribution”, of the words and figures “amount paid prior to April 1, 2011, by an individual as a contribution”;
 - (c) by the substitution in paragraph (e), for the words “contribution made by an individual”, of the words and figures “contribution made prior to April 1, 2011, by an individual”;
 - (d) by the substitution in paragraph (f), for the words “donation made by any person”, of the words and figures “donation made prior to April 1, 2011, by any person”;
 - (e) by the substitution in sub-paragraph (ii) of paragraph (g), for the words "policy of medical insurance," of the following words and figures:-
 - “policy of medical insurance other than any policy referred to in paragraph (gg),”;
 - (f) by the insertion immediately after paragraph (g) of that subsection, of the following new paragraph:-
 - “(gg) any premia in any year of assessment commencing on or after April 1, 2011, being premia which have accrued due for payment on a policy of special health insurance which covers any incurable disease”;
 - (g) by the substitution in paragraph (i), for the words “any expenditure incurred”, of the word and figures “any expenditure incurred prior to April 1, 2011”; and
 - (h) by the substitution in paragraph (j), for the words “any expenditure incurred”, of the words and figures “any expenditure incurred prior to April 1, 2011”; and
- (2) in subsection (4) of that section, by the substitution in sub-paragraph (i) of paragraph (a), for the words “paragraphs (a), (b), (c), (e), (g), (h)”, of the words “Paragraphs (a), (b), (c), (e), (g), (gg), (h)”.

19. Section 42 of the principal enactment as amended by Act, No. 10 of 2007 is hereby further amended in subsection (2) of that section by the substitution for the words “arising in Sri Lanka”, of the words and figures “but prior to April 1, 2011 arising in Sri Lanka”.

Amendment of section 42 of the principal enactment.

20. Section 45 of the principal enactment as amended by Act, No. 10 of 2007 is hereby further amended in subsection (1) thereof, by the insertion immediately after paragraph (a), of the following new paragraph:-

Amendment of section 45 of the principal enactment.

“(aa) undertaking for the manufacture of animal feed;”.

21. Section 46 of the principal enactment as amended by Act, No. 9 of 2008 is hereby further amended in subsection (1) thereof, by the insertion immediately after paragraph (a), of the following new paragraph:-

Amendment of section 46 of the principal enactment.

“(aa) undertaking for the manufacture of animal feed;”.

22. Section 47 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words “any year of assessment includes”, of the words and figures “any year of assessment commencing prior to April 1, 2011 includes”.

Amendment of section 47 of the principal enactment.

23. The following new section is hereby inserted immediately after section 48 of the principal enactment and shall have effect as section 48A of that enactment:-

Insertion of new section 48A in the principal enactment.

“Rate of income tax after the expiry of tax exemption under section 16.

48A. Such part of the profits and income from any agricultural undertaking referred to in section 16, included in the taxable income of any person for any year of assessment commencing on or after April 1, 2011 shall, notwithstanding anything to the contrary in any other provisions of this Act, be taxable at the appropriate rate specified in the Fifth Schedule to this Act.”.

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Insertion of new sections 59A and 59B in the principal enactment.

24. The following new sections are hereby inserted immediately after section 59 of the principal enactment and shall have effect as sections 59A and 59B respectively, of that enactment:-

“Rate of income tax on the profits from the export or supply to an exporter of certain product having domestic value addition over sixty five *per centum*.

59A. Such part of the profits and income of any person for any year of assessment commencing on or after April 1, 2011 from an undertaking for the manufacture of any product for export, or for supply to an exporter for export, being a product having domestic value addition in excess of sixty five *per centum* and Sri Lankan brand name with patent rights reserved in Sri Lanka, shall notwithstanding anything to the contrary in any other provisions of this Act, be chargeable with income tax at the appropriate rate specified in the Fifth Schedule to this Act.

Rate of income tax applicable to any undertaking with annual turnover not exceeding three hundred million rupees.

59B. (1) The profits and income of any person for any year of assessment commencing on or after April 1, 2011, from any undertaking referred to in subsection (2) shall, notwithstanding anything to the contrary in any other provisions of this Act, be chargeable with income tax at the appropriate rate specified in the Fifth Schedule to this Act-

(2) For the purpose of this section “undertaking” in relation to any year of assessment means any undertaking-

- (a) engaged in the manufacture of any article or in the provision of any service; and
- (b) the turnover of such undertaking (other than from the sale of any capital asset) for that year of assessment does not exceed three hundred million rupees.”.

25. Section 61 of the principal enactment as last amended by Act, No. 9 of 2008, is hereby further amended in subsection (1) of that section as follows :-

Amendment of section 61 of the principal enactment.

(1) by the substitution in paragraph (a) of that subsection, for the words “Second Schedule to this Act;”, of the words “Second Schedule or Fifth Schedule to this Act, as the case may be;”;

(2) in paragraph (b) of that subsection-

(a) by the substitution in sub-paragraph (ii) of that paragraph for the words “where such company has within such period distributed dividends less in amount than twenty five *per centum* of the distributable profits for that preceding year;”, of the following words and figures:-

“(A) where such year of assessment is any year of assessment commencing prior to April 1, 2011 and the company has within such period distributed dividends less in amount than twenty five *per centum*; or

(B) where such year of assessment is any year of assessment commencing on or after April 1, 2011, and the company has within such period distributed dividends less in amount than ten *per centum*,

of the distributable profits for that preceding year;”;

(b) by the substitution in the proviso to sub-paragraph (ii), for the words “company has distributed twenty five *per centum* of its distributable profits”, of the following words and figures :-

“company has distributed-

(A) twenty five *per centum*, where such year of assessment is any year of assessment commencing prior to April 1, 2011; or

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(B) ten *per centum*, where such year of assessment is any year of assessment commencing on or after April 1, 2011,

of its distributable profits”.

Amendment of section 78 of the principal enactment.

26. Section 78 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended in subsection (3) of that section by the substitution for the words, “using the profit sharing ratio of the partnership”, of the words “using the ratio of shares of profits inclusive of any salary from such partnership”.

Amendment of section 95 of the principal enactment.

27. Section 95 of the principal enactment as amended by Act, No. 9 of 2008, is hereby further amended in subsection (1) of that section as follows :-

(1) by the substitution in paragraph (*aa*) of the proviso to that subsection, for the words “rate of ten *per centum*; and”, of the words “rate of ten *per centum*;” and

(2) by the insertion immediately after paragraph (*aa*) of that proviso, of the following new paragraph:-

“(aaa) no deduction shall be made under this section from any interest which is exempt from income tax under any provision of this Act; and”.

Insertion of new sub heading and new section 105A in Chapter XI of the principal enactment.

28. The following new sub-heading and new section are hereby inserted immediately after section 105 in Chapter XI of the principal enactment and the section shall have effect as section 105A of that enactment:-

“M - ISLAMIC FINANCIAL TRANSACTIONS.

Profits and income arising from Islamic financial transactions are taxed.

105A. (1) The profits and income arising from any Islamic financial transaction relating to any Islamic financial instrument shall be treated for tax purposes under the provisions of the Act, as hereinafter provided in this section.

(2) The Profits and income arising to any person or partnership out of any Islamic financial transaction shall, where such transaction is similar or equivalent in substance, to any conventional financial transaction under the provisions of the Act, be subject to tax in similar manner as such conventional financial transaction is taxed under the Act.

(3) The Commissioner-General of Inland Revenue shall in order to determine the extent of liability to tax of any particular Islamic financial transaction, issue from time to time, such rules and guidelines as may be required for the purpose of —

- (a) identifying the circumstances which would amount to an Islamic financial transaction; and
- (b) ascertaining the profit and income arising out of any Islamic financial transaction.”.

29. Section 106 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended as follows:-

Amendment of section 106 of the principal enactment.

- (1) in subsection (1) of that section, by the substitution in sub-paragraph (c) of the proviso, for the words and figures “deducted under section 133, section 134 or section 135, as the case may be.”, of the words and figures “deducted under section 133, section 134 or section 135, as the case may be:

Provided further, that for any year of assessment commencing on or after April 1, 2011, the preceding provisions shall not apply to an individual being an employee who has no any other income chargeable with income tax other than any income referred to in sub-paragraph (b) or sub-paragraph (c).”;

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- (2) by the repeal of subsection (11) of that section and substitution therefor, of the following subsection:-

“(11) Where any person or partnership carries on or exercises any trade, business, profession or vocation in several units or undertakings as one trade, business, profession or vocation, as the case may be, or where such person or partnership carries on or exercises more than one trade, business, profession or vocation and the profits and income from any such unit or undertaking or from such trade, business, profession or vocation is exempted from or chargeable with income tax at different rates, such person or partnership shall maintain and prepare statements of account in a manner that the profits and income from each such unit or undertaking or such trade, business, profession or vocation as the case may be, may be separately identified.”; and

- (3) by the addition at the end of subsection (18) of that section, of the following new subsection:-

“(19) The Commissioner-General may close any record maintained by him of any individual subsisting on or after April 1, 2011 if he is satisfied on application made by such individual, that all profits and income of such individual are derived only from sources from which whose taxes are paid at sources and such taxes are treated as final.”.

Amendment of section 117 of the principal enactment.

30. Section 117 of the principal enactment is hereby amended in subsection (1) of that section by the substitution for the words “deduct tax at the rate of ten *per centum* on such amounts or value of such benefits, in terms of the provisions of this Chapter.”, of the following words:-

“deduct tax on such amounts or value of such benefits at the rate of —

- (a) ten *per centum*, where the aggregate of such amounts or value of such benefits does not

exceed twenty five thousand rupees per month; or

- (b) sixteen *per centum*, where the aggregate of such amounts or value of such benefits exceeds twenty five thousand rupees per month,

in terms of the provisions of this Chapter.”.

31. The following new section is hereby inserted immediately after section 117 of the principal enactment and shall have effect as section 117A of that Act :-

Insertion of new section 117A in the principal enactment.

"Deduction of tax at special rates where an individual has more than one employment.

117A.(1) Where an employer pays any remuneration or provides any benefit to any employee who is also an employee of another employer and such other employer deducts income tax on the remuneration under section 114 as such employee's main employer, then such first mentioned employer shall deduct tax at the rate of —

- (a) ten *per centum*, where the aggregate of such payments or value of such benefits does not exceed twenty five thousand rupees per month; or
- (b) sixteen *per centum*, where the aggregate of such payments or value of such benefits exceeds twenty five thousand rupees per month,

on such payments or the value of such benefits in terms of the provisions of this Chapter. No direction shall be issued or entertained under section 118 in relation to such payments or value of such benefits.

(2) No refund shall be made under this Act in relation to the income tax deducted in terms of subsection (1) notwithstanding anything to

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the contrary in this Act, but such income tax may be set off against the income tax liability of such person in respect of the same year of assessment, if such payments or the value of such benefits has been included in his total statutory income for that year.

(3) Where any employer who is required to deduct tax on any remuneration using tax tables as referred to in section 116 omits to do so, and deducts tax at the rate of ten *per centum* on such remuneration, such employer shall be liable to pay such tax in default calculated on the basis of the difference between tax payable on this basis of tax tables as provided for in section 116 and tax deducted by the employer under this section.”.

Amendment of section 118 of the principal enactment

32. Section 118 of the principal enactment is hereby amended in subsection (1) of that section by the substitution for the words “if the amount of income tax payable by him for any year of assessment” to “in excess of the amount that should have been deducted”, of the words and figures “if such remuneration, in full or part, is exempted from income tax for any year of assessment under any provisions of this Act.”.

Amendment of section 131 of the principal enactment

33. Section 131 of the principal enactment as last amended by Act No. 9 of 2008, is hereby further amended in the definition of the term “employer”, by the substitution for the words “body of persons or any organization, other than any Government Institution referred to in Chapter XV :-”, of the words “body of persons or any organization -”.

Amendment of section 132A of the principal enactment.

34. Section 132A of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words and figures “year of assessment commencing on or after April 1, 2008, by any employee”, of the words and figures “year of assessment commencing on or after April 1, 2008, but prior to April 1, 2011, by any employee”.

35. Section 133 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended in subsection (4) of that section as follows :-

Amendment of section 133 of the principal enactment.

(1) by the substitution for paragraph (a) of that subsection, of the following new paragraph:—

- “(a) (i) any company other than any charitable institution, the deduction shall be made at the rate of ten *per centum* of such interest; and
- (ii) any partnership or body of persons other than any charitable institution, the deduction shall be made at the rate of eight *per centum* of such interest;”;

(2) in paragraph (b) of that subsection -

- (a) in sub-paragraph (i) thereof, by the substitution for the words and figures “not exceed 300,000 rupees”, of the words and figures “not exceed 500,000 rupees”; and
- (b) by the substitution for sub-paragraph (ii) thereof, of the following sub-paragraph:-

“(ii) exceeds 500,000 rupees, deduction shall be made from the interest payable to charitable institutions at the rate of eight *per centum* of such interest for that year of assessment;”;

(3) in paragraph (c) of that subsection -

- (a) in sub-paragraph (i) thereof, by the substitution for the words and figures “not exceed 300,000 rupees”, of the words and figures “not exceed 500,000 rupees”;
- (b) in sub-paragraph (ii) thereof, by the substitution for the words and figures “exceeds 300,000 rupees but does not exceed 1,000,000 rupees,” , of the words and figures “exceeds 500,000 rupees but does not exceed 1,500,000 rupees,”; and

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(c) in sub-paragraph (iii) thereof, by the substitution for the words and figures “exceeds 1,000,000 rupees” and “at the rate of ten *per centum*”, respectively, of the words and figures “exceeds 1,500,000 rupees” and “at the rate of eight *per centum*”, respectively; and

(4) in paragraph (d) of that section, by the substitution for the words “ten *per centum* of such interest.”, of the words “eight *per centum* of such interest.”.

Amendment of section 135 of the principal enactment.

36. Section 135 of the principal enactment as amended by Act, No. 10 of 2007, is hereby further amended in subsection (1) of that section, by the substitution for the words “ at the time such interest is paid or credited or such discounts is allowed.” of the words “at the time of the issue of such corporate debt security.”.

Repeal of section 151 of the principal enactment.

37. Section 151 of the principal enactment is hereby repealed.

Amendment of section 153 of the principal enactment.

38. Section 153 of the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended in subsection (1) of that section, for the words “ any specified fee payable to any person”, of the words and figures “ any specified fee payable and paid prior to April 1, 2011, to any person.”

Amendment of section 155 of the principal enactment.

39. Section 155 of the principal enactment as last amended by Act, No. 9 of 2008, is hereby further amended by the substitution for the words “ person or partnership paying any rent, lease rent or such other payment,”, of the words and figures “person or partnership paying on or before April 1, 2011, any rent lease rent or such other payment,”.

Amendment of section 160 of the principal enactment.

40. Section 160 of the principal enactment as amended by Act, No. 9 of 2008, is hereby further as follows:-

(1) by the substitution in paragraph (b), for the words “management fee or other similar payment,”, of the words “management fee,”;

- (2) by the substitution for the words “royalty, management fee or such other similar payment,”, of the words “royalty or management fee,”; and
- (3) by the substitution in item (ii) for the words “management fee paid or any other similar payment made:”, of the words “management fee paid:”.

41. Section 163 of the principal enactment as last amended by Act, No. 19 of 2009 , is hereby further amended in subsection (5) as follows:-

Amendment of section 163 of the principal enactment.

- (1) by the substitution in paragraph (a), for the words “from the end of that year of assessment:”, of the words “from the thirtieth day of November of the immediately succeeding year of assessment:”; and
- (2) by the substitution in paragraph (b) for the words “from the end of that year of assessment,” of the words “from the thirtieth day of November of the immediately succeeding year of assessment:”.

42. Section 166 of the principal enactment as amended by Act, No. 10 of 2007 , is hereby further amended in subsection (1) of that section, by the substitution for the words “ For the purpose of hearing appeals in the manner hereinafter provided, there shall be a Board of Review”, of the words and figures “For the purpose of hearing appeals made before April 1, 2011, in the manner hereinafter provided, there shall be a to the Board of Review”.

Amendment of section 166 of the principal enactment.

43. Section 167 of the principal enactment is hereby amended in subsection (3) of that section, by the substitution for the words “ within one month of the transmission by the Commissioner-General under subsection (2), of his reason for determination, by petition in writing”, of the words and figures “within one month of the transmission by the Commissioner-General under subsection (2), of his reason for determination, but not later than April 1, 2011, by petition in writing”.

Amendment of section 167 of the principal enactment.

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Amendment of section 168 of the principal enactment.

44. Section 168 of the principal enactment is hereby amended by the substitution for the words “to the Board of Review,”, of the words and figures “to the Board of Review before April 1, 2011,”.

Amendment of Section 170 of the Principal enactment.

45. Section 170 of the principal enactment is hereby amended as follows:-

- (1) by the substitution in subsection (1), (2), (3), (5), (6), (7) and (9) of that section for the words “the Board” wherever it occurs in those subsections, of the words “the Board or the Tax Appeal Commission, as the case may be,” and
- (2) by the insertion, immediately after subsection (7) of that section, of the following new subsection :-

“(7A) Where the Court of Appeal makes an interim determination under subsection (7), the Court may make Order that the full tax in dispute or part thereof, be paid in a manner as the Court considers reasonable, pending the final determination of the appeal.

Any excess payment of tax arising as a result of the final determination by the Court on the appeal shall be refunded to the appellant.”.

Insertion of new section 177A in the principal enactment.

46. The following new section is hereby inserted immediately after section 177 of the principal enactment and shall have the effect as section 177A of that enactment :-

“Recovery of tax from principal officers and others. 177A. (1) Where a body corporate has not paid any tax on or before the due date, as required under section 113, it shall be lawful for the Commissioner-General to proceed under all or any of the provisions of this Act against the manager, secretary, any director or any other principal officer of such body corporate, as if such manager, secretary, director of

principal officer, as the case may be, is responsible for such default, unless such manager, secretary, director or principal officer, as the case may be, proves the contrary to the satisfaction of the Commissioner - General, notwithstanding anything in any other written law relating to such body corporate.

(2) Where an unincorporated body of persons has not paid any tax on or before the due date, as required under section 113, it shall be lawful for the Commissioner - General to proceed under all or any of the provisions of this Act against any partner or office - bearer of such unincorporated body of persons as if he is responsible for such default, unless such partner of office bearer, as the case may be, proves the contrary to the satisfaction of the Commissioner General, notwithstanding anything in any other written law.”.

47. Section 200 of the principal enactment as last amended by Act, No. 19 of 2009 is hereby further amended by the addition, immediately after subsection (8) of that section, of the following new subsection :-

Amendment of section 200 of the principal enactment.

“(9) Any refund arising to any person, as provided for in this section, shall be credited directly to a bank account of such person.”.

48. The following new section is inserted immediately after section 204 of the principal enactment and shall have effect as section 204A of that enactment :-

Insertion of new section 204A in the principal enactment.

"Penal provision relating to mis-interpretation of provisions of the Act by auditors and tax practitioners.

204A. Any auditor or tax practitioner who in the discharge of his professional duty, deliberately misinterprets any provision of this Act or regulation, rule or order made there under shall be guilty of an offence under this Act and on conviction after summary trial before a Magistrate, be liable to a fine not

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exceeding rupees fifty thousand or to imprisonment of either description for a term not exceeding six months or to both such fine and imprisonment.”.

Amendment of section 217 of the principal enactment.

49. Section 217 of the principal enactment as last amended by Act, No. 19 of 2009 is hereby further amended as follows :-

(1) in the definition of the expression “charitable purpose”:-

(a) by the substitution in paragraph (b) for the words “education or knowledge;”, of the words “education or knowledge other than by any institution established for business purposes or by any institution established under the Companies Act.”;

(b) by the addition immediately after paragraph (b), of the following paragraph :-

“(bb) activities for the protection of the environment or eco-friendly activities”;

(2) by the insertion, immediately after the definition of the expression “taxable income”, of the following new definition :-

“Tax Appeals Commission” means the Tax appeals Commission established by the Tax Appeals Commission Act, No. 23 of 2011;”.

Amendment of the First Schedule to the principal enactment.

50. The First Schedule to the principal enactment as last amended by Act, No. 19 of 2009, is hereby further amended as follows :-

(1) by the substitution in Part IA of that Schedule, for the words “any individual other than an individual referred to in Part II or Part III”, of the words and

figures, “but ending on or before March 31, 2011, any individual other than an individual referred to in Part II or Part III”;;and

- (2) by the insertion immediately after Part IA of that Schedule, of the following new Part :-

“PART I B

For any year of assessment commencing on or after April 1, 2011, any individual other than an individual referred to in Part II or Part III -

On the first Rs. 500,000/- of the taxable income	4 per centum
On the next Rs. 500,000/- of the taxable income	8 per centum
On the next Rs. 500,000/- of the taxable income	12 per centum
On the next Rs. 500,000/- of the taxable income	16 per centum
On the next Rs. 1,000,000 of the taxable income	20 per centum
On the Balance of the taxable income	24 per centum”

51. The Second Schedule to the principal enactment as last amended by the Act. No. 19 of 2009, is hereby further amended as follows :-

Amendment of the Second Schedule to the principal enactment.

- (1) in PART - A of that Schedule by the substitution for item 1 of that Part, of the following item :-

“1. Any venture capital company -

- (a) For any year of assessment commencing on or after April 1, 2006, but prior to April 1, 2011– on the taxable income 20 per centum;

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(b) For any year of assessment commencing on or after April 1, 2011 - on the taxable income *12 per centum.*”

- (2) by the substitution for PART - B of that Schedule of the following new PART :-

“PART - B

- 1.(a) For the year of assessment commencing on April 1, 2006 —

Any company other than a company referred to in PART - A and of which the taxable income does not exceed Rs. 5,000,000 *15 per centum;*

- (b) For any year of assessment commencing on or after April 1, 2007, but prior to April 1, 2011 -

Any company —

(A)(i) of which the taxable income does not exceed Rs. 5,000,000/-;

(ii) which is not a company referred to in PART-A; and

(B) Which is not the holding company, a subsidiary company, or an associate company of a group of companies on the taxable income *15 per centum;*

- (c) For any year of assessment commencing on or after April 1, 2011 -

Any company —

(A)(i) of which the taxable income does not exceed Rs. 5,000,000/-;

(ii) which is not a company referred to in PART-A; and

(B) Which is not the holding company, a subsidiary company, or an associate company of a group of companies

on the taxable income *12 per centum*;

For the purpose of item (B) of paragraph (b) and paragraph (c), the expressions “holding company”, “subsidiary company”, and, “group of companies” shall have the same respective meanings which they have in the Companies Act, No. 7 of 2007.

2. Any company for the year of assessment being any year of assessment commencing prior to April 1, 2011 in which its shares are first quoted in any official list published by a stock exchange licensed by the Securities and Exchange Commission of Sri Lanka (hereinafter referred to as the “first year of assessment”) and for each year of assessment within the period of four years immediately succeeding that first year of assessment,

(a) for which the taxable income exceeds Rs. 5,000,000/-; or

(b) if such company is a holding company, a subsidiary company or an associated company of a group of companies

on the taxable income for that year of assessment *33 1/3 per centum*;

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Provided that where such first year of assessment is any year of assessment which commences prior to April 1, 2006, the rate of 33 1/3 per centum shall apply in relation to any year of assessment which falls within such period of four years, but which commences on or after April 1, 2006.

3. Any company other than any company hereinbefore referred to in this Schedule, on the taxable income-

(a) for any year of assessment commencing prior to April 1, 2011 *35 per centum;*

(b) for any year of assessment commencing after April 1, 2011 *28 per centum;*

4. Where the taxable income of any company for any year of assessment exceeds five million rupees, then such part of the tax computed in accordance with this Act, as being payable by such company for such year of assessment as is attributable to such excess, shall not be more than such excess.”.

Amendment of the Third Schedule to the principal enactment.

52. The Third Schedule to the principal enactment as last amended by the Act No. 9 of 2008, is hereby further amended as follows:-

- (1) by the substitution in item 7 of that schedule, for the words and figures “on or before March 31, 2008 or commencing on or after April 1, 2013 *5 per centum*”, of the words and figures

“on or before March 31, 2008 *5 per centum*”;

- (2) by the substitution for item 8 of that Schedule, of the following item:-

“8. Any club or association referred to in section 101, on the taxable income for -

- (a) any year of assessment commencing prior to April 1, 2011 20 per centum
- (b) any year of assessment commencing prior to April 1, 2011 10 per centum”;

53. The Fifth Schedule of the principal enactment as amended by the Act No. 9 of 2008, is hereby further amended as follows:-

Amendment of the Fifth Schedule to the principal enactment.

- (1) by the substitution for item 5 of that Schedule, of the following item:-

“5. The rate of income tax on profits and income from off-shore foreign currency transaction of any foreign currency banking unit, for —

- (a) any year of assessment commencing prior to April 1, 2011 20 per centum;
- (b) any year of assessment commencing on or after April 1, 2011 Appropriate rate under Second Schedule”;

(Section 41)

- (2) by the substitution in item 6 of that Schedule for the words “profits and income arising to”, of the words and figures “profits and income arising before April 1, 2011, to”;
- (3) by the substitution in item 8 of that Schedule, for the words “profits or gains on the disposal”, of the words and figures “profits or gains on the disposal on or before March 31, 2007”;

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- (4) by the substitution for item 9 of that Schedule, of the following item:-

“9. The rate of income tax on profits from and undertaking carried on by a person other than a company,

(a) engaged in agriculture, promotion of tourism or construction work as defined in section 45 or section 217, being profits for any year of assessment commencing prior to April 1, 2011; As per the First Schedule, subject to a maximum of 15 *per centum*

(b) engaged in agriculture, manufacture of animal feed, promotion of tourism, or construction work as defined in section 45 or section 217, being profits for any year of assessment commencing on or after April 1, 2011. As per the First Schedule, subject to a maximum of 12 *per centum.*”;

(Section 45)

- (5) by the substitution for item 10 of that Schedule, of the following item:-

“10. The rate of income tax on profits from and undertaking carried on by a company,

(a) engaged in agriculture, promotion of tourism or construction work as defined in section 46 or

section 217, being profits for any year of assessment commencing prior to April 1, 2011; 15 per centum;

- (b) engaged in agriculture, manufacture of animal feed, promotion of tourism, or construction work as defined in section 46 or section 217, being profits for any year of assessment commencing on or after April 1, 2011. 12 per centum”;

(Section 46)

- (6) by the substitution for item 11 of that Schedule, of the following item:-

“11. The rate of income tax applicable to specialized housing banks, for-

- (a) any year of assessment commencing prior to April 1, 2011 20 per centum;
- (b) any year of assessment commencing on or after April 1, 2011 Appropriate rate under Second Schedule.”;

(Section 47)

- (7) by the substitution for item 14 of that Schedule, of the following new item:-

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“14A. The profits and income of any agricultural undertaking referred to in section 16 of the Act, for any year of assessment commencing prior to April 1, 2011; As per the First Schedule, but subject to a maximum of 10 *per centum* for an individual, and 10 *per centum* for a company.”;

(Section 48A)

- (8) by the substitution for item 16 of that Schedule, of the following item:-

“16. The rate of income tax on qualified export profits and income of a person not being a company, who commenced to carry on any specified undertaking prior to April 1, 2014, for-

(a) any year of assessment commencing prior to April 1, 2011 As per the First Schedule, but subject to a maximum of 15 *per centum*

(b) any year of assessment commencing on or after April 1, 2011 As per the First Schedule, but subject to a maximum of 12 *per centum*.”;

(Section 50)

- (9) by the substitution for item 17 of that Schedule, of the following item:-

“17. The rate of income tax on qualified export profits and income of a company, which commenced to carry on any specified undertaking prior to April 1, 2014, for-

(a) any year of assessment commencing prior to April 1, 2011; 15 *per centum*

- (b) any year of assessment commencing on or after April 1, 2011 12 *per centum*.”;

(Section 51)

- (10) by the substitution for item 18 of that Schedule, of the following item:-

“18. The rate of income tax on qualified export profits and income of a company, which commenced to carry on any specified undertaking prior to April 1, 2015, for-

- (a) any year of assessment commencing prior to April 1, 2011 15 *per centum*
- (b) any year of assessment commencing on or after April 1, 2011 12 *per centum*.”;

(Section 52)

- (11) by the substitution for item 20 of that Schedule, of the following item:-

“20. The rate of income tax on profits and income from deemed exports of any person or partnership, for-

- (a) any year of assessment commencing prior to April 1, 2011 As per the First Schedule, but subject to a maximum of 15 *per centum* for an individual, and 15 *per centum* for a company.

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- | | |
|---|--|
| (b) any year of assessment commencing on or after April 1, 2011 | As per the First Schedule, but subject to a maximum of 12 <i>per centum</i> for an individual, and 12 <i>per centum</i> for a company.”; |
|---|--|

(Section 56)

- (12) by the substitution for item 24 of that Schedule, of the following item:-

“24. The rate of income tax applicable to any partnership on divisible profits and other income, other than on any assessment made, for-

- | | |
|---|-------------------------|
| (a) any year of assessment commencing prior to April 1, 2011 | 10 <i>per centum</i> |
| (b) any year of assessment commencing on or after April 1, 2011 | 8 <i>per centum</i> .”; |

(Section 78)

- (13) by the substitution for item 25 of that Schedule, of the following item:-

“25. The rate of income tax applicable to any person who is not a citizen of Sri Lanka carrying on the profession or vocation of an entertainer or artiste, for-

- | | |
|--|----------------------|
| (a) any year of assessment commencing prior to April 1, 2011 | 15 <i>per centum</i> |
|--|----------------------|

- (b) any year of assessment commencing on or after April 1, 2011 12 *per centum.*”;

(Section 96)

- (14) by the substitution for item 26 of that Schedule, of the following item:-

“26. The rate of income tax applicable to any profits and income from petroleum exploration of any person, or in the case of a partner of a partnership, as referred to in section 105, for-

- (a) any year of assessment commencing prior to April 1, 2011 15 *per centum*

- (b) any year of assessment commencing on or after April 1, 2011 12 *per centum.*”;

(Section 105)

15. by the substitution for item 27 of that Schedule, of the following item :-

“27. The rate of income tax applicable to the profits on the receipt of any fund set up or funds received by a Non Governmental Organization, for-

- (a) any year of assessment commencing prior to April 1, 2011 30 *per centum*

- (b) any year of assessment commencing on or after April 1, 2011 28 *per centum.*”;

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(Section 102)

16. by the addition, immediately after item 28 of that Schedule, of the following new items:-

- “29. The rate of income tax applicable to such part of the taxable income of any person or partnership, as consists of profits or income from the manufacture and sale or import and sale of any liquor or tobacco product, for any year of assessment commencing on or after April 1, 2011 *40 per centum*
30. Rate of income tax applicable to such part of the profits of any person engaged in an undertaking referred to in section 59A; As per the First Schedule, but subject to a maximum of 10 *per centum* for an individual, and 10 *per centum* for a company.
31. The rate of income tax applicable to any undertaking carried on in Sri Lanka for operation and maintenance of facilities for storage, development of software, or supply of labour As per the First Schedule, but subject to a maximum of 10 *per centum* for an individual, and 10 *per centum* for a company.
32. The rate of income tax applicable to profits and income from educational services. As per the First Schedule, but subject to a maximum of 10 *per centum* for an individual, and 10 *per centum* for a company.

33. Rate of income tax applicable to any undertaking with an annual turnover not exceeding rupees three hundred million other than buying and selling activities. 10 *per centum*.”.

54. The following new section is hereby inserted immediately after section 208 of the principal enactment and shall have effect as section 208A of that enactment:-

Insertion of new section 208A in the principal enactment.

“Committee to interpret provisions of Act and issue rulings.

208A. The Commissioner-General shall appoint a Committee comprising senior officers of the Department of Inland Revenue who shall be mandated to interpret the provisions of all Acts administered by him, notwithstanding anything to the contrary in any such Act. Such Committee shall in terms of such mandate issue all necessary guidelines and instructions as are required in order to ensure uniformity with regard to such interpretation.”.

55. Any person or partnership carrying on an enterprise, having an annual turnover of a sum not exceeding rupees one hundred million who is liable to pay income tax under the Inland Revenue Act, No. 10 of 2006, who has defaulted in the payment of such tax as is payable by him under such Act in respect of any year of assessment ending on or before March 31, 2010, due to the existence generally of any conflict environment or due to any financial constraints of such persons or partnership, shall be exempted from the payment of such tax as is in default under such Act:

Exemption of income tax payable by certain small and medium enterprises.

Provided that, the Commissioner-General of Inland Revenue shall on a request made in that behalf, issue to such person or partnership a Certificate of Exemption in respect of the tax in default:

Provided further, the person or partnership to whom the Certificate of Exemption is issued, shall simultaneously

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forward to the Commissioner-General of Inland Revenue a written assurance to the effect that such person or partnership will be responsible for the payment of all sums which may become payable by him under such Act, in respect of any year of assessment commencing on or after April 1, 2010.

Retrospective effect.

56. The amendments made to the principal enactment by the provisions of this Act, shall be deemed for all purposes to have come into force on April 1, 2011:

Provided that:-

- (a) the amendments made to section 7 of the principal enactment by subsection (2) of section 3 of this Act, shall be deemed for all purposes to have come into force on April 1, 2008;
- (b) the amendments made to sections 20, 21 and 21A of the principal enactment by section 10, section 11 and section 12 respectively of this Act, shall be deemed for all purposes to have come into force on April 1, 2009.

Sinhala text to prevail in case of an inconsistency

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

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

**TAX APPEALS COMMISSION
ACT, No. 23 OF 2011**

[Certified on 31st March, 2011]

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Tax Appeals Commission Act, No. 23 of 2011

[Certified on 31st March, 2011]

L.D.—O. 19/2011.

AN ACT TO PROVIDE FOR THE CONSTITUTION OF A TAX APPEALS COMMISSION; TO SPECIFY THE POWERS OF SUCH COMMISSION AND THE PROCEDURE TO BE FOLLOWED IN HEARING AND DISPOSING OF SUCH APPEALS; 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 Tax Appeals Commission Act, No. 23 of 2011.

Short title.

2. (1) There shall be established a Commission to be called and known as the Tax Appeals Commission (hereinafter referred to as “the Commission”) which shall be charged with the responsibility of hearing all appeals in respect of matters relating to imposition of any tax, levy or duty.

Establishment of the Tax Appeals Commission and its composition.

(2) The Commission shall comprise not more than three members who shall be appointed from amongst retired Judges of the Supreme Court and the Court of Appeal, persons who have wide knowledge of, and have gained eminence in the fields of Taxation, Finance and Law, by the Minister to whom the subject of Finance is assigned. One of the members shall be appointed as the Chairman of the Commission by the Minister.

(3) Every member of the Commission shall hold office for a term not exceeding three years, and shall be eligible for reappointment.

3. There shall be a Secretary to the Commission who shall be appointed by the Minister in charge of the subject of Finance.

Secretary to the Commission.

4. (1) The Minister shall appoint a Panel of Legal Advisors (hereinafter referred to as the “Panel”) comprising

Panel of Legal Advisors.

not more than ten persons, who have gained eminence in the field of Law, for the purpose of assisting the Commission in the exercise, performance and discharge of powers, duties and functions under this Act.

(2) Three or more members of the Panel shall be nominated by the Minister to attend the hearings of the Commission and assist in the progress of the appeal proceedings and investigations if any, before such Commission.

Meetings of Members of the Commission and the Panel.

5. At the request of the Chairman, the Secretary to the Commission shall summon once a month a meeting of all the members of the Commission and the Panel. The quorum for such meeting shall be five members.

Remuneration of the Members of the Commission and the Panel.

6. The members of the Commission and the Panel shall be remunerated in such amount as shall be determined by the Minister.

Right to appeal to the Commission against the decision given under any law specified in the Schedule.

7. (1) A person who is aggrieved by the determination of the Commissioner-General of Inland Revenue given in respect of any matter relating to imposition of any tax, levy or duty under the provisions of any of the enactments specified in the Schedule to this Act, may appeal to the Commission in accordance with the provisions hereinafter set out:

Provided that, every person who wishes to appeal to the Commission as provided for above, shall, at the time of making the appeal, be required to pay into a special account which shall be opened and operated by the Commission for such purpose, an amount as is equivalent to twenty-five *per centum* of the sum as assessed by the Commissioner-General as being payable by such person as tax under any of the said enactments and which assessment is the subject of the appeal, or a bank guarantee for the equivalent amount.

(2) A person to whom a right to appeal has accrued in terms of the provisions of the enactments specified in the Schedule to this Act, shall notify the Commission within

thirty days of the determination being communicated to him under the respective laws, of the fact that he intends to prefer an appeal to the Commission against such determination. He shall state all relevant details of the determination in such notification including the name and address of his authorized representative, if any.

(3) Where the aggrieved person has notified the Commission in accordance with the provisions of subsection (2) that he intends to prefer an appeal to the Commission against such determination, the Commission shall forward a copy of such notification to the Commissioner-General and require him to transmit in writing, to the Commission and the aggrieved party and his authorized representative, within thirty days of receipt of the notification, his reasons for the determination against which such person seeks to appeal.

(4) The manner and form of submitting an appeal under this Act and the fees if any, payable in respect thereof, and the time within which a petition ought to be preferred, shall be as prescribed.

8. The person aggrieved may, if he is not satisfied with the reasons given by the Commissioner-General prefer an appeal therefrom, to the Commission, and the Commission shall hear and determine such appeal in accordance with such rules as may be made in that behalf.

Procedure for preferring an appeal.

9. (1) Within thirty days of the receipt of an appeal, the Secretary to the Commission shall fix a date and time and place for the hearing of the appeal, and shall give forty-two days notice thereof, both to the appellant and to the Commissioner-General.

The hearing of the appeal.

(2) The Commissioner-General shall on receipt of a notice under subsection (1), transmit to the Commission the extracts of the provisions of the applicable enactments specified in the Schedule to this Act and the record of evidence maintained under such enactments.

(3) Every appellant shall attend in person or by an authorized representative, on the day fixed for the hearing of the appeal by the Commission:

Provided that, where an authorized representative of the appellant is present at the hearing of an appeal, the Commission may postpone the hearing for such time as it thinks necessary to enable the attendance in person, of the appellant.

(4) The Assessor who made the assessment appealed against or a person authorized by the Commissioner-General in that behalf, shall attend the hearing of the Commission at which such appeal is heard, in support of the determination of the Commissioner-General.

(5) The onus of proving that the assessment as determined by the Commissioner-General in terms of the respective enactments specified in the Schedule to the Act, is excessive or erroneous, shall be on the appellant.

(6) All appeals shall be heard in *camera*.

(7) The Commission shall have power to summon to a hearing, the attendance of any person whom it considers capable of giving evidence respecting the appeal and may examine him as a witness, either on oath or otherwise. Any person so attending may be allowed by the Commission to be paid any reasonable expenses necessarily incurred by him in so attending.

(8) Except with the consent of the Commission and on such terms as the Commission may determine, the appellant shall not at the hearing, be allowed to produce any document which was not produced before the Commissioner-General, or to adduce the evidence of any witness whose evidence was not led before the Commissioner-General, or adduce evidence of a witness whose evidence has already been recorded at the hearing before the Commissioner-General.

(9) At the hearing of the appeal the Commission may, admit or reject any evidence adduced whether oral or documentary, and the provisions of the Evidence Ordinance relating to the admissibility of evidence shall not apply in respect of such evidence.

(10) After hearing the evidence, the Commission shall on appeal either confirm, reduce, increase or annul, as the case may be, the assessment as determined by the Commissioner-General or may remit the case to the Commissioner-General with the decision of the Commission on such appeal. Where a case is so remitted by the Commission, the Commissioner-General shall revise the assessment in order that it is in conformity with such amount as stated in the decision of the Commission. The decision of the Commission shall be notified to the appellant and the Commissioner-General in writing.

10. The Commission shall hear all appeals received by it and make its decision in respect thereof, within one hundred and eighty days from the date of the commencement of the hearing of the appeal:

Determination of appeals by the Commission.

Provided that, all appeals pending before the respective Board or Boards of Review in terms of the provisions of the respective enactments specified in the Schedule to this Act, shall with effect from the date of coming into operation of the provision of this Act be deemed to stand transferred to the Commission, and the Commission shall make its decision in respect thereof, within hundred and eighty days from the date of such transfer notwithstanding anything contained in any other written law.

11. Where under subsection (10) of section 9 the Commission does not reduce or annul an assessment in respect of which an appeal had been preferred in terms of this Act, the Commission may order the appellant to pay as costs a sum not exceeding rupees five thousand, in addition to the assessed amount, which shall be added to the tax charged by the assessment, and recovered therewith.

Costs to be recovered with assessment if Commission does not reduce or annul the assessment.

No suit or prosecution to lie.

12. No suit or prosecution shall lie against any member, officer or servant of the Commission for any lawful act done or omitted to be done in good faith under this Act or which is done on the directions of the Commission.

Repeals.

13. The provisions of the enactments specified in Column I of the Schedule to this Act, are hereby amended or repealed in the sections or parts thereof as are specified in Column II of the Schedule to the extent and in the manner as shall be specified in Column III of such Schedule.

Sinhala text to prevail in case of inconsistency.

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

SCHEDULE

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Names of Enactment</i>	<i>Sections or parts to be amended</i>	<i>Applicable Amendment</i>
1. Inland Revenue Act, No. 10 of 2006	Sections 166,167, 168, 169	The Inland Revenue Act is hereby amended by the repeal of section 166, section 167, section 168 and section169.
2. Value Added Tax Act, No. 14 of 2002	Sections 35, 35(1A), 36	The Value Added Tax Act is hereby amended by the repeal of section 35, section 35(1A) and section 36.
3. Nation Building Tax Act, No. 9 of 2009	Section 8	Section 8 of the Nation Building Tax Act is hereby amended by the omission therefrom of the words and figures “Chapter XXIII relating to Appeals”.
4. Economic Service Charge Act, No. 13 of 2006	Section 11	Section 11 of the Economic Service Charge Act is hereby amended by the omission therefrom of the word “Appeals”.

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**PARLIAMENT OF THE DEMOCRATIC
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**SRI LANKA SAMATA SETHA FOUNDATION
(INCORPORATION) ACT, No. 24 OF 2011**

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*Sri Lanka Samata Setha Foundation
(Incorporation) Act, No. 24 of 2011*

[Certified on 06th April, 2011]

L.D. — O. Inc. 17/2009.

AN ACT TO INCORPORATE THE SRI LANKA SAMATA SETHA
FOUNDATION

WHEREAS a Foundation called and known as the “Sri Lanka Samata Setha Foundation” has heretofore been established in Sri Lanka for the purpose of effectually carrying out and transacting all objects and matters connected with the said Foundation according to the rules agreed to by its members :

Preamble.

AND WHEREAS the said Foundation has heretofore successfully carried out and transacted the several objects and matters for which it was established and has applied to be incorporated and it will be for the public advantage to grant the application:

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

1. This Act may be cited as the Sri Lanka Samata Setha Foundation (Incorporation) Act, No. 24 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the “Sri Lanka Samata Setha Foundation” (hereinafter referred to as the “Foundation”) or shall hereafter be admitted as members of the Corporation hereby constituted shall be a body corporate, (hereinafter referred to as “the Corporation”) with perpetual succession under the name and style of “Sri Lanka Samata Setha Foundation” and by that name may sue and be sued with full power and authority to have and use a common seal and alter the same at its pleasure.

Incorporation of the Sri Lanka Samata Setha Foundation.

3. (1) The general objects for which the Corporation is constituted are hereby declared to be :—

General objects of the Corporation.

(a) to improve the economic standards of the poor families living in the area and to alleviate poverty of such families by improving financial standards;

2 *Sri Lanka Samata Setha Foundation*
 (Incorporation) Act, No. 24 of 2011

- (b) to collaborate with the Government activities to improve and maintain higher standards of education of poor families;
- (c) to support the activities aimed at protection of the environment within the area ;
- (d) to support the activities relating to nutritional rehabilitation and to improve the nutritional level of the poor and destitute within the area;
- (e) to join in collaborative activities with other organizations, religious and cultural institutions which the Foundation deems necessary to cooperate with;
- (f) to assist in the provision of books, instruments, clothing, loans and other financial assistance to children in lower income families who require assistance;
- (g) to establish a fund and utilize same in order to achieve the above mentioned objectives.

(2) In the implementation of the above objectives the Corporation shall ensure that such implementation is carried out without any distinction based on race, caste, religion, language, sex or political opinion.

(3) For the purposes of this section, “area ” means the geographical area within which the office of the Sri Lanka Samata Setha Foundaion is established.

Powers of the Corporation.

4. Subject to the provisions of this Act, and any other written law, the Corporation shall have the power to:—

- (a) acquire, hold or take any immovable property for the Corporation or give on lease, hire, mortgage, pledge, sell, exchange or otherwise alienate, encumber or dispose of any immovable property of the Corporation;

- (b) enter into, perform or carry out whether directly or through any officer or agent authorized in that behalf by the Corporation, all such contracts or agreements as may be necessary for the attainment of the objects or the exercise of the Corporation;
- (c) accept gifts, donations and bequests in cash or in kind;
- (d) advance or lend and to borrow money for the purposes of the Corporation in such a manner and upon such security as the Corporation may think fit;
- (e) invest its funds, create and administer Trusts and to maintain current, and savings accounts in any bank;
- (f) publish or cause to be published books, journals, magazines and other literature and establish and maintain libraries, book shops and printing presses;
- (g) appoint, employ, transfer, exercise disciplinary control over officers and servants required for the carrying out of the objects of the Corporation and to prescribe their terms and conditions of service and dismiss such officer; and
- (h) generally do all such other acts and things as are necessary for and incidental or conducive to the carrying out of the objects of the Corporation.

5. (1) The management of the affairs of the Corporation shall, subject to the rules of the Corporation, made under section 6 of this Act be administered by a Board of Management (hereinafter referred to as "the Board") consisting of office-bearers and such number of members as may be provided for in such rules and elected in accordance therewith.

Management of
the affairs of the
Corporation.

(2) The first Board of the Corporation shall be the Board of Management of the Foundation holding office on the day preceding the date of commencement of this Act.

Rules of the Corporation.

6. (1) It shall be lawful for the Corporation, from time to time, at any general meeting and by a majority of not less than two-third of the members present and voting to make rules not inconsistent with the provisions of this Act, or any other written law, for all or any of the following matters:—

- (a) admission, withdrawal or expulsion of members;
- (b) the election of the office-bearers, the resignation from, or vacation of or removal from, office of, office bearers and their powers, conduct and duties;
- (c) the election of the members of the Board and its powers, conduct and duties and the terms of office of the members of the Board and the filling of vacancies of the members of the Board;
- (d) the powers, conduct, duties and functions of the various officers, agents and servants of the Corporation;
- (e) the procedure to be observed for the summoning and holding of meetings of the Board, the times, places, notices and agenda of such meetings, the quorum therefore and the conduct of business thereat;
- (f) the administration and management of the property of the Corporation; and
- (g) generally, for the management of the affairs of the Corporation and the accomplishment of its objects.

(2) Any rule made by the Corporation may be amended, altered, added to or rescinded in like manner as a rule made under subsection (1).

(3) The members of the Corporation shall be subject to the rules of the Corporation made under section 6.

7. The Seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of the Chairman and either the Secretary or the Treasurer who shall sign their names to the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Seal of the Corporation.

8. All debts and liabilities of the Foundation existing on the day preceding the date of commencement of this Act shall be paid to the Corporation hereby constituted and all debts due to subscriptions and contributions payable to the Foundation on that day shall be paid to the Corporation for the purposes of this Act.

Debts due by and payable to the Foundation.

9. (1) The Corporation shall have its own fund and all moneys heretofore or hereafter received by way of gift, bequest, donations, subscription, contribution, fees or grants for and on account of the Corporation shall be deposited to the credit of the Corporation in one or more banks as the Board shall determine.

Fund of the Corporation.

(2) There shall be paid out of the fund, all sums of money required to defray any expenditure incurred by the Corporation in the exercise, performance and discharge of its powers, duties and functions under this Act.

10. (1) The financial year of the Corporation shall be the calendar year.

Audit and Accounts.

(2) The Corporation shall cause proper accounts to be kept of its income and expenditure, assets and liabilities and all other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited by a qualified Auditor.

(4) In this section “qualified Auditor ” means —

- (a) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an Accountant issued by such institute ; or
- (b) a firm of Accountants each of the resident partners of which being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an Accountant issued by such institutes.

Property remaining on dissolution.

11. If upon the dissolution of the Corporation, there remains after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation, but shall be given or transferred to some other Institute or Institutes having objects similar to those of the Corporation and which is or are by the rules thereof prohibited from distributing any income or property among its or their members. Such Institute or Institutes shall be determined by the members of the Corporation at or immediately before the dissolution of the Corporation.

Saving of the rights of the Republic and others.

12. Nothing contained in this Act shall prejudice or affect the rights of the Republic or of any body politic or corporate.

Sinhala text to prevail in case of inconsistency.

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

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

**PINA ORGANISATION (INCORPORATION)
ACT, No. 25 OF 2011**

[Certified on 03rd May, 2011]

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*Pina Organisation (Incorporation)
Act, No. 25 of 2011*

[Certified on 03rd May, 2011]

L. D.—O. (Inc.) 8/2010.

AN ACT TO INCORPORATE THE PINA ORGANISATION

WHEREAS an Organisation called and known as the “Pina Organisation” has heretofore been formed in Sri Lanka, for the purpose of effectually carrying out its objects and transacting all matters connected with the said Organisation according to the rules agreed to by its members:

Preamble.

AND WHEREAS the said Organisation has heretofore successfully carried out and transacted several objects and matters for which it was formed and has applied to be incorporated and it will be for the public advantage to grant the said application:

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

1. This Act may be cited as the Pina Organisation (Incorporation) Act, No. 25 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the “Pina Organisation” (hereinafter referred to as the “Organisation”) or shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate (hereinafter referred to as the “Corporation”) with perpetual succession under the name and style of the “Pina Organisation” and by that name may sue and be sued, with full power and authority to have and use a common seal and to alter the same at its pleasure.

Incorporation of the Pina Organisation.

3. (1) The general objects for which the Corporation is constituted are hereby declared to be—

General objects of the Corporation.

(a) to donate modern hospital equipments to hospitals;

- (b) to encourage and assist students faced with financial difficulties in pursuing higher education;
- (c) to assist students of low income groups or students who have lost one or both parents, in pursuing higher education;
- (d) to provide relief to the poor and destitute who require heart surgery, transplantation of kidney and cancer surgery and to provide assistance for treatments;
- (e) to establish and maintain orphanages and homes for the aged and to establish social welfare centers in accordance with such written laws as are for the time being in force;
- (f) to provide welfare facilities for the deaf, dumb and the blind and disabled persons and to establish welfare homes in accordance with such written laws as are for the time being in force;
- (g) to provide wheelchairs, crutches and spectacles for the poor and destitute;
- (h) to assist low income groups in the construction or completion of houses;
- (i) to assist in the development of agriculture in rural areas by providing agricultural machinery, tractors, hand tractors, lands and vehicles;
- (j) to print, publish and distribute books, journals, leaflets, newspapers and magazines and to establish and maintain libraries;
- (k) to promote, organize and maintain exhibitions, discussions, workshops, debates and tours which the Corporation may consider desirable for the promotion and achievement of its objects;

- (l) to collaborate and work with other societies, or organizations, having similar objects;
- (m) to reduce and eliminate suicidal tendencies by means of community projects and education.

(2) In the implementation of the objects specified in subsection (1) the Governing Council shall ensure to the greatest extent possible that such implementation shall be carried out without any distinction based on race, religion, language, caste, sex, political opinion or place of birth.

4. (1) The affairs of the Corporation shall, subject to the rules of the Corporation made under section 6, be administered by a Governing Council (hereinafter referred to as the "Council") consisting of the President, Vice Presidents and other office-bearers elected or appointed in accordance with the rules of the Corporation.

Management of the affairs of the Corporation.

(2) The first Council of the Corporation shall consist of the members of the Governing Council holding office on the day immediately preceding the date of commencement of this Act.

5. Subject to the provisions of this Act and any other written law, the Corporation shall have the power to do, perform and execute all such acts, matters and things whatsoever, as are necessary or desirable for the promotion or furtherance of the objects of the Corporation or any one of them including the power to:—

General powers of the Corporation.

- (a) acquire, hold, take or give on lease or hire, mortgage, pledge, sell, exchange, or otherwise alienate, encumber or dispose of any immovable property for the purposes of the Corporation;
- (b) enter into, perform or carry out, whether directly or through any officer or agent authorized in that behalf by the Corporation, all such contracts or

4 *Pina Organisation (Incorporation)*
Act, No. 25 of 2011

agreements as may be necessary for the attainment of the objects or the exercise of the powers of the Corporation;

- (c) accept gifts, donations and bequests in cash or in kind;
- (d) invest its funds, and to maintain current, deposit and savings accounts in any bank;
- (e) borrow or invest money for the purposes of the Corporation in such manner and upon such security as the Corporation may think fit; and
- (f) appoint, employ, transfer, exercise disciplinary control over and dismiss officers and servants required for the carrying out of the objects of the Corporation.

Rules of the Corporation.

6. (1) It shall be lawful for the Corporation from time to time, at any general meeting of the Corporation and by a majority of not less than two thirds of the members present and voting, to make rules not inconsistent with the provisions of this Act or any other written law on all or any of the following matters:—

- (a) the classification of membership and the admission, withdrawal or expulsion of members;
- (b) the election of office-bearers, the resignation from or vacation of or removal from office of office-bearers and their powers and duties;
- (c) the election of members of the Council and its powers, conduct and duties;
- (d) the powers, conduct, duties and functions of the various officers, agents and servants of the Corporation;

- (e) the procedure to be observed or the summoning and holding of meetings of the Council, the time, places, notices and agenda of such meetings and the quorum therefore and the conduct of business thereat; and
- (f) the administration and management of the property of the Corporation and the custody of its funds.

(2) Any rule made by the Corporation may be amended, altered, added to or rescinded at a like meeting and in like manner as a rule made under subsection (1).

(3) The members of the Corporation shall at all times be subject to the rules of the Corporation.

7. (1) The Corporation shall have its own fund and all moneys heretofore or hereafter received by way of gifts, testamentary dispositions, transfers, donations, subscriptions, contributions, fees or grants or any financial investment shall be deposited to the credit of the Corporation in one or more Banks as may be determined by the Council.

Fund of the Corporation.

(2) All expenses incurred by the Corporation in exercising and discharging its powers and functions shall be paid out of the fund.

8. (1) The financial year of the Corporation shall be the calendar year.

Audit and Account.

(2) The Corporation shall cause proper accounts to be kept of its income and expenditure, assets and liabilities and all other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited by a qualified auditor appointed by the Council.

(4) In this section, “qualified auditor” means—

- (a) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka, or of any

6 *Pina Organisation (Incorporation)*
Act, No. 25 of 2011

other institute established by law, possesses a certificate to practice as an accountant issued by such institute; or

- (b) a firm of accountants, each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an accountant issued by such Institute.

Seal of the Corporation.

9. The seal of the Corporation shall be in the custody of the Secretary and shall not be affixed to any instrument whatsoever except in the presence of the President and the Secretary of the Corporation or such other person duly authorized by the Council who shall sign their names on the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Debts due by and payable to the Organisation.

10. All debts and liabilities of the said Organisation existing on the day preceding the date of the commencement of this Act shall be paid by the Corporation hereby constituted and all debts due to, subscriptions and contributions payable to the Organisation on that day shall be paid to the Corporation for the purpose of this Act.

Limitation of liability of members.

11. No member of the Corporation shall, for the purpose of discharging the debts and liabilities of the Corporation or for any other purpose, be liable to make any contribution exceeding the amount of such membership fees as may be due from him to the corporation.

Application of moneys and property.

12. The moneys and property of the Corporation however derived shall be applied solely towards the promotion of its objects as set forth herein and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus, profit or otherwise howsoever to the members of the Corporation.

13. Subject to the provisions of this Act, the Corporation shall be able and capable in law to acquire and hold any property, movable or immovable, which may become vested in it by virtue of any purchase, grant, gift, testamentary disposition or otherwise, and all such property shall be held by the Corporation for the purposes of the Corporation and subject to the rules of the Corporation made under section 6, with full power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Corporation may hold property movable and immovable.

14. If upon the dissolution of the Corporation there remains, after the satisfaction of all debts and liabilities, any property whatsoever, such property, shall not be distributed among the members of the Corporation but shall be given or transferred to some other association or associations having objects, similar to the objects of the Corporation and which is, or are by the rules thereof prohibited from distributing any income or profit among its or their members. Such association or associations shall be determined by the members of the Corporation at or immediately before the time of dissolution of the Corporation.

Property remaining on dissolution.

15. Nothing contained in this Act shall prejudice or affect the rights of the Republic or of any body politic or corporate.

Saving of the rights of the Republic and others.

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

Sinhala text to prevail in case of inconsistency.

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**PARLIAMENT OF THE DEMOCRATIC
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**CENSUS (AMENDMENT)
ACT, No. 26 OF 2011**

[Certified on 06th May, 2011]

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Census (Amendment) Act, No. 26 of 2011

[Certified on 06th of May, 2011]

L.D.—O. 4/2010.

AN ACT TO AMEND THE CENSUS ORDINANCE (CHAPTER 143)

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

- 1.** This Act may be cited as the Census (Amendment) Act, No. 26 of 2011. Short title.
- 2.** The Census Ordinance (hereinafter referred to as the “principal enactment”) is hereby amended in subsection (4) of section 5, by the substitution for the words “to a fine not exceeding ten thousand rupees” of the words “to a fine not exceeding fifty thousand rupees”. Amendment of section 5 of Chapter 143.
- 3.** Section 6 of the principal enactment is hereby repealed and the following new section is substituted therefor:— Replacement of section 6 of the principal enactment.

“District Secretary to be the Commissioner of Census. **6.** Every District Secretary, shall in addition to the powers, duties and functions exercised, performed or discharged by him within the Administrative District in respect of which he is appointed, be appointed as the Commissioner of Census in respect of such District:

Provided that the Minister may where it appears that it is not practicable to appoint the District Secretary as Commissioner of Census appoint any other person as Commissioner of Census for such Administrative District or part thereof, as the case may be.”.
- 4.** Section 21 of the principal enactment is hereby amended as follows:— Amendment of section 21 of the principal enactment.

(a) in subsection (1) of that section, by the substitution for the words “or to a fine not exceeding ten

2 *Census (Amendment) Act, No. 26 of 2011*

thousand rupees” of the words “or to a fine not exceeding fifty thousand rupees”;

- (b) in subsection (2) of that section, by the substitution for the words “or to a fine not exceeding ten thousand rupees” of the words “or to a fine not exceeding fifty thousand rupees”; and
- (c) in subsection (3) of that section, by the substitution for the words “or to a fine not exceeding ten thousand rupees” of the words “to a fine not exceeding fifty thousand rupees”.

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.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
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**MAHESWARY FOUNDATION
(INCORPORATION) ACT, No. 27 OF 2011**

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Maheswary Foundation (Incorporation)
Act, No. 27 of 2011

[Certified on 25th May, 2011]

L.D.—O.(Inc) 21/2010

AN ACT TO INCORPORATE THE MAHESWARY FOUNDATION

WHEREAS an Association called and known as “Maheswary Foundation” has heretofore been formed in Colombo for the purpose of effectually carrying out and transacting the objects and matters connected with the said association according to the rules agreed to by its members: Preamble.

AND WHEREAS the said association has heretofore successfully carried out and transacted the several objects and matters for which it was established and has applied to be incorporated and it will be for the public advantage to grant such application :

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

1. This Act may be cited as the Maheswary Foundation (Incorporation) Act, No. 27 of 2011. Short title.

2. From an after the date of commencement of this Act, such and so many persons as now are members of the Maheswary Foundation (hereinafter referred to as “the Foundation”) or shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate with the perpetual succession under the name and style of the “Maheswary Foundation” (hereinafter referred to as “the Corporation”) and by that name may sue, and be sued, with full power and authority to have and use a common seal and alter the same at its pleasure. Incorporation of the Maheswary Foundation .

3. The general objects for which the Corporation is constituted are hereby declared to be— General objects of the Corporation.

(a) to promote peace, goodwill, understanding and cooperation among all communities of Sri Lanka;

2 *Maheswary Foundation (Incorporation)*
 Act, No. 27 of 2011

- (b) to promote and protect human rights, values, and pluralism in Sri Lanka;
- (c) to promote sustainable development in rural areas by utilizing the natural resources available in the area;
- (d) to promote agricultural and fisheries sectors by introducing technology to obtain maximum benefits;
- (e) to establish information technology centres island wide for the advancement of scientific studies;
- (f) to strengthen the institutes of higher studies, encourage research and award scholarships;
- (g) to promote social and cultural activities for enriching different ethnic groups;
- (h) to empower women, children, disabled, and underprivileged people;
- (i) to promote and encourage sports, literary and spiritual activities among people;
- (j) to coordinate with similar organizations of both local and foreign and to organize meetings, seminars conferences etc. for the advancement of its objects;
- (k) to obtain and provide grants and other form of financial assistance for the advancement of the objects;
- (l) to provide every assistance to governmental agencies from generating employment among youth;
- (m) to provide lands and houses to landless families and provide buildings and other facilities to schools;

- (n) to provide infrastructure facilities such as roads and electricity in villages;
- (o) to conduct classes to teach English, Sinhala and Tamil languages to needy students;
- (p) to promote, arrange and organize exhibitions, lectures, seminars, discussions, workshops and debates, with a view of accomplishing the objectives of the Corporation;
- (q) to print, publish and distribute books, journals, magazines and newspapers as are necessary to achieve these objects;
- (r) to engage in income generating activities to raise necessary funds to the Corporation with a view of accomplishing the objects of the Corporation.

4. Subject to the provisions of this Act and any other written law the Corporation shall have the power to do, perform and execute all such acts, matters and things whatsoever, as are necessary or desirable for the promotion or furtherance of the objects of the Corporation or any one of them, including the power to acquire and hold property movable or immovable, to open, operate and close bank account, to borrow or raise moneys with or without security, to receive or collect grants or donations, to invest its funds, to erect any building or structures on any land held by the Corporation and to engage, employ and dismiss, officers and servants required for the carrying out of the objects of the Corporation.

General powers
of the
Corporation.

5. (1) The affairs of the Corporation shall, subject to other provisions of this Act and the rules made under section 6, be administered by a Board of Directors consisting of Chairman, Managing Director, Director of Finance, Director of Administration, Director Operations, Director Planning and Director Legal, and a Secretary, Treasurer and another nine more members elected in accordance with such rules in force for the time being of the Corporation.

Management of
the affairs of the
Corporation.

4 *Maheswary Foundation (Incorporation)*
Act, No. 27 of 2011

(2) The founder member of the Foundation, Honourable Minister Douglas Devanande, shall be the first Chairman of the Board of Directors. The Chairman shall be the Chief Executive Officer of the Corporation.

(3) The first Administrative Council of the Corporation shall consist of the members of the Board of Directors of the foundation holding office on the day immediately preceding the date commencement of this Act.

Rules of the Corporation.

6. (1) It shall be lawful for the Board of Directors to recommend from time to time, at any general meeting of the members summoned for the purpose and by a majority of votes of not less than two-thirds of the members present and voting to make rules not inconsistent with the provisions of this Act or any other written law, for the management of the affairs of the Corporation and accomplishment of its objects. Such rules when made may at a like meeting and in like manner be altered, added to amended or rescinded.

(2) The members of the Council shall be subjected to the rules of the Corporation.

Fund of the Corporation.

7. (1) The Corporation shall have its own fund and all moneys received by way of gift, bequest, donations, subscription, contribution, fees or grants for and on account of the Corporation shall be deposited to the credit of the Corporation in one or more banks as the Board of Directors shall determine.

(2) There shall be paid out of the fund, all sums of money required to defray any expenditure incurred by the Corporation in the exercise, performance and discharge of its powers, duties and functions under this Act.

Debts due by and payable to the Foundation.

8. All debts and liabilities of the Foundation existing on the day preceding the date of commencement of this Act, shall be paid by the Corporation hereby constituted and all

debts due to subscription and contribution payable to the Foundation on that day shall be paid to the Corporation for the purpose of this Act.

9. No member of the Corporation shall for the purpose of discharging the debts and liabilities of the Corporation or for any other purpose be liable to make any contribution exceeding the amount due from such member as membership fees.

Limitation of liability of members.

10. The Corporation shall be able and capable in law to acquire and hold any property, movable or immovable which may become vested in it by virtue of any purchase, grants, gifts, testamentary disposition or otherwise and all such property shall be held by the Corporation for the purpose of this Act, and subject to the rules in force for the time being of the Corporation, with full power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Corporation may hold property movable and Immovable.

11. The seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of such number of persons as may be provided for in the rules in force for the time being of the Corporation, who shall sign their names to the instrument in token of their presence, and such signing shall be independent of the signing of any person as a witness.

Seal of the Corporation.

12. (1) The financial year of the Corporation shall be the calendar year.

Audits and Auccount.

(2) The Corporation shall cause proper accounts to be kept of its income and expenditure, assets and liabilities and all other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited by a qualified auditor.

(4) In this section, “qualified auditor ” means —

- (i) an individual who, being a member of the Institute of Chartered Accountants of Sri Lanka, or of any

6 *Maheswary Foundation (Incorporation)*
Act, No. 27 of 2011

other Institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute; or

- (ii) a firm of Accountants each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute.

Property remaining on dissolution.

13. If upon the dissolution of the Corporation there remains after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation, but shall be given or transferred to some other Institute or Institutes having objects similar to those of the Corporation, and which is or are by the rules thereof prohibited from distributing any income or property among its or their members. Such Institute or Institutions shall be determined by the members of the Corporation at the time of dissolution or immediately before the dissolution of the Corporation.

Saving of the rights of the Republic and others.

14. Nothing contained in this Act shall prejudice or affect the rights of the Republic or any body politic or corporate, or of any other persons.

Sinhala text to prevail in case of inconsistency.

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

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

**ELECTIONS (SPECIAL PROVISIONS)
ACT, No. 28 OF 2011**

[Certified on 25th May, 2011]

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*Elections (Special Provisions)
Act, No. 28 of 2011*

[Certified on 25th May, 2011]

L.D.—O. 18/2010.

AN ACT TO MAKE PROVISION FOR A VOTER WHO IS SUBJECT TO A DISABILITY TO BE ACCOMPANIED BY A PERSON WHEN VOTING AT ELECTIONS; AND TO AMEND THE LOCAL AUTHORITIES ELECTIONS ORDINANCE (CHAPTER 262), THE PARLIAMENTARY ELECTIONS ACT, NO. 1 OF 1981, THE REFERENDUM ACT, NO. 7 OF 1981, THE PRESIDENTIAL ELECTIONS ACT, NO. 15 OF 1981 AND THE PROVINCIAL COUNCILS ELECTIONS ACT, NO. 2 OF 1988; 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 Elections (Special Provisions) Act, No. 28 of 2011. Short title.

PART I

AMENDMENT TO THE LOCAL AUTHORITIES ELECTIONS ORDINANCE
(CHAPTER 262)

2. Section 54 of the Local Authorities Elections Ordinance (Chapter 262) (hereinafter in this Part referred to as the “principal enactment”) is hereby amended by the repeal of subsection (2) of that section and the substitution therefor of the following subsection:— Amendment of section 54 of the Local Authorities Elections Ordinance.

“(2) (a) Any voter who is subject to a disability and such disability prevents the voter from voting in accordance with the directions given for the guidance of voters in the Second Schedule to the principal enactment, may be accompanied by a person who shall mark the ballot paper of such voter in the manner directed by the voter in the presence of the presiding officer and another member of his polling staff and cause such ballot paper to be placed in the ballot box.

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(b) A person subject to a disability who wishes to be accompanied by a person to vote shall be eligible to do so if such person produces a Certificate of Eligibility substantially in the Form set out in the Tenth Schedule to this Act, to the presiding officer or another member of his staff.

(c) For the purposes of this section —

“accompanying person” shall be a person not less than eighteen years of age and shall—

- (i) not be a candidate who is contesting at the relevant election;
- (ii) not be a presiding officer, an authorized officer or a polling agent at the relevant election;
- (iii) not be a person subject to a disability;

“disability” in relation to a registered voter who is subject to a disability and who is eligible to vote in terms of paragraph (b) of this section, means—

- (i) a total or partial visual impairment; or
- (ii) a physical disability,

which prevents the voter from validly marking his ballot paper.”.

Amendment of section 76 of the principal enactment.

3. Section 76 of the principal enactment is hereby amended by the insertion immediately after paragraph (d) of subsection (4) of that section of the following new subsections:—

“(4A) Every person accompanying a voter who is subject to a disability, to a polling station to mark and place the ballot paper of such voter in the ballot box as directed by the voter, shall maintain and aid in maintaining the secrecy of such voting.

(4B) It shall be the duty of the presiding officer to maintain a record of the relevant information of every person accompanying a voter who is subject to a disability to a polling station to mark the ballot paper of such voter.”.

4. The principal enactment is hereby amended by the addition immediately after the Ninth Schedule to such enactment of the following new Schedule:—

Addition of the Tenth Schedule to the principal enactment.

“TENTH SCHEDULE

CERTIFICATE OF ELIGIBILITY TO VOTE ISSUED TO A PERSON SUBJECT TO A DISABILITY
IN TERMS OF THE LOCAL AUTHORITIES ELECTIONS ORDINANCE
(CHAPTER 262 SECTION 54 (2) (c))

PART I

DECLARATION BY THE APPLICANT/VOTER

Full Name :
Address :
Occupation :
Date of Birth :
NIC/Driving Licence /Passport No. :

I, of being a voter registered in the District, being subject to a disability, declare that the above particulars are true and accurate and do hereby apply for the issue of a Certificate of Eligibility entitling me to vote at the forthcoming (Name of Election) as a person subject to a disability, as provided for by law.

Date : Name of Voter :
Signature of Voter :

CERTIFICATE OF GRAMA NILADHARI

I, certify that the information given above is correct and that the following information relating to the application of (Name of Applicant/Voter) is correct according to the records maintained by me.

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Act, No. 28 of 2011

Name :
No. on the voters list :
Province :
District :
Electoral Division :
Other relevant information :

Date : Signature of Grama Niladhari :
Name of Grama Niladhari :
Division :
Seal :

PART II

CERTIFICATE OF THE GOVERNMENT MEDICAL OFFICER

I have personally examined of
..... who has applied to be entitled to vote as a person subject
to a disability, at the forthcoming (Name
of Election) and do hereby certify that (Name
of Voter/Applicant) is entitled/not entitled to vote as a person subject
to a disability, as provided for by law.

Date : Name of Government
Medical Officer:
Signature of Government
Medical Officer:
Seal:

PART II

AMENDMENT TO THE PARLIAMENTARY ELECTIONS
ACT, No. 1 OF 1981

Amendment of
section 40 of the
Parliamentary
Elections Act,
No. 1 of 1981.

5. Section 40 of the Parliamentary Elections Act, No. 1
of 1981 (hereinafter in this Part referred to as the “principal
enactment”) is hereby amended by the repeal of subsection
(2) of that section and the substitution therefor of the
following subsection :—

“(2) (a) Any voter who is subject to a disability and
such disability prevents the voter from voting in

accordance with the directions given for the guidance of voters in the Third Schedule to the principal enactment may be accompanied by a person who shall mark the ballot paper of such voter in the manner directed by the voter in the presence of the presiding officer and another member of his polling staff and cause such ballot paper to be placed in the ballot box.

(b) A person subject to a disability who wishes to be accompanied by a person to vote shall be eligible to do so if such person produces a Certificate of Eligibility substantially in the Form set out in the Fifth Schedule to this Act, to the presiding officer or another member of his staff.

(c) For the purposes of this section —

“accompanying person” shall be a person not less than eighteen years of age and shall—

- (i) not be a candidate who is contesting at the relevant election;
- (ii) not be a presiding officer, an authorized officer or a polling agent at the relevant election;
- (iii) not be a person subject to a disability;

“disability” in relation to a registered voter who is subject to a disability and who is eligible to vote in terms of paragraph (b) of this section, means—

- (i) a total or partial visual impairment; or
- (ii) a physical disability,

which prevents the voter from validly marking his ballot paper.”.

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Act, No. 28 of 2011

Amendment of section 76 of the principal enactment.

6. Section 76 of the principal enactment is hereby amended by the insertion immediately after subsection (4) of that section, of the following new subsections:—

“(4A) Every person accompanying a voter to a polling station who is subject to a disability to mark and place the ballot paper of such voter in the ballot box as directed by the voter shall maintain and aid in maintaining the secrecy of such voting.

(4B) It shall be the duty of the presiding officer to maintain a record of the relevant information of every person accompanying a voter who is subject to a disability to a polling station to mark the ballot paper of such voter.”.

Addition of the Fifth Schedule to the principal enactment.

7. The principal enactment is hereby amended by the addition immediately after the Fourth Schedule to such enactment of the following new Schedule:—

“FIFTH SCHEDULE

CERTIFICATE OF ELIGIBILITY TO VOTE ISSUED TO A PERSON SUBJECT TO A DISABILITY
IN TERMS OF THE PARLIAMENTARY ELECTIONS ACT, NO. 1 OF 1981
(SECTION 40 (2) (c))

PART I

DECLARATION BY THE APPLICANT/VOTER

Full Name :
Address :
Occupation :
Date of Birth :
NIC/Driving Licence /Passport No. :

I, of being a voter registered in the District, being subject to a disability, declare that the above particulars are true and accurate and do hereby apply for the issue of a Certificate of

Elections (Special Provisions) 7
Act, No. 28 of 2011

Eligibility entitling me to vote at the forthcoming
. (Name of Election) as a person subject to a disability, as
provided for by law.

Date : Name of Voter :
Signature of Voter :

CERTIFICATE OF GRAMA NILADHARI

I certify that the information given above is correct and
that the following information relating to the application
of (Name of
Applicant/Voter) is correct according to the records maintained
by me.

Name :
No. on the voters list :
Province :
District :
Electoral Division :
Other relevant information :

Date : Signature of Grama Niladhari :
Name of Grama Niladhari :
Division :
Seal :

PART II

CERTIFICATE OF THE GOVERNMENT MEDICAL OFFICER

I have personally examined of
. who has applied to be entitled
to vote as a person subject to a disability, at the forthcoming
. (Name of Election)
and do hereby certify that
(Name of Voter/Applicant) is entitled/not entitled to vote as a
person subject to a disability, as provided for by law.

Date : Name of Government
Medical Officer:
Signature of Government
Medical Officer:
Seal:”

PART III

AMENDMENT TO THE REFERENDUM ACT, NO. 7 OF 1981

Amendment of
section 23 of the
Referendum
Act, No. 7 of
1981.

8. Section 23 of the Referendum Act, No. 7 of 1981 (hereinafter in this Part referred to as the “principal enactment”) is hereby amended by the repeal of subsection (2) of that section and the substitution therefor of the following subsection :—

“(2) (a) Any voter who is subject to a disability and such disability prevents the voter from voting in accordance with the directions given for the guidance of voters in the Second Schedule to the principal enactment may be accompanied by a person who shall mark the ballot paper of such voter in the manner directed by the voter in the presence of the presiding officer and another member of his polling staff and cause such ballot paper to be placed in the ballot box.

(b) A person subject to a disability who wishes to be accompanied by a person to vote shall be eligible to do so if such person produces a Certificate of Eligibility substantially in the Form set out in the Fourth Schedule to this Act, to the presiding officer or another member of his staff.

(c) For the purposes of this section —

“accompanying person” shall be a person not less than eighteen years of age and shall—

- (i) not be a candidate who is contesting at the relevant election;
- (ii) not be a presiding officer, an authorized officer or a polling agent at the relevant election;
- (iii) not be a person subject to a disability;

“disability” in relation to a registered voter who is subject to a disability and who is

eligible to vote in terms of paragraph (b) of this section, means—

- (i) a total or partial visual impairment; or
- (ii) a physical disability,

which prevents the voter from validly marking his ballot paper.”.

9. Section 51 of the principal enactment is hereby amended by the insertion immediately after subsection (4) of that section of the following new subsections:—

Amendment of section 51 of the principal enactment.

“(4A) Every person accompanying a voter to a polling station who is subject to a disability to mark and place the ballot paper of such voter in the ballot box as directed by the voter shall maintain and aid in maintaining the secrecy of such voting.

(4B) It shall be the duty of the presiding officer to maintain a record of the relevant information of every person accompanying a voter who is subject to a disability to a polling station to mark the ballot paper of such voter.”.

10. The principal enactment is hereby amended by the addition immediately after the Third Schedule to such enactment of the following new Schedule :—

Addition of the Fourth Schedule to the principal enactment.

“FOURTH SCHEDULE

CERTIFICATE OF ELIGIBILITY TO VOTE ISSUED TO A PERSON WHO IS SUBJECT TO A DISABILITY IN TERMS OF THE REFERENDUM ACT, No. 7 OF 1981 (SECTION 23 (2) (c))

PART I

DECLARATION BY THE APPLICANT/VOTER

Full Name :

Address :

Occupation :

Date of Birth :

NIC/Driving Licence /Passport No. :

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Act, No. 28 of 2011

I, of being a voter registered in the District, being subject to a disability, declare that the above particulars are true and accurate and do hereby apply for the issue of a Certificate of Eligibility entitling me to vote at the forthcoming (Name of Election) as a person subject to a disability, as provided for by law.

Date : Name of Voter :
Signature of Voter :

CERTIFICATE OF GRAMA NILADHARI

I Certify that the information given above is correct and that the following information relating to the application of (Name of Applicant/Voter) is correct according to the records maintained by me.

Name :
No. on the voters list :
Province :
District :
Electoral Division :
Other relevant information :

Date : Signature of Grama Niladhari :
Name of Grama Niladhari :
Division :
Seal :

PART II

CERTIFICATE OF THE GOVERNMENT MEDICAL OFFICER

I have personally examined of who has applied to be entitled to vote as a person subject to a disability, at the forthcoming (Name of Election) and do hereby certify that (Name of Voter/Applicant) is entitled/not entitled to vote as a person subject to a disability, as provided for by law.

Date : Name of Government
Medical Officer:
Signature of Government
Medical Officer:
Seal:

PART IV

AMENDMENT TO THE PRESIDENTIAL ELECTIONS ACT, NO. 15
OF 1981

11. Section 38 of the Presidential Act, No. 7 of 1981 (hereinafter in this Part referred to as the “principal enactment”) is hereby amended by the repeal of subsection (2) of that section and the substitution therefor of the following subsection:—

Amendment of section 38 of the Presidential Elections Act, No. 15 of 1981.

“(2) (a) Any voter who is subject to a disability and such disability prevents the voter from voting in accordance with the directions given for the guidance of voters in the Third Schedule to the principal enactment may be accompanied by a person who shall mark the ballot paper of such voter in the manner directed by the voter in the presence of the presiding officer and another member of his polling staff and cause such ballot paper to be placed in the ballot box.

(b) A person subject to a disability who wishes to be accompanied by a person to vote shall be eligible to do so if such person produces a Certificate of Eligibility substantially in the Form set out in the Fifth Schedule to this Act, to the presiding officer or another member of his staff.

(c) For the purposes of this section —

“accompanying person” shall be a person not less than eighteen years of age and shall—

- (i) not be a candidate who is contesting at the relevant election;
- (ii) not be a presiding officer, an authorized officer or a polling agent at the relevant election;
- (iii) not be a person subject to a disability;

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Act, No. 28 of 2011

“disability” in relation to a registered voter who is subject to a disability and who is eligible to vote in terms of paragraph (b) of this section, means—

- (i) a total or partial visual impairment; or
- (ii) a physical disability,

which prevents the voter from validly marking his ballot paper.”.

Amendment of section 75 of the principal enactment.

12. Section 75 of the principal enactment is hereby amended by the insertion immediately after subsection (4) of the following new subsections:—

“(4A) Every person accompanying a voter to a polling station who is subject to a disability to mark and place the ballot paper of such voter in the ballot box as directed by the voter, shall maintain and aid in maintaining the secrecy of such voting.

(4B) It shall be the duty of the presiding officer to maintain a record of the relevant information of every person accompanying a voter who is subject to a disability to a polling station to mark the ballot paper of such voter.”.

Addition of the Fifth Scheduled to the principal enactment.

13. The principal enactment is hereby amended by the addition immediately after the Fourth Schedule to such enactment of the following new Schedule:—

“FIFTH SCHEDULE

CERTIFICATE OF ELIGIBILITY TO VOTE ISSUED TO A PERSON WHO IS SUBJECT TO A DISABILITY IN TERMS OF THE PRESIDENTIAL ELECTIONS ACT, NO. 15 OF 1981
(SECTION 38 (2) (C))

PART I

DECLARATION BY THE APPLICANT/VOTER

Full Name :
Address :
Occupation :
Date of Birth :
NIC/Driving Licence /Passport No. :

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Act, No. 28 of 2011

I, of being a voter registered in the District, being subject to a disability, declare that the above particulars are true and accurate and do hereby apply for the issue of a Certificate of Eligibility entitling me to vote at the forthcoming (Name of Election) as a person subject to a disability, as provided for by law.

Date : Name of Voter :
Signature of Voter :

CERTIFICATE OF GRAMA NILADHARI

I certify that the information given above is correct and that the following information relating to the application of (Name of Applicant/Voter) is correct according to the records maintained by me.

Name :
No. on the voters list :
Province :
District :
Electoral Division :
Other relevant information :

Date : Signature of Grama Niladhari :
Name of Grama Niladhari :
Division :
Seal :

PART II

CERTIFICATE OF THE GOVERNMENT MEDICAL OFFICER

I have personally examined of who has applied to be entitled to vote as a person subject to a disability, at the forthcoming (Name of Election) and do hereby certify that (Name of Voter/Applicant) is entitled/not entitled to vote as a person subject to a disability, as provided for by law.

Date : Name of Government
Medical Officer:
Signature of Government
Medical Officer:
Seal:

PART V

AMENDMENT TO THE PROVINCIAL COUNCILS ELECTIONS
ACT, NO. 2 OF 1988.

Amendment of
section 38 of the
Provincial
Councils
Elections Act,
No. 2 of 1988.

14. Section 38 of the Provincial Councils Elections Act, No. 2 of 1988 (hereinafter in this Part referred to as the “principal enactment”) is hereby amended by the repeal of subsection (2) of that section and the substitution thereof of the following subsection:—

“(2) (a) Any voter who is subject to a disability and such disability prevents the voter from voting in accordance with the directions given for the guidance of voters in the Third Schedule to the principal enactment may be accompanied by a person who shall mark the ballot paper of such voter in the manner directed by the voter in the presence of the presiding officer and another member of his polling staff and cause such ballot paper to be placed in the ballot box.

(b) A person subject to a disability who wishes to be accompanied by a person to vote, shall be eligible to do so if such person produces a Certificate of Eligibility substantially in the Form set out in the Fourth Schedule to this Act, to the presiding officer or another member of his staff.

(c) For the purposes of this section —

“accompanying person” shall be a person not less than eighteen years of age and shall—

- (i) not be a candidate who is contesting at the relevant election;
- (ii) not be a presiding officer, an authorized officer or a polling agent at the relevant election;
- (iii) not be a person subject to a disability;

“disability” in relation to a registered voter who is subject to a disability and who is

eligible to vote in terms of paragraph (b) of this section, means—

- (i) total or partial visual impairment; or
- (ii) a physical disability,

which prevents the voter from validly marking his ballot paper.”.

15. Section 77 of the principal enactment is hereby amended by the insertion immediately after subsection (4) of that section, of the following new subsections:—

Amendment of section 77 of the principal enactment.

“(4A) Every person accompanying a voter to a polling station who is subject to a disability to mark and place the ballot paper of such voter in the ballot box as directed by the voter shall maintain and aid in maintaining the secrecy of such voting.

(4B) It shall be the duty of the presiding officer to maintain a record of the relevant information of every person accompanying a voter who is subject to a disability to a polling station to mark the ballot paper of such voter.”.

16. The principal enactment is hereby amended by the addition immediately after the Third Schedule to such enactment of the following new Schedule:—

Addition of the Fourth Schedule to the principal enactment.

“FOURTH SCHEDULE

CERTIFICATE OF ELIGIBILITY TO VOTE ISSUED TO A PERSON SUBJECT TO A DISABILITY
IN TERMS OF THE PROVINCIAL COUNCILS ELECTIONS
ACT, No. 2 OF 1988.

PART I

DECLARATION BY THE APPLICANT/VOTER

Full Name :
Address :
Occupation :
Date of Birth :
NIC/Driving Licence /Passport No. :

*Elections (Special Provisions)
Act, No. 28 of 2011*

I, of being a voter registered in the District, being subject to a disability, declare that the above particulars are true and accurate and do hereby apply for the issue of a Certificate of Eligibility entitling me to vote at the forthcoming (Name of Election) as a person subject to a disability as provided for by law.

Date : Name of Voter :
Signature of Voter :

CERTIFICATE OF GRAMA NILADHARI

I certify that the information given above is correct and that the following information relating to the application of (Name of Applicant/Voter) is correct according to the records maintained by me.

Name :
No. on the voters list :
Province :
District :
Electoral Division :
Other relevant information :

Date : Signature of Grama Niladhari :
Name of Grama Niladhari :
Division :
Seal :

PART II

CERTIFICATE OF THE GOVERNMENT MEDICAL OFFICER

I have personally examined of who has applied to be entitled to vote as a person subject to a disability, at the forthcoming (Name of Election) and do hereby certify that (Name of Voter/Applicant) is entitled/not entitled to vote as a person subject to a disability, as provided for by law.

Date : Name of Government
Medical Officer:
Signature of Government
Medical Officer:
Seal:

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

Sinhala text to prevail in case of inconsistency.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**FOOD (AMENDMENT)
ACT, No. 29 OF 2011**

[Certified on 07th June, 2011]

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Food (Amendment) Act, No. 29 of 2011

[Certified on 07th June, 2011]

L.D.—O. 26/2009.

AN ACT TO AMEND THE FOOD ACT, NO. 26 OF 1980

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

1. This Act may be cited as the Food (Amendment) Act, No. 29 of 2011. Short title.

2. Section 8 of the Food Act, No. 26 of 1980 (hereinafter referred to as the “principal enactment”) is hereby repealed and the following section is substituted therefor:— Replacement of section 8 of Act, No. 26 of 1980.

“Food Advisory Committee. **8.** (1) There shall be established a Committee which shall be called the Food Advisory Committee comprising of —

(a) the following *ex-officio* members —

- (i) the Director-General of Health Services, who shall be the Chairman of the Committee;
- (ii) the Director in charge of the Food Control Administration in the Department of Health Services, who shall be the Secretary to the Committee;
- (iii) two Deputy Directors-General of Health Services in charge of Public Health Services;
- (iv) two Assistant Directors of the Department of Health Services in charge of Food Control Administration;

- (v) the Government Analyst or his nominee;
- (vi) the Director-General of Customs or his nominee;
- (vii) the Director-General of the Consumer Affairs Authority established under the Consumer Affairs Authority Act, No. 9 of 2003 or his nominee;
- (viii) the Director-General of the Sri Lanka Standards Institute established by the Sri Lanka Standards Institute Act, No. 6 of 1984, or his nominee;
- (ix) the Director-General of the Department of Commerce or his nominee;
- (x) Director-General of the Department of Animal Production and Health or his nominee;
- (xi) the Chief Medical Officer of Health of the Colombo Municipal Council;
- (xii) the City Analyst of the Colombo Municipal Council;
- (xiii) the Food Commissioner or his nominee;
- (xiv) a Nutritionist from the Medical Research Institute of the Department of Health Services, nominated by the Minister;
- (xv) the Legal Officer of the Ministry of the Minister to whom the subject of Health is assigned; and

- (b) the following nominated members—
- (i) an officer nominated by the Secretary to the Ministry of the Minister to whom the subject of Local Government and Provincial Councils is assigned;
 - (ii) a Food Technologist nominated by the Minister;
 - (iii) a Food Microbiologist nominated by the Minister;
 - (iv) a Food Scientist nominated by the Minister;
 - (v) a member nominated by the Minister who shall represent commercial interests relating to food;
 - (vi) a member nominated by the Minister who shall represent industrial interests relating to food; and
 - (vii) two members nominated by the Minister to represent the interests of consumers, relating to food.

(2) Every member of the Committee nominated by the Minister shall, unless he earlier vacates office by resignation, death or removal, hold office for a period of three years from the date of his nomination and shall be eligible for re-nomination.

(3) Every *ex-officio* member of the Committee shall cease to be a member of the Committee on his ceasing to hold the office which qualified him to be, or to be nominated as, a member of the Committee.

(4) The Committee may discharge its functions notwithstanding any vacancy among its members or any defect in the appointment of any such member.

(5) The quorum for any meeting of the Committee shall be seven members:

Provided however, that the Chief Food Authority may, with the concurrence of the Committee, invite any person to participate at a meeting of the committee, if the presence of such person is necessary to facilitate the resolution of issues relating to the implementation of the provisions of this Act:

Provided further, that the attendance of such invited members shall not constitute the quorum required for that meeting:

Provided further that any person so invited shall not have the right to vote on any matter discussed at such meeting:

(6) Subject to the provisions of this Act, the Committee may regulate its own procedure in regard to its meetings and the transaction of business at such meetings .”.

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.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**PRADESHIYA SANWARDANA BANK
(AMENDMENT) ACT, No. 30 OF 2011**

[Certified on 07th June, 2011]

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Pradeshiya Sanwardana Bank (Amendment)
Act, No. 30 of 2011

[Certified on 07th June, 2011]

L.D.—O 13/2011.

AN ACT TO AMEND THE PRADESHIYA SANWARDANA BANK
ACT, NO. 41 OF 2008

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

- 1.** This Act may be cited as the Pradeshiya Sanwardana Bank (Amendment) Act, No. 30 of 2011.

Short title.
- 2.** Section 4 of the Pradeshiya Sanwardana Bank Act, No. 41 of 2008 is hereby repealed and the following Section substituted therefor :—

Replacement of section 4 of Act, No. 41 of 2008.
- 4.** The head office of the Bank may be established in any location in Sri Lanka, outside the Administrative District of Colombo, as may be determined by the Board.”

“Head office of the Bank.
- 3.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Sinhala text to prevail in case of inconsistency.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**CONTROL OF PESTICIDES (AMENDMENT)
ACT, NO. 31 OF 2011**

[Certified on 23rd June, 2011]

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Postage : Rs. 5.00

Control of Pesticides (Amendment)
Act, No. 31 of 2011

[Certified on 23rd June, 2011]

L. D.—O. 26/2008.

AN ACT TO AMEND THE CONTROL OF PESTICIDES
ACT, NO. 33 OF 1980

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

- 1.** This Act may be cited as the Control of Pesticides (Amendment) Act, No. 31 of 2011. Short title.
- 2.** Section 24 of the Control of Pesticides Act, No. 33 of 1980 as amended by Act, No. 6 of 1994 is hereby further amended as follows:— Amendment of section 24 of Act, No. 33 of 1980.

 - (1) in subsection (1) of that section, by the substitution for the words “fine not exceeding ten thousand rupees” of the words “fine not less than fifty thousand rupees and not exceeding one hundred thousand rupees”; and
 - (2) in subsection (2) of that section, by the substitution for the words “shall be deemed to be guilty of that offence” of the words “shall be deemed to be guilty of that offence and shall be liable to a fine not less than one hundred thousand rupees and not exceeding five hundred thousand rupees.”.
- 3.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

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

NAVY (AMENDMENT) ACT, No. 32 OF 2011

[Certified on 24th June, 2011]

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Navy (Amendment) Act, No. 32 of 2011

[Certified on 24th June, 2011]

L. D.— O. 30/2010.

AN ACT TO AMEND THE NAVY ACT (CHAPTER 358)

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

1. This act may be cited as the Navy (Amendment) Act, No. 32 of 2011. Short title.

2. Section 28 of the Navy Act (Chapter 358) is hereby amended by the repeal of subsection (1) of that section and the substitution of the following subsection therefor :— Amendment of section 28 of the Navy Act. (Chapter 358).

“Summary trial of offenders.

28. (1) The Commander of the Navy may—

- (a) where it is in relation to an offence, other than an offence which is expressly required by this Act to be tried by a court martial;
- (b) where an officer of the rank of Lieutenant Commander or below commits and is to be charged with a non-capital offence; and
- (c) if in his opinion, the nature of the offence committed does not warrant a court martial,

authorise an officer not below the rank of a Captain, to summarily try the accused:

Provided that prior to the commencement of the trial, the officer authorised to conduct the trial shall ask the accused whether he chooses—

- (i) to be tried by a court martial ; or
- (ii) to be tried summarily.

Provided however, if the accused chooses to be tried by a court martial, such officer shall forthwith take steps for the trial of the accused by a court martial:

Provided further, the power of punishment of an officer trying an offence summarily shall be limited to forfeiture of seniority or any other less severe punishment in the scale of punishments.”.

In case of an inconsistency the Sinhala text to prevail.

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

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

**SRI LANKA ECONOMIC ASSOCIATION
(INCORPORATION) ACT, No. 33 OF 2011**

[Certified on 19th July, 2011]

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*Sri Lanka Economic Association (Incorporation)
Act, No. 33 of 2011*

[Certified on 19th July, 2011]

L.D.—O. Inc. 14/2009

AN ACT TO INCORPORATE THE SRI LANKA ECONOMIC ASSOCIATION

WHEREAS an Association called and known as the “Sri Lanka Economic Association” has heretofore been formed as a limited liability company under the Companies Act, No. 17 of 1982 and has made an application to re-register under Act, No. 7 of 2007 for the purpose of effectually carrying out and transacting all objects and matters connected with the said Association according to the rules agreed to by its members :

Preamble.

AND WHEREAS the said Association has heretofore successfully carried out and transacted the several objects and matters for which it was established and has applied to be incorporated and it will be for the public advantage to grant the application:

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

1. This Act may be cited as the Sri Lanka Economic Association (Incorporation) Act, No. 33 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the Sri Lanka Economic Association (hereinafter referred to as “the Association”) and such other persons shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate with perpetual succession under the name and style of the “Sri Lanka Economic Association” (hereinafter referred to as “the Corporation”) and by that name may sue and be sued with full power and authority to have and to use a common seal and alter the same at its pleasure.

Incorporation of the Sri Lanka Economic Association.

2 *Sri Lanka Economic Association (Incorporation)*
Act, No. 33 of 2011

General objects
of the
Corporation.

3. The general objects for which the Corporation is constituted are hereby declared to be—

- (a) to undertake, promote and facilitate studies in the field of Economics within and outside Sri Lanka;
- (b) to organize and promote research in the field of Economics and undertake studies and research projects on contract from government, private and international agencies or institutions;
- (c) to plan and organize teaching and training programmes in the field of Economics;
- (d) to train students and others in research methodology with the idea of promoting knowledge and awareness in subjects relevant to economics;
- (e) to assist in the formulation of effective socio-economic policies;
- (f) to prepare and submit reports on issues relating to economic and social development or to prepare reports on studies relating to economic development;
- (g) to promote understanding, co-operation and friendship with similar associations within and outside Sri Lanka; and
- (h) to undertake, promote and conduct on its own initiative or in collaboration with local or foreign associations such surveys and studies on economic and social development in the international sphere and more particularly in Sri Lanka.

Sri Lanka Economic Association (Incorporation) 3
Act, No. 33 of 2011

4. Subject to the provisions of this Act and any other written law, the Corporation shall have the power to do, perform and execute all such acts and matters as necessary or desirable for the promotion or furtherance of the objects of the Corporation or any one of them, including the power —

Powers of the Corporation.

- (a) to raise funds and receive grants, gifts or donations, in cash or kind;
- (b) to acquire, in any manner whatsoever and hold, take or give on lease or hire, rent, sell or otherwise dispose of, any movable or immovable property and construct, maintain and alter any buildings or works necessary or convenient for the business of the Corporation;
- (c) to make, draw, accept, discount, endorse, negotiate, buy, sell and issue bills of exchange, cheques, promissory notes and other negotiable instruments and to open, operate and close bank accounts and borrow or raise money with or without security;
- (d) to invest any funds not immediately required for the purposes of the Corporation in such manner as the Council of Management may determine;
- (e) to enter into agreements or contracts with any person or body of persons for the implementation of these objects;
- (f) to determine the fees to be paid in respect of registration of different categories of membership; and
- (g) appoint, employ, dismiss or terminate the services of officers and servants of the Corporation and to pay them such salaries, allowances and gratuities as may be determined by the Corporation.

4 *Sri Lanka Economic Association (Incorporation)*
Act, No. 33 of 2011

Management of
the affairs of the
Corporation.

5. (1) The management, control and administration of the Corporation shall, subject to the provisions of this Act and any rule that may be made under section 6, vest in a Council of Management (hereinafter referred to as “the Council”).

(2) The first Council of the Corporation shall consist of the members of the Council of the Association holding office on the day preceding the date of commencement of this Act.

Rules of the
Corporation.

6. (1) It shall be lawful for the Corporation, from time to time, at any general meeting and by the votes of not less than two thirds of the members present and voting, to make rules, not inconsistent with the provisions of this Act or any other written law, for all or any of the following matters :—

- (a) the classification of membership, fees payable by each class of members, admission, withdrawal, expulsion or resignation of members and for the maintaining of a register of members;
- (b) the election of office bearers of the Council or vacation of or removal from office and the powers, duties and functions of the office bearers;
- (c) the appointment, powers, duties and functions and terms and conditions of the various officers, agents and servants of the Corporation;
- (d) the procedure to be followed at the summoning and holding of meetings of the Council, the Corporation and any sub-committee thereof, including the quorum therefor and the conduct of business thereat;
- (e) the qualification and disqualification for members of the Council and the Corporation; and

Sri Lanka Economic Association (Incorporation) 5
Act, No. 33 of 2011

- (f) the administration and management of the property of the Corporation for the accomplishment of the objects of the Corporation.

(2) The rules made by the Corporation may be amended, altered, added to or rescinded at a like meeting and in like manner as a rule made under subsection (1).

(3) The members of the Corporation shall at all time be subject to the rules of the Corporation made under this section.

7. (1) With effect from the date of commencement of this Act—

Vesting of the property etc. of the Association in the Corporation.

- (a) all property, movable or immovable, of the Association;
- (b) all rights, powers, privileges and interests of the Association and all the liabilities of the Association;
- (c) all books, accounts and documents of the Association;

shall vest absolutely in the Corporation.

(2) With effect from the date of commencement of this Act and without prejudice to the generality of subsection (1)—

- (a) all debts due to and subscriptions and fees payable to the Association shall be paid to the Corporation;
- (b) all liabilities of the Association subsisting on the day immediately preceding the date of commencement of this Act shall be deemed to be the liabilities of the Corporation;

6 *Sri Lanka Economic Association (Incorporation)*
Act, No. 33 of 2011

- (c) all officers and servants of the Association on the day immediately preceding the date of commencement of this Act shall be deemed to be officers and servants of the Corporation;
- (d) all contracts and agreements entered into for the purposes of the Association and subsisting on the day immediately preceding date of commencement of this Act shall be deemed to be contracts and agreements entered into by the Corporation;
- (e) all actions and legal proceedings instituted by or against the Association and pending on the day immediately preceding the date of commencement of this Act shall be continued and enforced as legal proceedings instituted by, or against, the Corporation.

Fund of the Corporation.

8. (1) The Corporation shall have its own fund and it shall consist of all moneys received by way of gifts, testamentary dispositions, grants, donations, contributions or fees in cash or kind.

(2) All moneys received shall be deposited in the name of the Corporation in one or more banks and be invested in any suitable manner to achieve the objects of the Corporation as may be decided by the Council.

(3) All expenditure incurred by the Corporation in the exercise, performance and discharge of the powers, duties and functions of the Corporation shall be paid out of the fund of the Corporation.

Accounts and Audit.

9. (1) The Corporation shall cause proper accounts to be kept of income and expenditure, assets and liabilities and all other transactions of the Corporation.

(2) The accounts of the Corporation shall be audited by a qualified auditor as may be determined by the Council.

Sri Lanka Economic Association (Incorporation) Act, No. 33 of 2011 7

(3) In this section “qualified auditor” means —

- (a) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka, or of any other Institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute; or
- (b) a firm of Accountants each of the resident partners, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law possesses a certificate or partice as an Accountant issued by the Council of such Institute.

10. All debts and liabilities of the Association existing on the day preceding the date of commencement of this Act, shall be paid by the Corporation and all debts due to, subscriptions and contributions payable to the Association on that day shall be paid to the Corporation for the purpose of this Act.

Debts due and payable to the Association.

11. If upon the dissolution of the Corporation there remains after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation but shall be given or transferred to some other institute or institutes having objects similar to those of the Corporation, and which is or are by the rules thereof prohibited from distributing any income or property among its or their members. Such institution or institutions shall be determined by the Council at or immediately before the dissolution of the Corporation.

Property remaining on dissolution.

12. The seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of the Secretary or a member of the Council as may be duly authorised by the Council and another member of the Council

Seal of the Corporation.

8 *Sri Lanka Economic Association (Incorporation)*
Act, No. 33 of 2011

who shall sign their names on the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Limitation of liability of members.

13. No member of the Corporation shall, for the purpose of discharging the debts and liabilities of the Corporation or for any other purpose, be liable to make any contribution exceeding the amount of annual subscription payable by him to the Corporation.

Saving of the rights of the Republic and others.

14. Nothing in this Act contained shall prejudice or affect the rights of the Republic or of any body politic or corporate.

Sinhala text to prevail in case of inconsistency.

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

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**ANURADHAPURA SRI PUSHPADANA
DEVELOPMENT FOUNDATION
(INCORPORATION) ACT, No. 34 OF 2011**

[Certified on 22nd August, 2011]

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*Anuradhapura Sri Pushpadana Development
Foundation (Incorporation) Act, No. 34 of 2011*

[Certified on 22nd August, 2011]

AN ACT TO INCORPORATE THE ANURADHAPURA SRI PUSHPADANA
DEVELOPMENT FOUNDATION

WHEREAS a Foundation called and known as “Anuradhapura Sri Pushpadana Development Foundation” has heretofore been formed in Anuradhapura in Sri Lanka for the purpose of effectually carrying out and transacting all objects and matters connected with the said Foundation according to the rules agreed to by its members:

Preamble.

AND WHEREAS the said Foundation has heretofore successfully carried out and transacted the several objects and matters for which it was formed and has applied to be incorporated and it will be expedient to grant such application:

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

1. This Act may be cited as the Anuradhapura Sri Pushpadana Development Foundation (Incorporation) Act, No. 34 of 2011.

Short title.

2. From and after the date of commencement of this Act such and so many persons as now are members of the “Anuradhapura Sri Pushpadana Development Foundation” (hereinafter referred to as the “Foundation”) or shall hereafter be admitted members of the Corporation hereby constituted, shall be a body corporate (hereinafter referred to as the “Corporation”) with perpetual succession, under the name and style of “Anuradhapura Sri Pushpadana Development Foundation” and by that name may sue and be sued, with full power and authority to have, and use a common seal and alter the same at its pleasure.

Incorporation
of the
Anuradhapura
Sri Pushpadana
Development
Foundation.

3. The general objects for which the Corporation is constituted are hereby declared to be—

General objects
of the
Corporation.

(a) to safeguard the Buddhist cultural heritage within the sacred area in Anuradhapura;

2 *Anuradhapura Sri Pushpadana Development
Foundation (Incorporation) Act, No. 34 of 2011*

- (b) to make arrangements for free distribution of flowers among the Buddhist devotees who arrive in to the sacred area in Anurdhapura;
- (c) to offer “dana” (mid day meal) and “gilanpasa” (evening meal) to the visiting Bhikku (Monks), Upasaka, Upasika, paupers and travelers on each and every full moon day;
- (d) to make arrangements for conducting Seela and Meditation classes and Dhamma sermon for Buddhist devotees in the sacred area in Anuradhapura;
- (e) to make arrangements for the protection of the personal belongings of pilgrims on special festive occasions and to provide them with other necessary facilities;
- (f) to publish Damma books and leaflets for the promotion of the Buddhism and to establish a Buddhist Library Service;
- (g) to assist Buddhist monks and needy Buddhist children in their studies and organize scholarships for them; and
- (h) to undertake activities in co-ordination with other Buddhist institutions whose objectives are similar to that of the Corporation.

Powers of the Corporation.

4. Subject to the provisions of this Act, and any other written law, the Corporation shall have the power to do perform and execute all such acts matters and things whatsoever of the objects of the Corporation or one of them, including the power—

- (a) to purchase, acquire, rent, construct or otherwise obtain land or building which may be required for the purposes of the Corporation;

- (b) to receive grants, gifts or donation, in cash or kind whether from local or foreign sources;
- (c) to erect or cause to be erected, any building or structure on any land belonging to, or held by the Corporation;
- (d) to make, draw, accept, discount, endorse, negotiate, buy, sell and issue bills of exchange, cheques, promissory note and other negotiable instruments and to open, operate, maintain and close current, saving and deposit account in any bank;
- (e) to invest any funds not immediately required for the purposes of the Corporation in such manner as the Committee may think fit;
- (f) to undertake, accept, execute, perform and administer lawful trusts and conditions affecting any movable or immovable property;
- (g) to appoint, employ, dismiss or terminate the services of officers and servants of the Corporation and to pay them such salaries, allowances and gratuities as may be determined by the corporation; and
- (h) to train personnel in the matters required to be done for the implementation of the objects of the Corporation.

5. (1) The affairs of the Corporation shall, subject to the other provisions of this Act, be administered by a Committee consisting of a Chief Chairman, seven Vice Chairmen, a Chief Secretary, Vice Secretary, a Treasurer and Auditor and Nineteen other Committee Members as may be provided for in the rules made under section 8 and elected in accordance therewith.

Management of
the affairs of the
Corporation.

(2) The first Committee of the Corporation shall consist of the members of the Committee of the Foundation holding

4 *Anuradhapura Sri Pushpadana Development
Foundation (Incorporation) Act, No. 34 of 2011*

office on the day immediately preceding the date of commencement of this Act and who shall hold office until a new committee is elected under the rules of the Corporation.

Register of
members.

6. (1) The Board shall cause to be maintained a register in which every person who on the date of commencement of this Act, is a member of the Corporation, and every person thereafter duly admitted as member of the Corporation shall have inscribed in such register his name.

(2) The register shall contain the following particulars:—

- (a) name, address and occupation of the each Member of the Corporation;
- (b) the date on which the name of the member was inscribed in the register; and
- (c) the date on which any person ceased to be member.

Cancellation of
membership.

7. Cancellation of membership may cause due to one of the following reasons:—

- (a) at the death of the member;
- (b) resignation;
- (c) mental incapacity; and
- (d) violation of any rules.

Rules of the
Corporation.

8. (1) It shall be lawful for the Corporation, from time to time, at any General Meeting and by a majority of not less than two-thirds of the members present and voting, to make rules, not inconsistent with the provisions of this Act or any other written law, for all or any of the following matters:—

- (a) the classification of membership, the admission, withdrawal or expulsion of members;

- (b) the election of the office bearers, the resignation from, or vacation of, or removal from, office of office bearers, and their powers, conduct and duties;
- (c) the election of the members of the Committee and their powers, conduct and duties, and the terms of office of members of the Corporation;
- (d) the powers, conduct, duties and function of the various officers, agents and servants of the Corporation;
- (e) the procedure to be observed and the summoning and holding of meeting of the Committee, the times, places, notices and agenda of such meetings, the quorum thereof and the conduct of business thereat; and
- (f) generally, for the management of the affairs of the Corporation and the accomplishment of its objects.

(2) Any rule made by the Corporation may be amended, altered, added to, or rescinded at a like meeting and in like manner as a rule made under subsection (1).

(3) The members of the Corporation shall be subject to the rules of the Corporation.

9. (1) The Corporation shall have its own fund and all monies heretofore or hereafter received by way of gift, bequest, donation, subscription shall be deposited to the credit of the Corporation in one or more banks as the Committee shall determine.

Fund of the
Corporation.

(2) There shall be paid out of the fund, any expenditure incurred by the Corporation in the exercise, performance and discharge of its powers, duties and functions of this Act.

6 *Anuradhapura Sri Pushpadana Development
Foundation (Incorporation) Act, No. 34 of 2011*

Debts due by
and payable to
the Foundation.

10. All debts and liabilities of the Foundation existing on the day immediately preceding the date of commencement of this Act, shall be paid by the Corporation hereby constituted and all debts due to, subscriptions and contribution payable to, the Foundation on that day shall be paid to the Corporation for the purposes of this Act.

Accounts and
Audit.

11. (1) The financial year of the Corporation shall be the calendar year.

(2) The Corporation shall cause proper accounts, to be kept of its income and expenditure, assets and liabilities and all other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited by a qualified auditor.

(4) In this section, “qualified auditor” means—

- (i) an individual, who being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute;
- (ii) a firm of Accountants, each of the resident partners of which being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law possesses a certificate to practice as an Accountant issued by the Council of such Institute.

Corporation
may hold
property
movable and
immovable.

12. The Corporation shall be able and capable in law, to acquire and hold any property, movable or immovable which may become vested in it by virtue of any purchase, grant, gift, testamentary disposition or otherwise, and all such property shall be held by the Corporation for the purpose of this Act and subject to the rules of the Corporation made under section 8, with full power to sell mortgage, lease, exchange or otherwise dispose of the same.

Anuradhapura Sri Pushpadana Development 7
Foundation (Incorporation) Act, No. 34 of 2011

- 13.** The seal of the Corporation shall not be affixed to any instrument whatsoever except in the presence of the Chief Chairman and the Chief Secretary or the Treasurer who shall sign their names to the instrument in token of their presence, and such signing shall be independent of the signing of any person as a witness. Seal of the Corporation.
- 14.** If upon the dissolution of the Corporation there remains after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation but shall be given or transferred to some other Institution or Institutions having object similar to those of the Corporation, and which is or are by the rules there of prohibited from distributing any income or property among its or their members. Such Institution or Institutions shall be determined by the Corporation immediately before, the dissolution of the Corporation. Property remaining on dissolution.
- 15.** Nothing in this Act contained shall prejudice or affect the rights of the Republic, or of any body politic, or corporate. Saving of the right of the Republic and other.
- 16.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of any inconsistency.

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**PARLIAMENT OF THE DEMOCRATIC
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**PAHALAGAMA SRI SOMARATHANA
NAYAKA THERO FOUNDATION
(INCORPORATION) ACT, No. 35 OF 2011**

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*Pahalagama Sri Somarathana Nayaka Thero
Foundation (Incorporation) Act, No. 35 of 2011*

[Certified on 23rd August, 2011]

L.D.—O. (INC) 12/2010.

AN ACT TO INCORPORATE THE PAHALAGAMA SRI SOMARATHANA
NAYAKA THERO FOUNDATION

WHEREAS a Foundation called and known as the “Pahalagama Sri Somarathana Nayaka Thero Foundation” has heretofore been formed for the purpose of effectually carrying out its objects and transacting all matters connected with the Foundation, according to the rules agreed to, by its members:

Preamble.

AND WHEREAS the said Foundation has applied to be incorporated in order to enable it more effectively to carry out and fulfil the several objects and purposes for which it was formed and it will be expedient to grant the application:

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

1. This Act may be cited as the Pahalagama Sri Somarathana Nayaka Thero Foundation (Incorporation) Act, No. 35 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the Pahalagama Sri Somarathana Nayaka Thero Foundation (hereinafter referred to as the “Foundation”) or shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate (hereinafter referred to as the “Corporation”) with perpetual succession, under the name and style of the “Pahalagama Sri Somarathana Nayaka Thero Foundation” and by that name may sue and be sued in all courts, with full power and authority to have and use a common seal and to alter the same at its pleasure.

Incorporation of the Pahalagama Sri Somarathana Nayaka Thero Foundation.

3. The general objects for which the Corporation is constituted are hereby declared to be—

General Objects of the Corporation.

(a) to conduct Dhamma sermons, discussions and seminars;

2 *Pahalagama Sri Somarathana Nayaka Thero
Foundation (Incorporation) Act, No. 35 of 2011*

- (b) to print, publish and distribute books, magazines, journals, papers and programmes relating to Buddhism;
- (c) to set up and maintain reading halls, lecture halls, and academic institutions for the study, promotion and propagation of Buddhism;
- (d) to organize and conduct activities for the preservation of Buddhist culture and moral development;
- (e) to take steps to improve the way of life of adherents of the Buddhist faith;
- (f) to promote national Buddhist customs and to improve the spiritual and social values of adherents of the Buddhist faith;
- (g) to assist the younger generation of adherents of the Buddhist faith to face up to social and economic hardships;
- (h) to conduct social service activities in accordance with Buddhist principles and to encourage the adherents of the Buddhist faith to engage in such activities; and
- (i) to establish and maintain institutions for educational and social service activities for the adherents of the Buddhist faith.

General Powers
of the
Corporation.

4. Subject to the provisions of this Act, or other written law, the Corporation shall have the power to do, perform and execute all such acts, matters and things whatsoever as are necessary or desirable for the promotion or furtherance of the objects of the Corporation or any one of them, including the power to open, operate and close bank accounts, to borrow or raise money, with or without security,

to receive or collect grants and donations, to invest its funds and to engage, employ and dismiss officers and servants required for the carrying out of the objects of the Corporation.

5. (1) The affairs of the Corporation shall, subject to the rules made under section 6 be administered by a Committee of Management consisting of the Director-General, the Honorary Secretary and the Honorary Treasurer and not less than six other members as may be provided for in those rules and elected in accordance therewith.

Management of
the affairs of the
Corporation.

(2) The founder member of the Foundation, Rev. Pahalagama Sri Somarathana Nayaka Thero shall be the Chairman of the Committee of Management for life. The Chairman shall be the Chief Executive Officer of the Corporation.

(3) The first Committee of Management of the Corporation shall consist of the members of the Committee of Management of the Foundation holding office on the day immediately preceding the date of commencement of this Act.

6. (1) It shall be lawful for the Corporation from time to time, at any general meeting and by a majority of not less than two thirds of the members present and voting, to make rules, not inconsistent with the provisions of this Act or any other written law, for all or any of the following matters :—

Rules of the
Corporation.

- (a) the classification of membership and the admission, withdrawal or expulsion of members;
- (b) the election of the office bearers, resignation or vacation of, or removal from office of office-bearers and their powers, conduct and duties;
- (c) the election of the members of the Committee of Management and its powers, conduct and duties;
- (d) the procedure to be observed at, and the summoning and holding of meetings of the Corporation,

4 *Pahalagama Sri Somarathana Nayaka Thero
Foundation (Incorporation) Act, No. 35 of 2011*

Committee of Management or any sub-committee and of the time, places, notices and agenda, of such meetings, the quorum therefore and the conduct of business thereof;

- (e) the powers, conduct, duties and functions of the various officers, agents and servants of the Corporation;
- (f) the administration and management of the property of the Corporation, the custody of its funds and the maintenance and audit of its accounts; and
- (g) generally for the management of the affairs of the Corporation and the accomplishment of its objects.

(2) Any rule made by the Corporation may be amended, altered, added to or rescinded at a like meeting and in like manner as a rule made under subsection (1).

(3) All members of the Corporation shall be subject to the rules of the Corporation.

Debts due by
and payable to
the Foundation.

7. All debts and liabilities of the Foundation existing on the day preceding the date of commencement of this Act, shall be paid and discharged by the Corporation and all debts due to, and subscriptions and contributions payable to the Foundation on that day shall be paid to the Corporation for the purposes of this Act.

Corporation
may hold
property
movable and
immovable.

8. The Corporation shall be able and capable in law to take and hold any property, movable or immovable, which may become vested in it by virtue of any purchase, grant, gift, lease or testamentary disposition or otherwise and all such property shall be held by the Corporation for the purposes of this Act and subject to the rules of the Corporation made under section 6 with full power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Pahalagama Sri Somarathana Nayaka Thero 5
Foundation (Incorporation) Act, No. 35 of 2011

9. (1) The Corporation shall have its own fund and all moneys heretofore or hereafter to be received by way of testamentary dispositions, donations, contributions and fees deposited in the name of the Corporation in one or more banks as may be decided by the Committee of Management.

Fund of the Corporation.

(2) There shall be paid out from the fund, all sums of moneys to defray any expenditure incurred by the Corporation in the exercise, performance and discharge of its powers, duties and functions under this Act.

10. (1) The financial year of the Corporation shall be the calendar year.

Accounts and Audit.

(2) The Corporation shall cause proper accounts to be kept of all moneys received and expended by the Corporation.

(3) The Accounts of the Corporation shall be examined and audited at least once in every year and the correctness of income and expenditure account and the balance sheet certified by a qualified auditor appointed by the Committee of Management.

(4) In this section “qualified auditor” means —

- (a) an individual who, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practice as an Accountant, issued by the Council of such Institute ; or
- (b) a firm of Accountants, each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practice as an Accountant, issued by the Council of such Institute.

6 *Pahalagama Sri Somarathana Nayaka Thero
Foundation (Incorporation) Act, No. 35 of 2011*

Seal of the
Corporation.

11. The seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of the Honorary Secretary of the Committee of Management and such other person duly authorised by the Committee of Management who shall sign their names to the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Property
remaining on
dissolution.

12. If upon the dissolution of the Corporation, there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation, but shall be given or transferred to some other institution or institutions having objects similar to those of the Corporation and which is or are by the rules prohibited from distributing any income or property among their members. Such institution or institutions shall be determined by the members of the Corporation at, or immediately before, the time of dissolution of the Corporation.

Saving of the
rights of the
Republic and
others.

13. Nothing in this Act contained shall prejudice or affect the rights of the Republic or any body politic, or corporate.

Sinhala text to
prevail in case
of inconsistency.

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

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**LESTER JAMES PERIES AND SUMITRA
PERIES FOUNDATION (INCORPORATION)
ACT, No. 36 OF 2011**

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*Lester James Peries and Sumitra Peries Foundation
(Incorporation) Act, No. 36 of 2011*

[Certified on 23rd August, 2011]

L.D.—O. Inc. 6/2011.

AN ACT TO INCORPORATE THE LESTER JAMES PERIES AND SUMITRA
PERIES FOUNDATION.

WHEREAS a Foundation called and known as the “Lester James Peries and Sumitra Peries Foundation” has heretofore been formed in Sri Lanka for the purpose of effectually carrying out its objects and transacting all matters connected with the said Foundation according to the rules agreed to by its members :

Preamble.

AND WHEREAS the said Foundation has heretofore successfully carried out and transacted the several objects and matters for which it was formed, and has applied to be incorporated and it will be for the public advantage to grant the said application :

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

1. This Act may be cited as the Lester James Peries and Sumitra Peries Foundation (Incorporation) Act, No. 36 of 2011.

Short title

2. From and after the date of commencement of this Act, such and so many persons as now are members of the “Lester James Peries and Sumitra Peries Foundation” (hereinafter referred to as the “Foundation”) and shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate with perpetual succession, under the name and style of the “Lester James Peries and Sumitra Peries Foundation” (hereinafter referred to as the “Corporation”) and by that name may sue and be sued, with full power and authority to have and use a common seal and to alter the same at its pleasure.

Incorporation of
Lester James
Peries and
Sumitra Peries
Foundation.

*2 Lester James Peries and Sumitra Peries Foundation
(Incorporation) Act, No. 36 of 2011*

General Objects
of the
Corporation.

3. (1) The general objects for which the Corporation is constituted are hereby declared to be:—

- (a) to provide assistance for developing, promoting and sustaining the Sri Lankan cinema and the personalities associated with it ;
- (b) to promote and foster cinema and related arts and crafts for children and young adults ;
- (c) to promote, improve, develop, provide financial assistance, and maintain academic, scientific, cultural, literary, artistic and physical abilities and aptitudes ;
- (d) to promote, propagate and foster humanitarian ideals, democratic and pluralistic values, good citizenship, patriotic concepts and beliefs ;
- (e) to improve, develop, create, foster and maintain talents and abilities in entrepreneurship, research and training in business, technology and management and concept of income-generation and self employment ventures and enterprises ;
- (f) to establish, improve, encourage, develop and maintain research and research facilities in scientific, cultural, educational, economic and all other aspects of human development ;
- (g) to advise and assist the Government, Non-Governmental organizations and individuals on matters required to be done in furtherance of the objects of the Corporation ;
- (h) to preserve and promote all cinematographic and other creations of Lester James Peries and Sumitra Peries including scripts, manuscripts, books, letters, articles, poems, photographs, maintained in print, electronic or any other media ;

Lester James Peries and Sumitra Peries Foundation 3
(Incorporation) Act, No. 36 of 2011

- (i) to preserve all cinematic equipment and personal memorabilia owned and used by Lester James Peries and Sumitra Peries ;
- (j) to maintain an archives to promote and preserve all cinematographic or other creations of any Sri Lankan filmmaker ;
- (k) to grant prizes, rewards, awards or scholarships to promote and encourage creative talents in general or in particular fields ;
- (l) to organize, conduct and participate in seminars, meetings, workshops, discussions, talks, classes, films, film shows, demonstrations, sports and recreational activities, and to write, print and publish books, periodicals, magazines, articles and newspapers, in furtherance of the objects herein specified and specifically in all areas of educational activity ;
- (m) to establish and maintain libraries, workshops and reading rooms and to equip the same having regard to the basic objects of the Corporation ;
- (n) to publish articles, periodicals or such other literature and information as may prove necessary or useful for the purpose of the Corporation ; and
- (o) to undertake and execute any trusts the undertaking whereof seems desirable, either gratuitously or otherwise.

(2) In the implementation of the objects specified in subsection (1) the Board shall ensure that such implementation shall be carried out without any distinction based on race, religion, language, caste, sex, political opinion or place of birth.

4 *Lester James Peries and Sumitra Peries Foundation
(Incorporation) Act, No. 36 of 2011*

Management of
the affairs of the
Corporation.

4. (1) The affairs of the Corporation shall, subject to the other provisions of this Act and rules of the Corporation made under section 6, be administered by a Board of Directors (in this Act referred to as the “Board”) consisting of a Chairman and Secretary and such other members elected or appointed in accordance with such rules.

(2) The first Board shall consist of the members of the Board of Administration of the Foundation holding office on the day immediately preceding the date of commencement of this Act.

General Powers
of the
Corporation.

5. Subject to the provisions of this Act and any other written law, the Corporation shall have the power to do, perform and execute all such acts, matters and things whatsoever, as are necessary or desirable for the promotion or furtherance of the objects of the Corporation or any one of them including the power to :—

- (a) acquire, hold, take or give on lease or hire, mortgage, pledge, sell, exchange or otherwise alienate, encumber or dispose of any immovable property for the purposes of the Corporation ;
- (b) enter into and perform or carry out, whether directly or through any officer or agent authorized in that behalf by the Corporation, all such contracts or agreements as may be necessary for the attainment of the objects or the exercise of the powers of the Corporation ;
- (c) accept grants, gifts, donations and bequests in cash or in kind:

Provided that, notwithstanding anything to the contrary in any other provisions of this Act, the Board shall obtain the prior written approval of the Department of External Resources of the Ministry

Lester James Peries and Sumitra Peries Foundation 5
(Incorporation) Act, No. 36 of 2011

of the Minister in charge of the subject of finance, in respect of all foreign grants, gifts or donations. The accounts of the Corporation in respect of such grants, gifts, or donations shall be audited by the Auditor General ;

- (d) invest its funds and to open, maintain and close current, deposit and savings accounts in any bank ;
- (e) borrow or invest money for the purposes of the Corporation in such manner and upon such security as the Corporation may think fit ; and
- (f) appoint, employ, transfer, exercise disciplinary control over and dismiss officers and servants required for the carrying out of the objects of the Corporation.

6. (1) It shall be lawful for the Corporation from time to time, at any general meeting of the Corporation and by a majority of not less than two thirds of the members present and voting, to make rules, not inconsistent with the provisions of this Act or any other written law on all or any of the following matters:—

Rules of the Corporation.

- (a) the classification of membership and the admission, withdrawal or expulsion of members ;
- (b) the election of office-bearers, the resignation from or vacation of, or removal from office of, office bearers and their powers, duties and functions ;
- (c) the powers, duties and functions of the various officers, agents and servants of the Corporation ;
- (d) the procedure to be observed or the summoning and holding of meetings of the Corporation and the Board, the time, places, notices and agenda of such meetings and the quorum therefore and the conduct of business thereat ;

6 *Lester James Peries and Sumitra Peries Foundation
(Incorporation) Act, No. 36 of 2011*

- (e) the administration and management of the property of the Corporation and the custody of its funds ;
- (f) establishing committees for the proper execution of the objects of the Corporation ; and
- (g) qualifications and disqualifications of members of the Corporation and the Board.

(2) Any rule made by the Corporation may be amended, altered, added to or rescinded at a like meeting and in like manner as a rule made under subsection (1).

(3) The members of the Corporation shall at all times be subject to the rules of the Corporation.

Fund of the Corporation.

7. (1) The Corporation shall have its own fund and all moneys heretofore or hereafter received by way of gifts, testamentary dispositions, transfers, donations, subscriptions, contributions, fees, grants or any financial investment shall be deposited to the credit of the fund of the Corporation in one or more Banks as may be determine by the Board .

(2) All expenses incurred by the Corporation in exercising and discharging its powers and functions shall be paid out of the fund.

Audit and Accounts.

8. (1) The financial year of the Corporation shall be the calendar year.

(2) The Corporation shall cause proper accounts to be kept of its income and expenditure, assets and liabilities and all other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited by a qualiafied auditor appointed by the Board.

*Lester James Peries and Sumitra Peries Foundation 7
(Incorporation) Act, No. 36 of 2011*

(4) In this section, “qualified auditor” means—

- (a) an individual who, being a member of the Institute of Chartered Accountants of Sri Lanka, or of any other institute established by law, possesses a certificate to practice as an accountant issued by such Institute ; or
- (b) a firm of accountants, each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an accountant issued by such Institute.

9. The seal of the Corporation shall be in the custody of the Secretary and shall not be affixed to any instrument whatsoever except in the presence of Chairman and such other member duly authorized by the Board who shall sign their names on the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Seal of the Corporation.

10. All debts and liabilities of the Foundation existing on the day preceding the date of commencement of this Act shall be paid by the Corporation hereby constituted and all debts due to, subscriptions and contributions payable to the Foundation on that day shall be paid to the Corporation for the purposes of this Act.

Debts due by and payable to the Foundation.

11. No member of the Corporation shall, for the purpose of discharging the debts and liabilities of the Corporation or for any other purpose, be liable to make any contribution exceeding the amount of such membership fees as may be due from him to the Corporation.

Limitation of liabilities of members.

12. The moneys and property of the Corporation however derived shall be applied solely towards the promotion of its objects as set forth herein and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus, profit or otherwise howsoever to the members of the Corporation.

Application of moneys and property.

8 *Lester James Peries and Sumitra Peries Foundation
(Incorporation) Act, No. 36 of 2011*

Corporation
may hold
property
movable and
immovable.

13. Subject to the provisions of this Act, the Corporation shall be able and capable in law to acquire and hold any property, movable or immovable, which may become vested in it by virtue of any purchase, grant, gift, testamentary disposition or otherwise, and all such property shall be held by the Corporation for the purposes of the Corporation and subject to the rules of the Corporation made under section 6, with full power to sell, mortgage, lease, exchange or otherwise dispose of, the same.

Property
remaining on
dissolution.

14. If upon the dissolution of the Corporation there remains after the satisfaction of all debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation, but shall be given or transferred to some other association or associations having objects, similar to the objects of the Corporation and which is, or are by the rules thereof prohibited from distributing any income or profit among its or their members. Such association or associations shall be determined by the members of the Corporation at or immediately before the time of dissolution of the Corporation.

Saving of the
rights of the
Republic and
others.

15. Nothing in this Act contained shall prejudice or affect the rights of the Republic or of any body politic or corporate.

Sinhala text to
prevail in case
of inconsistency.

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

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**OLAGANGALA MAHA SUDARSHANA
PAROPAKARI FOUNDATION
(INCORPORATION) ACT, No. 37 OF 2011**

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*Olagangala Maha Sudarshana Paropakari
Foundation (Incorporation) Act, No. 37 of 2011*

[Certified on 23rd August, 2011]

L.D.—O. (INC.) 13/2007.

AN ACT TO INCORPORATE THE OLAGANGALA MAHA SUDARSHANA
PAROPAKARI FOUNDATION

WHEREAS a foundation called and known as the “Olagangala Maha Sudarshana Paropakari Foundation” has heretofore been established in Sri Lanka for the purpose of effectually carrying out and transacting all objects and matters connected with the said Foundation according to the rules agreed to by its members:

Preamble.

AND WHEREAS the said Foundation has heretofore successfully carried out and transacted the several objects for which it was established and has applied to be incorporated and it will be for the public advantage to grant the application:

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

1. This Act may be cited as the Olagangala Maha Sudarshana Paropakari Foundation (Incorporation) Act, No. 37 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the “Olagangala Maha Sudarshana Paropakari Foundation” (hereinafter referred to as the “Foundation”) or shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate (hereinafter referred to as the “Corporation”) with perpetual succession, under the name and style of “Olagangala Maha Sudarshana Paropakari Foundation” and by that name may sue and be sued with full power and authority to have and use a common seal and to alter the same at its pleasure.

Incorporation of
the Olagangala
Maha
Sudarshana
Paropakari
Foundation.

2 *Olagangala Maha Sudarshana Paropakari
Foundation (Incorporation) Act, No. 37 of 2011*

General objects
of the
Corporation.

3. The general objects for which the Corporation is constituted are hereby declared to be—

- (a) to promote and foster practices and moral values needed for the spiritual development of the adherents of the Buddhist faith;
- (b) to minimize the tension experienced by Buddhist by practicing the teachings of Buddha for relieving the mental and emotional stress faced by them and thereby guiding them to a quiet life style;
- (c) to rescue the adherents of the Buddhist faith from petty controversies by developing co-operation and co-existence so that a wider representation is achieved in the community through the understanding of the human nature obtained from Buddhist teachings by persons of whatever age limit, whether young or old;
- (d) to make the Buddhist family and society a self sufficient unit after identifying the social individuality that could bring about a disciplined society free of caste or religious differences;
- (e) to raise through the forest dwelling sect a Bhikku Society well versed in Tripitaka Dhamma suitable in implementing programmes for the dissemination of Dhamma centred on the villages of Sri Lanka and to ensure achievement of the above objects through dedication;
- (f) to develop Dhamma Research Institutes containing Tripitaka Dhamma Books and Buddhist literature for the benefit of the learned, both lay and clergy in Sri Lanka, and to direct them to use the natural environment with existing caves for the practice of mindful meditation while providing them the necessary facilities;

- (g) to provide maximum contribution for the personality development of the Buddhist children faced with poverty by donating financial and material allocations for their physical and mental development;
- (h) to provide modern theoretical and practical knowledge for those who need it in order to maintain agricultural and economic strategies productively;
- (i) to develop physical and human resources needed to guide Buddhist school children to get advise and extra assistance from professionals in the field of education in facing public examinations while at the same time increasing their literacy rate;
- (j) to assist the Buddhist youth interested in pursuing self-employment livelihoods to manage their family economics better by providing them with vocational training and physical and financial resources needed in this regard;
- (k) to act in co-operation with local and foreign institutions having aims and objectives similar to those of the above corporation, and to exchange resources and to act jointly with those institutions, whenever necessary;
- (l) to print and publish books, magazines, bulletins, newspapers and periodicals needed for the accomplishment of the objectives of the corporation and to distribute these as required;
- (m) to extend full sponsorship to conduct, in Sri Lanka or overseas, seminars, discussions, workshops and group educational activities for the promotion of physical, mental, social, ethical and intellectual development activities necessary to lead a perfect life;

4 *Olagangala Maha Sudarshana Paropakari
Foundation (Incorporation) Act, No. 37 of 2011*

- (n) to conduct Buddhist religious practices with the participation of patients undergoing treatment at hospitals and other similar institutions thereby giving them physical and mental relief and to volunteer to render any service necessary for their well being;
- (o) to intervene instantly to restore the physical and mental stability of adherents of the Buddhist faith facing various calamities including natural disasters and to actively participate in whatever measure needed to restore them to normalcy;
- (p) to promote personal independence by developing attitudes and skills needed for a stronger, determined and targeted community life by directing attention towards the use of identified potentials of human beings for social and individual development; and
- (q) to organise the welfare activities and provide facilities for the upliftment of families of the deceased soldiers who are adherents of the Buddhist faith.

Management of
the affairs of the
Corporation.

4. (1) The Management of the affairs of the Corporation shall, subject to the other provisions of this Act and the rules of the Corporation made under section 6, be administered by a Governing Body consisting of the residential Chief Incumbent of the Olagangala Maha Sudarshana Aranya Senasanaya and the President, the Secretary, the Treasurer, the Assistant Secretary, the Vice President and seven Committee members who shall be elected at the general meeting by a majority of not less than two thirds of the members present and voting.

(2) The first Governing Body of the Corporation shall consist of the members of the Governing body of the Foundation, holding office on the day preceding the date of commencement of this Act.

5. Subject to the provisions of this Act, and any other written law, the Corporation shall have the power—

Powers of the Corporation to acquire property, invest funds and raise loans, etc.

- (a) to purchase, acquire, rent, construct and otherwise obtain lands or buildings which may be required for the purposes of the Corporation;
- (b) to borrow or raise money from Government approved Banks and other institutions (foreign and local) for the purposes of the Corporation with the approval of the governing body;
- (c) to make, draw, accept, discount, endorse, negotiate, buy, sell and issue bills of exchange, cheques, promissory notes and other negotiable instruments and to open, operate, maintain and close bank accounts;
- (d) to invest any funds not immediately required for the purposes of the Corporation, in such a manner as the Governing body may think fit;
- (e) to solicit and receive subscription, grants, donations and gifts of all kinds;
- (f) to enter into agreements or contracts with any person, company or body of persons;
- (g) to undertake, accept, execute, perform and administer the lawful trusts and conditions affecting any real or personal property;
- (h) to appoint, employ, dismiss or terminate the services of officers and servants of the Corporation and to pay them such salaries, allowances and gratuities as may be determined by the Corporation; and
- (i) to train personnel in Sri Lanka or abroad for the purpose of the Corporation.

6 *Olagangala Maha Sudarshana Paropakari
Foundation (Incorporation) Act, No. 37 of 2011*

Rules of the
Corporation.

6. (1) It shall be lawful for the Corporation, from time to time, at any general meeting and by a majority of not less than two-thirds of the members present and voting to make rules not inconsistent with the provisions of this Act or other written law, for all or any of the following matters:—

- (a) classification of membership, their admission, withdrawal, expulsion or resignation;
- (b) election of the Governing Body or vacation of, or removal from office as office-bearers and powers, duties and conduct of the governing body;
- (c) appointment, dismissal, powers, duties, functions and conduct of the various officers, agents and servants of the Corporation;
- (d) the procedure to be observed at and the summoning and holding of meetings of the Governing Body, the Corporation or any sub-committee thereof, filling of vacancies, notices and agenda of such meetings, the quorum therefore and the conduct of business thereat;
- (e) the qualifications and disqualifications for membership in the Governing Body and the Corporation; and
- (f) the administration and management of the property of the Corporation and the accomplishment of the objects of the Corporation.

(2) The rules made by the Corporation may be amended, altered, added to, or rescinded at a like meeting and in like manner, as a rule made under subsection (1) of this section.

(3) The members of the Corporation shall be subject to the rules of the Corporation.

Olagangala Maha Sudarshana Paropakari 7
Foundation (Incorporation) Act, No. 37 of 2011

7. The Corporation shall have its own fund and all moneys received by way of gift, bequest, donation, subscription, contribution, fees or grants for and on account of the Corporation shall be deposited in the name of the Corporation in one or more banks approved by the Governing Body.

Fund of the Corporation.

8. All debts and liabilities of the Foundation existing on the day immediately preceding the date of commencement of this Act, shall be paid and discharged by the Corporation hereby constituted and all debts due to, and subscriptions and contributions payable to the Foundation on such day shall be paid to the Corporation for the purposes of this Act.

Debts due by and payable to the Foundation.

9. (1) The Governing Body of the Corporation shall cause proper books of accounts to be kept of the income and expenditure, assets and liabilities and all other transactions of the Corporation.

Accounts and Audit.

(2) The Accounts of the Corporation shall be audited and certified by a qualified auditor.

(3) The financial year of the Corporation shall be the calendar year.

(4) In this section, “qualified auditor ” means —

- (i) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such institute ; or
- (ii) a firm of Accountants each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such institute.

8 *Olagangala Maha Sudarshana Paropakari
Foundation (Incorporation) Act, No. 37 of 2011*

Property
remaining on
dissolution.

10. If upon the dissolution of the Corporation there remains after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation, but shall be given or transferred to some other institution or institutions having objects similar to those of the Corporation and which is, or are, by its rules prohibited from distributing any income or property among its members.

Seal of the
Corporation.

11. The seal of the Corporation shall not be affixed to any instrument whatsoever except in the presence of the Secretary, the President and Treasurer who shall sign their names on the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Savings of the
rights of the
Republic and
others.

12. Nothing contained in this Act shall prejudice or affect the rights of the Republic, or of any body politic or corporate.

Sinhala text to
prevail in case of
inconsistency.

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

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

**INSTITUTE OF APPLIED STATISTICS,
SRI LANKA (INCORPORATION)
ACT, No. 38 OF 2011**

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[Certified on 20th September, 2011]

L.D.—O.(Inc.) 20/2010.

AN ACT TO INCORPORATE THE INSTITUTE OF APPLIED STATISTICS,
SRI LANKA

WHEREAS an Association called and known as the “Applied Statistics Association of Sri Lanka” has heretofore been formed in Sri Lanka for the purpose of effectually carrying out its objects and transacting all matters connected with the said Association according to the rules agreed to by its members:

Preamble.

AND WHEREAS the said Association has heretofore successfully carried out and transacted the several objects and matters for which it was formed and has applied to be incorporated and it will be for the public advantage to grant the said application:

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

1. This Act may be cited as the Institute of Applied Statistics, Sri Lanka (Incorporation) Act, No. 38 of 2011.

Short title

2. From and after the date of commencement of this Act, such and so many persons as now are members of the “Applied Statistics Association of Sri Lanka” (hereinafter referred to as the “Association”) and shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate with perpetual succession, under the name and style of the “Institute of Applied Statistics, Sri Lanka” (hereinafter referred to as the “Corporation”) and by that name may sue and be sued, with full power and authority to have and use a common seal and to alter the same at its pleasure.

Incorporation of
Institute of
Applied
Statistics,
Sri Lanka.

3. (1) The general objects for which the Corporation is constituted are hereby declared to be—

General objects
of the
Corporation.

- (a) to promote and assist the advancement of applied statistics by furtherance of research, development, education, training and extension;

2 *Institute of Applied Statistics, Sri Lanka
(Incorporation) Act, No. 38 of 2011*

- (b) to undertake or collaborate in the preparation, publication and dissemination of useful information pertaining to applied statistics by means of seminars and lectures and the publication of articles on applied statistics in the Journal titled the “Sri Lankan Journal of Applied Statistics” to foster the training of research workers;
- (c) to undertake research in the area of statistics with the object of improving experimental techniques, statistical methods and data analysis;
- (d) to conduct short courses, certificate courses and diploma courses and to award certificates and diplomas for those who successfully complete the requirements as set out in the rules of the Corporation;
- (e) to co-operate with governmental and non-governmental organizations and national and international institutes engaged in the work related to statistics in order to promote research, development, education, training and extension; and
- (f) to promote professional interests of the members of the Corporation.

(2) In the implementation of the objects specified in subsection (1) the Council shall ensure that such implementation shall be carried out without any distinction based on race, religion, language, caste, sex, political opinion or place of birth.

Management of the affairs of the Corporation.

4. (1) The affairs of the Corporation shall, subject to the rules of the Corporation made under section 6, be administered by a Executive Council (in this Act referred to as the “Council”) consisting of the President, Vice President and other office bearers elected or appointed in accordance with the rules of the Corporation made under section 6.

(2) The first Council shall consist of the members of the Executive Council of the Association holding office on the day immediately preceding the date of commencement of this Act.

5. Subject to the provisions of this Act and any other written law, the Corporation shall have the power to do, perform and execute all such acts, matters and things whatsoever, as are necessary or desirable for the promotion or furtherance of the objects of the Corporation or any one of them including the power to:—

General powers
of the
Corporation.

- (a) acquire, hold, take or give on lease or hire, mortgage, pledge, sell, exchange, or otherwise alienate, encumber or dispose of any immovable property for the purposes of the Corporation;
- (b) enter into and perform or carry out, whether directly or through any officer or agent authorized in that behalf by the Corporation, all such contracts or agreements as may be necessary for the attainment of the objects or the exercise of the powers of the Corporation;
- (c) accept gifts, donations and bequests in cash or in kind;
- (d) invest its funds, and to maintain current, deposits and savings accounts in any bank;
- (e) borrow or invest money for the purposes of the Corporation in such manner and upon such security as the Corporation may think fit; and
- (f) appoint, employ, transfer, exercise disciplinary control over and dismiss officers and servants required for the carrying out of the objects of the Corporation.

Rules of the
Corporation.

6. (1) It shall be lawful for the Corporation from time to time, at any general meeting of the Corporation and by a majority of not less than two thirds of the members present and voting, to make rules not inconsistent with the provisions of this Act or any other written law on all or any of the following matters:—

- (a) the classification of membership and the admission, withdrawal or expulsion of members;
- (b) the election of office-bearers, the resignation from or vacation of, or removal from office of, office bearers and their powers, duties and functions;
- (c) the powers, duties and functions of the various officers, agents and servants of the Corporation;
- (d) the procedure to be observed or the summoning and holding of meetings of the Corporation and the Council, the time, places, notices and agenda of such meetings and the quorum therefor and the conduct of business thereat;
- (e) the administration and management of the property of the Corporation and the custody of its funds;
- (f) establishing committees for the proper execution of the objects of the Corporation; and
- (g) qualifications and disqualifications of members of the Corporation and the Council.

(2) Any rule made by the Corporation may be amended, altered, added to or rescinded at a like meeting and in like manner as a rule made under subsection (1).

(3) The members of the Corporation shall at all times be subject to the rules of the Corporation.

7. (1) The Corporation shall have its own fund and all moneys heretofore or hereafter received by way of gifts, testamentary dispositions, transfers, donations, subscriptions, contributions, fees or grants or any financial investment shall be deposited to the credit of the fund of the Corporation in one or more Banks as may be determined by the Council.

Fund of the Corporation.

(2) All expenses incurred by the Corporation in exercising and discharging its powers and functions shall be paid out of the fund.

8. (1) The financial year of the Corporation shall be the calendar year.

Audit and Accounts.

(2) The Corporation shall cause proper accounts to be kept of its income and expenditure, assets and liabilities and all other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited by a qualified auditor appointed by the Council.

(4) In this section “qualified auditor” means-

- (a) an individual who, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an accountant issued by such institutes ; or
- (b) a firm of accountants, each of the resident partners of which being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an accountant issued by such institutes.

9. The seal of the Corporation shall be in the custody of the Secretary and shall not be affixed to any instrument whatsoever except in the presence of Chairman and either the Secretary or the Treasurer duly authorized by the Council

Seal of the Corporation.

who shall sign their names on the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Debts due by and payable to the Association.

10. All debts and liabilities of the Association existing on the day preceding the date of commencement of this Act shall be paid by the Corporation hereby constituted and all debts due to, subscriptions and contributions payable to the Association on that day shall be paid to the Corporation for the purposes of this Act.

Limitation of liability of members.

11. No member of the Corporation shall, for the purpose of discharging the debts and liabilities of the Corporation or for any other purpose, be liable to make any contribution exceeding the amount of such membership fees as may be due from him to the Corporation.

Application of moneys and property.

12. The moneys and property of the Corporation however derived shall be applied solely towards the promotion of its objects as set forth herein and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus, profit or otherwise howsoever to the members of the Corporation.

Corporation may hold property movable or immovable.

13. Subject to the provisions of this Act, the Corporation shall be able and capable in law to acquire and hold any property, movable or immovable, which may become vested in it by virtue of any purchase, grant, gift, testamentary disposition or otherwise, and all such property shall be held by the Corporation for the purposes of the Corporation and subject to the rules of the Corporation made under section 6, with full power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Property remaining on dissolution.

14. If upon the dissolution of the Corporation there remains after the satisfaction of all debts and liabilities, any property whatsoever, such property, shall not be distributed among the members of the Corporation but shall be given or transferred to some other association or associations having

objects, similar to the objects of the Corporation, and which is, or are by the rules thereof prohibited from distributing any income or profit among its or their members. Such association or associations shall be determined by the members of the Corporation at or immediately before the time of dissolution of the Corporation.

15. Nothing in this Act contained shall prejudice or affect the rights of the Republic, and of any body politic or corporate.

Saving of the rights of the Republic and others.

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

Sinhala text to prevail in case of inconsistency.

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

**INDUSTRIAL DISPUTES (AMENDMENT)
ACT, No. 39 OF 2011**

[Certified on 06th October, 2011]

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*Industrial Disputes (Amendment)
Act, No. 39 of 2011*

[Certified on 06th October, 2011]

L.D.—O. 33/2009.

AN ACT TO AMEND THE INDUSTRIAL DISPUTES ACT (CHAPTER 131)

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

1. This Act may be cited as the Industrial Disputes (Amendment) Act, No. 39 of 2011. Short title.
2. Section 43 of the Industrial Disputes Act (Chapter 131) is hereby amended as follows:— Amendment of section 43 of Chapter 131.
 - (1) by the repeal of subsection (1) of that section and the substitution therefor of the following subsection:—

“(1) Without prejudice to the provisions of subsection (5), every person who commits any offence under this Act, other than an offence under paragraph (ss) of subsection (1) of section 40, shall be liable on conviction after summary trial before a Magistrate to a fine not exceeding five thousand rupees or to imprisonment of either description for a term not exceeding twelve months or both such fine and imprisonment.”;
 - (2) in subsection (1A) of that section, by the substitution for the words “fine not exceeding rupees twenty thousand.” of the words “fine not exceeding rupees one hundred thousand.”;
 - (3) in paragraph (i) of subsection (2) of that section, by the substitution for the words “a fine of rupees fifty for each day” of the words “a fine of rupees five hundred for each day”; and

2

Industrial Disputes (Amendment)
Act, No. 39 of 2011

- (4) in paragraph (a) of subsection (3) of that section, by the substitution for the words “a fine of rupees fifty for each day” of the words “a fine of rupees five hundred for each day”.

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.

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

**PREVENTION OF MONEY LAUNDERING
(AMENDMENT) ACT, No. 40 OF 2011**

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*Prevention of Money Laundering (Amendment)
Act, No. 40 of 2011*

[Certified on 06th October, 2011]

L.D.—O. 9/2010.

AN ACT TO AMEND THE PREVENTION OF MONEY LAUNDERING
ACT, No. 5 OF 2006

Be it enacted by the Parliament of the Democratic Socialist
Republic of Sri Lanka as follows:-

- 1.** This Act may be cited as the Prevention of Money Laundering (Amendment) Act, No. 40 of 2011.

Short title.
- 2.** Section 2 of the Prevention of Money Laundering Act, No.5 of 2006 (hereinafter referred to as the “principal enactment”) is hereby amended in paragraph (a) of that section by the substitution for the words “being resident in Sri Lanka;” of the words “in Sri Lanka;”.

Amendment of section 2 of the Prevention of Money Laundering Act, No. 5 of 2006.
- 3.** Section 3 of the principal enactment is hereby amended as follows:—

Amendment of section 3 of the principal enactment.

 - (1) in subsection (1) thereof by the repeal of all the words from “knowing or having reason” to the end of that subsection and the substitution therefor of the following:—

“knowing or having reason to believe that such property is derived or realized, directly or indirectly from any unlawful activity, or from the proceeds of any unlawful activity shall be guilty of the offence of money laundering and shall on conviction after trial before the High Court be liable to a fine which shall be not less than the value of the property in respect of which the offence is committed and not more than three times the value of such property, or to rigorous imprisonment for a period of not less than five years and not exceeding twenty years, or to both such fine and imprisonment.”;

2 *Prevention of Money Laundering (Amendment)
Act, No. 40 of 2011*

- (2) by the insertion immediately after subsection (1) thereof of the following new subsection:—

“(1A) The assets of any person found guilty of the offence of money laundering under this section shall be liable to forfeiture in terms of Part II of this Act.”;

- (3) in subsection (3) thereof by the substitution for the words “for the commission by the accused of the unlawful activity” of the words “for the commission of the unlawful activity”.

Amendment of section 6 of the principal enactment.

4. Section 6 of the principal enactment is hereby amended by the substitution for the words “be liable to a fine not exceeding fifty thousand rupees or to imprisonment of either description for a period not exceeding six months,” of the words “be liable to a fine not exceeding one hundred thousand rupees or to imprisonment of either description for a period not exceeding twelve months,”.

Amendment of section 7 of the principal enactment.

5. Section 7 of the principal enactment is hereby amended in subsection (1) thereof by the substitution for the words “not below the rank of Superintendent of Police or in the absence of such an officer an Assistant Superintendent of Police may,” of the words “not below the rank of an Assistant Superintendent of Police may,”.

Amendment of section 8 of the principal enactment.

6. Section 8 of the principal enactment is hereby amended as follows:—

- (1) in subsection (1) of that section, by the substitution for the words “provisions of section 6 shall, within the seven days during which such order shall be in force, make an application” of the words “provisions of section 7 shall within the seven days during which such order shall be in force, make an *ex parte* application”;

Prevention of Money Laundering (Amendment) Act, No. 40 of 2011 3

(2) in subsection (2) of that section—

- (i) by the repeal of paragraph (b) thereof and the substitution therefor of the following:—

“(b) to the requirement that the maximum period of any extension so granted shall not exceed three months at any given time and in any event shall not in the aggregate exceed a period of two years from the date of the issuing of the Freezing Order by such police officer.”;

- (ii) by the substitution in the proviso thereof for the words “ indictment is filed for the offence of money laundering in respect of” and for the words “Freezing Order” wherever such words appear in such proviso, of the words “indictment is filed for an offence under section 3 of this Act in respect of” and “Freezing Order” respectively;

- (3) in subsection (3) thereof by the substitution for the words “Freezing Order” and “Order of Freezing” of the words “Freezing Order”.

7. Section 9 of the principal enactment is hereby amended by the substitution for the words “No transaction shall be effected” of the words and figures “No transaction shall, except with the sanction of Court as provided for in section 10, be effected”.

Amendment of section 9 of the principal enactment.

8. Section 10 of the principal enactment is hereby amended as follows:-

Amendment of section 10 of the principal enactment.

- (1) by the substitution for the words “make order permitting” of the words “make order sanctioning” ; and

4 *Prevention of Money Laundering (Amendment)
Act, No. 40 of 2011*

- (2) by the repeal of the marginal note to that section and the substitution therefor of the following:—

“High Court to sanction essential and legitimate transactions”.

Amendment of section 11 of the principal enactment.

9. Section 11 of the principal enactment is hereby amended by the substitution for the words “not below the rank of a Superintendent of Police or in the absence of such an officer an Assistant Superintendent of Police,” of the words “not below the rank of an Assistant Superintendent of Police,”.

Amendment of section 12 of the principal enactment.

10. Section 12 of the principal enactment is hereby amended as follows:—

- (1) by the repeal of all the words from “Any Police Officer” to the end of paragraph (a) of subsection (1) of that section and the substitution therefor of the following:—

“Any police officer not below the rank of an Assistant Superintendent of Police shall take possession of, and otherwise deal with, any account, property or investment, which is subject to a Freezing Order, and the Court may on application made by the said police officer and for the purpose of determining who owns, possesses or is in control of such account, property or investment to which the Freezing Order relates, order—

(a) that any document relevant to—

- (i) identifying, locating or quantifying such account, property or investment;
- (ii) establishing the ownership, possession or control of such account, property or investment;

Prevention of Money Laundering (Amendment) Act, No. 40 of 2011 5

- (iii) obtaining any other information pertaining to such account, property or investment,

be delivered forthwith to such police officer; and ”;

- (2) in subsection (3) of that section, by the substitution for the words “Upon determining in whom the ownership, possession or control of any property to which the Freezing Order relates,” of the words “Upon determining who owns, possesses or is in control of any account, property or investment to which the Freezing Order relates,”.

11. Section 13 of the principal enactment is hereby amended as follows:—

Amendment of section 13 of the principal enactment.

- (1) by the repeal of subsection (1) thereof and the substitution therefor of the following:—

“(1) Subject to the provisions of subsection (2), where a person is convicted of an offence under section 3 of this Act, the Court convicting such person shall, make order that any account, property or investment, owned, possessed or under the control of such person which has been derived or realized directly or indirectly from any unlawful activity, any income or profit earned on such account, property or investment and any instrumentalities used in the commission of such unlawful activity, be forfeited to the State free from all encumbrances.”;

- (2) by the insertion immediately after subsection (1) thereof of the following new subsections:—

“(1A) Where such account, property, investment, income, profit or instrumentalities cannot be found or traced the Court convicting such person shall order him to pay to the State the equivalent value of such account, property, investment, income, profit or instrumentalities.

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Act, No. 40 of 2011

(1B) Where such person fails to pay such equivalent value, the Court shall, in accordance with the provisions of the Code of Criminal Procedure Act, No. 15 of 1979, order him to pay such value as a fine within such period as may be specified by Court.”;

(3) in subsection (2) thereof by the substitutions for the words “a *bona fide* interest in such property.” of the words “a *bona fide* interest in such property, or investment or any income or profit earned on such property or investment.”;and

(4) in subsection (4) thereof by the substitution for the words “any movable or immovable property belonging to the person” of the words “any property belonging to the person”.

Replacement of section 14 of the principal enactment.

12. Section 14 of the principal enactment is hereby repealed and the following section is substituted therefor:—

“Restoring the rights of *bona fide* claimants.

14. (1) Any person, being a person to whom the provisions of paragraph (a) of section 2 do not apply, who owns, possesses or is in control of, any account, property or investment to which the Freezing Order made under section 7 relates, may within thirty days of the making of such Order apply to the Court making the same, seeking the intervention of Court to exclude from such Order any account, property or investment he owns, possesses or is in control of.

(2) Where an application is made under subsection (1), the Court shall upon being satisfied on the information before Court that—

(a) the account, property or investment which the applicant owns, possesses or is in control of, is not derived or

realized directly or indirectly, from any unlawful activity or from the proceeds of any unlawful activity or the account, property or investment is not an instrumentality used in the commission of such unlawful activity;

- (b) the applicant was not in any way involved in the commission of the offence of money laundering in relation to which the Freezing Order was made;
- (c) the applicant had acquired an interest in the account, property or investment at any time prior to the commission of the offence of money laundering and the applicant was unaware of the fact that the defendant had used or had intended to use such account, property or investment in or in connection with the commission of such offence; or
- (d) the applicant had acquired an interest in the account, property or investment at the time of or after the commission or alleged commission of the offence, that such interest was acquired in circumstances which would not give rise to a reasonable suspicion that such account, property or investment was proceeds or instrumentalities of such offence,

make Order for the release of the account, property or investment which is the subject of the application before it, from the Freezing Order made under section 7, and restore the right of the applicant in respect of the same.”.

8 *Prevention of Money Laundering (Amendment)
Act, No. 40 of 2011*

Replacement of section 15 of the principal enactment.

13. Section 15 of the principal enactment is hereby repealed and the following section is substituted therefor:—

“Appointment of a Receiver upon Forfeiture. 15. Where any account, property or investment or any income or profit earned on such account, property or investment has been forfeited to the State under section 13 of this Act, the Court making the Order of Forfeiture may, appoint a Receiver in accordance with the provisions of the Civil Procedure Code (Chapter 101) to be in charge of such account, property, investment, income or profit so forfeited.”.

Amendment of section 20 of the principal enactment.

14. Section 20 of the principal enactment is hereby amended as follows:—

(1) by the addition, immediately after subsection (2) of that section, of the following new subsections:—

“(3) No person shall—

- (a) falsify, conceal, destroy or otherwise dispose of, or cause or permit the falsification, concealment, destruction or disposal of, any document or material or thing which is or is likely to be relevant to the execution of any Order made in accordance with the provisions of this Act; or
- (b) divulge, the fact that an investigation into an offence of money laundering or an offence under the law of any foreign State corresponding to the offence of money laundering, is being, or is about to be made, or divulge to another person any other information which is likely to prejudice such investigation.

Prevention of Money Laundering (Amendment) Act, No. 40 of 2011 9

(4) Any person who contravenes the provisions of subsection (3) shall be guilty of an offence under this Act and shall on conviction after trial before the High Court be liable to a fine not exceeding one hundred thousand rupees or to imprisonment of either description for a period not exceeding twelve months or to both such fine and imprisonment.”;

- (2) by the repeal of the marginal note to that section and the substitution therefor of the following new marginal note:—

“Offences”.

15. Section 21 of the principal enactment is hereby repealed.

Repeal of section 21 of the principal enactment.

16. Section 23 of the principal enactment is hereby amended by the substitution for the words “by means of any illegal activity,” of the words “by means of any unlawful activity,”.

Amendment of section 23 of the principal enactment.

17. Section 27 of the principal enactment is hereby amended as follows:—

Amendment of section 27 of the principal enactment.

- (1) in subsection (1) thereof by the substitution for the words and figure “under section 2 of this Act,” of the words and figure “under section 3 of this Act.”;
- (2) in subsection (2) of that section, by the substitution for the words “No –Commonwealth country” of the words “Non-Commonwealth country”;
- (3) by the repeal of subsection (3) of that section and the substitution therefor of the following:—

“(3) The grant of assistance to any country referred to in subsection (2) may be made subject to

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Act, No. 40 of 2011

such terms and conditions as the Minister may deem appropriate in the circumstances.”.

Amendment of section 33 of the principal enactment.

18. Section 33 of the principal enactment is hereby amended as follows:—

- (1) by the insertion immediately after subsection (1) thereof of the following new subsection: —

“(2) In particular and without prejudice to the generality of the powers conferred by subsection (1), the Minister may make regulations in respect of the following matters:—

- (a) prescribing any business as a “designated non finance business” taking into consideration the interests of the national economy;
- (b) prescribing any business as a “finance business” taking into consideration the interest of the national economy.”.

- (2) by the renumbering of subsections (2) and (3) of that section, as subsections (3) and (4) thereof, respectively.

Amendment of section 35 of the principal enactment.

19. Section 35 of the principal enactment is hereby amended as follows:—

- (1) by the insertion immediately before the definition of the expression “designated non-finance business” of the following new definition—

“account” means any facility or arrangement by which an Institution does any of the following:—

- (a) accepts deposits of currency;

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Act, No. 40 of 2011

- (b) allows withdrawals of currency; or
- (c) pays cheques or payment orders drawn on the Institution or collects cheques or payment orders on behalf of a person other than the Financial Institution,

and includes any facility or arrangement for a safety deposit box or any other form of safe deposit;”;

- (2) in the definition of the expression “designated non-finance business”—

- (a) by the repeal of paragraph (e) thereof;
- (b) by the relettering of all paragraphs from (f) to (l) as paragraphs (e) to (k) thereof, respectively;
- (c) by the repeal of paragraph (m) thereof and the substitution therefor of the following new paragraphs:—

“(l) pawn brokering under Pawn Brokers Ordinance (Chapter 90);

(m) non profit organizations or non governmental organizations registered under any written law;”;

- (3) in the definition of the expression “finance business”—

- (a) by the repeal of paragraph (b) thereof and the substitution therefor of the following paragraph:—

“(b) finance business as defined in Finance Companies Act, No. 78 of 1988 or any Act enacted in place thereof ;”;

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Act, No. 40 of 2011*

- (b) by the repeal of paragraph (k) thereof and the substitution therefor of the following paragraphs:—

“(k) any company, to whom a licence to carry on banking business under the Banking Act, No. 30 of 1988, is issued;

(l) any finance business carried on by any society registered under the Co-operative Societies Law, No. 5 of 1972 or any Act enacted in place thereof;

(m) any finance business carried on by the Samurdhi Authority of Sri Lanka, established by the Samurdhi Authority of Sri Lanka Act, No. 30 of 1995; and

(n) underwriting and placement of insurance as well as insurance intermediation by agents and brokers.”; and

- (4) in the definition of the expression “unlawful activity”—

- (a) by the repeal of paragraph (e) thereof and the substitution therefor of the following:—

“(e) the Exchange Control Act (Chapter 423) and any Rule, Order or Regulation made thereunder;”;

- (b) by the repeal of paragraphs (j) and (k) thereof and the substitution therefor of the following paragraphs:—

“(j) any written law for the time being in force relating to offences connected with the trafficking or smuggling of persons;

Prevention of Money Laundering (Amendment) Act, No. 40 of 2011 13

- (k) the Customs Ordinance (Chapter 235) and any Regulation, Rule or Order made thereunder;
- (l) the Excise Ordinance (Chapter 52) and any Regulation, Rule or Order made thereunder;
- (m) the Payment Devices Frauds Act, No. 30 of 2006 and any Regulation, Rule or Order made thereunder;
- (n) the National Environmental Act, No. 47 of 1980 and any Regulation, Rule or Order made thereunder;
- (o) an offence under any other written law for the time being in force which is punishable by death or with imprisonment for a term five years or more:

Provided however that, notwithstanding anything to the contrary in the preceding provision, any offence under sections 386, 388, 399 and 401 of the Penal Code (Chapter 19) shall be deemed to be an unlawful activity for the purposes of this Act; and

- (p) an act committed within any jurisdiction outside Sri Lanka, which would either constitute an offence in that jurisdiction or which would if committed in Sri Lanka amount to an unlawful activity within the meaning of this Act.”.

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

Sinhala text to prevail in case of inconsistency.

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

**CONVENTION ON THE SUPPRESSION OF
TERRORIST FINANCING (AMENDMENT)
ACT, No. 41 OF 2011**

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*Convention on the Suppression of Terrorist
Financing (Amendment) Act, No. 41 of 2011*

[Certified on 06th October, 2011]

L.D.—O. 8/2010.

AN ACT TO AMEND THE CONVENTION ON THE SUPPRESSION OF
TERRORIST FINANCING ACT, NO. 25 OF 2005

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

1. This Act may be cited as the Convention on the
Suppression of Terrorist Financing (Amendment) Act,
No. 41 of 2011.

Short title.

2. The following new section is hereby inserted
immediately after section 2 of the Convention on the
Suppression of Terrorist Financing Act, No. 25 of 2005
(hereinafter referred to as the “principal enactment”) and
shall have effect as section 2A of that enactment:-

Insertion of new
section 2A in
Act, No. 25 of
2005.

“Application
of the Act.

2A. (1) The provisions of this Act shall apply
in relation to a person who being a citizen of
Sri Lanka or a person who not being a citizen
of Sri Lanka, commits an offence under this
Act,

(a) while present in Sri Lanka; or

(b) outside Sri Lanka and such offence is an
offence under the law for the time being
in force, in the country in which such
offence is committed.

(2) For the purpose of the implementation
of the provisions of this Act, the expression
“person” shall include a body of persons,
whether corporate or unincorporated within or
outside Sri Lanka.”.

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Amendment of
section 3 of the
principal
enactment.

3. Section 3 of the principal enactment is hereby amended as follows:-

(1) by the repeal of subsection (1) thereof and the substitution therefor of the following subsection:-

“(1) Any person who, by any means, directly or indirectly, unlawfully and wilfully provides or collects funds or property with the intention that such funds or property should be used, or in the knowledge that they are to be used or having reason to believe that they are likely to be used, in full or in part, in order to commit-

(a) an act which constitutes an offence within the scope of, or within the definition of any one of the Treaties specified in Schedule I hereto;

(b) any other act, intended to cause death or serious bodily injury, to civilians or to any other person not taking an active part in the hostilities, in a situation of armed conflict or otherwise and the purpose of such act, by its nature or context is to intimidate a population, or to compel a government or an international organization, to do or to abstain from doing any act; or

(c) any terrorist act,

shall be guilty of the offence of financing of a terrorist act, a terrorist or terrorists, or a terrorist organization:

Provided that, for an act to constitute the offence set out above, it shall not be necessary to show that the funds or property provided or collected were actually used in the commission of an offence.”;

- (2) in subsection (2) by the substitution for the words “the offence of financing of terrorists or terrorist organization” of the words “the offence of financing of a terrorist act, a terrorist or terrorists or a terrorist organization”;
- (3) by the insertion immediately after subsection (2) thereof of the following new subsection :—

“(2A) Any person who unlawfully and wilfully by any direct or indirect means provides or conspires to provide, material support or resources to any terrorist or terrorists or a terrorist organization shall be guilty of an offence under this Act:

Provided however that, providing assistance on humanitarian grounds by a person or body of persons, shall not amount to an offence within the meaning of this Act.”.

- 4.** Section 4 of the principal enactment is hereby repealed and the following section is substituted therefor :—

Replacement of section 4 of the principal enactment.

“Freezing of property &c.

4. (1) A police officer not below the rank of an Assistant Superintendent of Police may, where there are reasonable grounds to believe that any person is involved in the commission of any act which constitutes an offence under section 3 of this Act and it is necessary for preventing the commission of any further acts in connection with such offence, issue an Order (hereinafter referred to as a “Freezing Order”) freezing all funds or property provided or collected in contravention of the provisions of section 3, any income or profit earned on such funds or property or any instrumentalities used in the commission of such offence.

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(2) The Freezing Order obtained under subsection (1) shall be issued on –

- (a) the person who is believed to be involved in the commission of any act which constitutes an offence in terms of section 3; and
- (b) on any other person or institution who or which may be required to give effect to such Order.

(3) A Freezing Order issued under subsection (1) shall, subject to the provisions of section 4A, be in force for a period of seven days of the making thereof.

(4) Any person who or institution which uses such fund, property, income, profit or instrumentality which is subject to a Freezing Order, in contravention of such Freezing Order issued on him or such institution, shall be guilty of an offence and shall on conviction after trial before the High Court be liable to a fine not exceeding one hundred thousand rupees or one and a half times the value of the money in such funds, property, income, profit or instrumentality which has been dealt with in contravention of the Freezing Order, whichever is higher or to imprisonment of either description for a period not exceeding one year or to both such fine and imprisonment.”.

Insertion of new sections 4A, 4B, 4C, 4D, 4E, 4F, 4G, 4H and 4I in the principal enactment.

5. The following new sections are hereby inserted immediately after section 4 of the principal enactment and shall have effect as sections 4A, 4B, 4C, 4D, 4E, 4F, 4G, 4H and 4I of that enactment :—

“Confirmation of Freezing Order by Court.

4A. (1) The police officer issuing the Freezing Order in terms of section 4 shall, within the seven days during which such Order shall be in force, make an *ex parte* application

to the High Court seeking confirmation of such Freezing Order and also if the circumstances so necessitate, request an extension to the original period of seven days.

(2) Where the High Court is satisfied that there is sufficient reason for the making of such Freezing Order, the Court may subject to any Orders which may be made under section 4E, confirm the Freezing Order and also grant the application made for the extension thereof, for such periods as it considers necessary:

Provided that the maximum period of any extension so granted shall not exceed three months at any given time and in any event shall not in the aggregate exceed a period of two years from the date of the issuing of the Freezing Order by the police officer:

Provided further that where indictment is filed for the commission of an offence under section 3 of this Act in respect of the fund, property, income, profit or instrumentality which is subject to the Freezing Order, such Freezing Order shall unless vacated by Court for reasons to be recorded, remain in force until the conclusion of the trial in respect of such offence, or where an appeal is preferred against a conviction for such offence, until the determination of the appeal.

(3) Where the High Court confirms a Freezing Order under subsection (2) it shall cause a Notification of the Freezing Order to be published in at least one newspaper circulating in the Sinhala, Tamil and English languages, in order to facilitate *bona fide* third parties to make application to Court in support of their claims to the fund, property, income, profit or instrumentality which is subject to the Freezing Order.

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Transactions in contravention of the Freezing Order to be null and void.

4B. No transaction shall, except with the sanction of the Court as provided for in section 4c be effected in relation to such funds, property, income, profit or instrumentalities while the Freezing Order is in force and any transaction so effected shall be null and void.

High Court to sanction essential and legitimate transactions.

4c. Where any legitimate business or other interests of any person affected by the Freezing Order could be damaged by the prohibition imposed thereby, such person may make an application to High Court stating such facts in support thereof, and the Court may, on a consideration of such application before it, if it is of opinion that such an Order could damage legitimate business or other interests of such person and that essential transactions relating to such funds, property, income, profit or instrumentalities as may have been prohibited by such Freezing Order may be legitimately carried out, confirm the Order made under section 4 and make further Order, sanctioning the carrying on of such transactions subject to the supervision and direction of, either a person appointed in that behalf by Court, or of a Receiver appointed in that behalf by Court under section 4D.

Appointment of Receiver.

4D. Upon an application made in that behalf by a police officer not below the rank of an Assistant Superintendent of Police, the High Court may appoint a Receiver, in accordance with the provisions of the Civil Procedure Code (Chapter 101), to take possession of and otherwise deal with the fund, property, income, profit or instrumentality which has been subjected to the Freezing Order, in accordance with such directions as may be given by Court in that behalf.

Property tracking and monitoring.

4E. (1) Any police officer not below the rank of an Assistant Superintendent of Police shall take possession of, and otherwise deal with, any fund, property, income, profit or instrumentality which is subject to a Freezing Order, and the Court may on application made by the said police officer and for the purpose of determining who owns, possesses or is in control of such fund, property, income, profit or instrumentality to which the Freezing Order relates, order-

(a) that any document relevant to –

- (i) identifying, locating or quantifying such funds, property, income, profit or instrumentalities;
- (ii) establishing the ownership, possession or control of such funds, property, income, profit or instrumentalities;
- (iii) obtaining any other information pertaining to such funds, property, income, profit or instrumentalities,

be delivered forthwith to such police officer; and

(b) that a named institution furnish to the Receiver all information obtained by the institution about any business transaction conducted by, or for, that person with the institution during such period before or after the date of such order, as the Court may direct.

(2) Where it appears to the Court making an order under subsection (1) that any person has failed to or delayed in complying with or is otherwise obstructing the execution of, an order made under subsection (1), such Court may make order authorizing the police officer to enter and search any premises of that person, and remove any document, material or other thing therein for the purpose of executing such order.

(3) Upon determining who owns, possesses or is in control of any funds, property, income, profit or instrumentalities to which the Freezing Order relates, the police officer shall report the same to the Court making the Freezing Order, along with all documents establishing and supporting such ownership, possession or control, as the case may be.

Forfeiture of property etc. in relation to which an offence under this Act has been committed.

4F. (1) Subject to the provisions of subsection (4), where a person is convicted of an offence under section 3 of this Act, the Court convicting such person shall, make order that any funds or property provided or collected in contravention of the provisions of section 3, any income or profit earned on such funds or property or any instrumentalities used in the commission of such offence, be forfeited to the State, free from all encumbrances.

(2) Where such funds, property, income, profit or instrumentalities cannot be found or traced the Court convicting such person shall order to pay to the State the equivalent value of such funds, property, income, profit or instrumentalities.

(3) Where such person fails to pay such equivalent value, the Court, shall, in accordance with the provisions of the Code of Criminal Procedure Act, No. 15 of 1979, order him to pay a such value fine within such period as may be specified by Court.

(4) In determining whether an Order of Forfeiture should be made under subsection (1), the Court shall be entitled to take into consideration the fact whether such an Order is likely to prejudice the rights of a *bona fide* purchaser for value or any other person who has acquired, for value, a *bona fide* interest in such funds, property, any income or profit earned on such funds or property or such instrumentality.

(5) An order made under subsection (1) shall take effect -

- (a) where an appeal has been preferred to the Court of Appeal or the Supreme Court against the Order of Forfeiture, upon the determination of such appeal confirming or upholding the Order of Forfeiture;
- (b) where no appeal has been preferred to the Court of Appeal against the Order of Forfeiture within the period allowed therefor, after the expiration of the period within which an appeal may be preferred to the Court of Appeal, against such Order of Forfeiture.

(6) For the purposes of subsection (1), the Court making the Order of Forfeiture may presume that any funds or property belonging to the person convicted of an offence under

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section 3 of this Act is derived or realized, directly or indirectly from the commission of such offence, if the value of such funds or property is not commensurate with the known sources of income of such person, and the holding of which cannot be explained on a balance of probabilities, to the satisfaction of the Court.

Restoring the rights of *bona fide* claimants.

4G. (1) Any person, being a person to whom the provisions of section 3 do not apply, and who owns, possesses or is in control of any funds or property or any income or profit earned on such funds or property, or any instrumentalities, to which the Freezing Order made under section 4 relates, may within thirty days of the making of such Order apply to the Court making the same, seeking the intervention of Court to exclude from such Order any fund, property, income, profit or instrumentalities which such person owns, possesses or is in control of.

(2) Where an application is made under subsection (1), the Court shall upon being satisfied on the information before Court that -

- (a) such funds or property is not derived or realized directly or indirectly from the commission of such offence or such funds or property is not an instrumentality used in the commission of such offence;
- (b) the applicant was not in any way involved in the commission of an offence under section 3 in relation to which the Freezing Order was made;

- (c) the applicant had acquired an interest in such funds or property at any time prior to the commission of such offence, and the applicant was unaware of the fact that the defendant had used or had intended to use such funds or property in or in connection with the commission of such offence; or
- (d) the applicant had acquired an interest in such funds or property at the time of, or after the commission or alleged commission of the offence, and that such interest was acquired in circumstances which would not give rise to a reasonable suspicion that such fund or property was proceeds or instrumentalities of such offence,

make order for the release of such fund, property income, profit or instrumentality which is the subject of the application before it, from the Freezing Order made under section 4, and restore the rights of the applicant in respect of the same.

Appointment of a Receiver upon Forfeiture.

4H. Where any fund, property, income, profit or instrumentality has been forfeited to the State under section 4F of this Act, the Court making the Order of Forfeiture may, appoint a Receiver in accordance with the provisions of the Civil Procedure Code (Chapter 101), to be in charge of the fund, property, income, profit or instrumentality so forfeited.

Secrecy obligation overridden.

4I. The provisions of sections 4 to 4H of this Act shall have effect notwithstanding any obligation as to secrecy or other restriction imposed upon the disclosure of information

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by any written law or otherwise, and accordingly any disclosure of information by any person in compliance with the provisions of sections 4 to 4H of this Act shall be deemed not to be a contravention of, any such obligation or restriction.”.

Amendment of section 5 of the principal enactment.

6. Section 5 of the principal enactment is hereby amended as follows:-

(1) by the repeal of subsection (1) thereof and the substitution therefor of the following subsection:-

“(1) On the conviction of any person under subsection (4) of section 3, the Court may order that any funds or property provided or collected in contravention of the provisions of section 3, any income or profit earned on such funds or property or any instrumentalities used in the commission of such offence, be forfeited to the State.”;

(2) in subsection (2) thereof by the substitution for the words “Any funds forfeited to the State” of the words “Any funds, property, income profit or instrumentalities forfeited to the State”;

(3) by the repeal of subsection (3) thereof and the substitution therefor of the following subsection:-

“(3) Where the Court is satisfied on the evidence adduced at a trial for an offence under subsection (1) or subsection (2) of section 3, that any funds, property, income, profit or instrumentalities standing to the credit of any account of any institution are the proceeds of such offence, it may, by written order prohibit the Head of such institution from permitting or allowing the withdrawal of any funds from such account, until the conclusion of the trial.”.

7. Section 6 of the principal enactment is hereby amended in subsection (2) of that section as follows:-

Amendment of section 6 of the principal enactment.

(1) by the repeal of paragraph (a) thereof, and the substitution therefor of the following paragraph:-

“(a) any person who committed such act is present in Sri Lanka;”;

(2) by the insertion immediately after paragraph (e) thereof, of the following new paragraph:-

“(ee) the person in relation to whom the offence is alleged to have been committed is a national of a Convention State;”.

8. The following new section is hereby inserted immediately after section 16 of the principal enactment and shall have effect as section 16A of that enactment:-

Insertion of new section 16A in the principal enactment.

“Interpretation. 16A. In this Act unless the context otherwise requires-

“finance business” includes any one of the following business or activities:-

- (a) banking, as defined in the Banking Act, No. 30 of 1988, including the acceptance of deposits or other repayable deposits from members of the public;
- (b) finance business as defined in the Finance Companies Act, No. 78 of 1988 or any Act enacted in place thereof;
- (c) lending, including consumer credit, mortgage credit, factoring (with or without recourse) and financing of commercial transactions;

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- (d) financial leasing other than transactions relating to consumer products;
- (e) the transfer of money or value;
- (f) money and currency changing services;
- (g) issuing and managing means of payment (*i.e.* credit cards, travelers' cheques, money orders and bankers' drafts and electronic money);
- (h) issuing financial guarantees and commitments, including but not limited to, consumer credit, factoring with or without recourse and financing of commercial transactions including forfeiting;
- (i) trading for its own account or for the account of customers in money market instruments (*i.e.* cheques, bills of exchange, certificates of deposit and derivatives), foreign exchange, exchange, interest rate and index instruments, commodity futures trading and transferable securities;
- (j) participating in the issue of securities and the provision of financial services related to such issue;
- (k) banking business carried on by a company, to whom a licence to

carry on banking business is issued under the Banking Act, No. 30 of 1988;

- (l) any finance business carried on by any society registered under the Co-operative Societies Law, No. 5 of 1972 or any Act enacted in place thereof;
- (m) any finance business carried on by the Samurdhi Authority of Sri Lanka, established by the Samurdhi Authority of Sri Lanka Act, No. 30 of 1995; and
- (n) underwriting and placement of insurance as well as insurance intermidation by agents and brokers;

“funds or property” means-

- (a) any currency including also, but not limited to, bank credits, travellers cheques, bank cheques, money orders, shares, securities, bonds, drafts, letters of credit; or
- (b) any asset, whether-
 - (i) corporeal or incorporeal, movable or immovable, tangible or intangible;
 - (ii) kept or situated within or outside Sri Lanka,

and where title or legal or equitable interest in such funds or property, or any income or proceeds of such

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funds or property, is evidenced by any legal document or instrument in any form whatsoever, including any electronic or digital form;

“institution” means any person or body of persons engaged in or carrying on finance business;

“material support or resources” includes any tangible, movable or immovable property or service, including currency or monetary instruments or financial services, lodging, training, expert advice or assistance, safe houses, false documentation or identification, communications equipment or facilities, weapons, lethal substances, explosives, personnel and transportation, but shall not include medicines or religious material;

“person” includes a body of persons; and

“terrorist act” includes, the use of threat of action, which involves-

(a) the use of threat of action which is designed to influence the government, or to intimidate the public or a section of the public;

(b) the use of threat of action which is made for the purpose of advancing a political, religious or ideological cause,

and such action,

(i) involves serious violence against a person;

- (ii) involves serious damage to property;
- (iii) endangers the life of another person, other than the person committing the action;
- (iv) creates a serious risk to health or safety of the public or a section of the public; or
- (v) is designed seriously to interfere with or seriously to disrupt an electronic system.”.

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

Sinhala text to prevail in case of inconsistency.

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

**FINANCE BUSINESS
ACT, No. 42 OF 2011**

[Certified on 09th November, 2011]

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Finance Business Act, No. 42 of 2011

[Certified on 09th November, 2011]

L.D.—O. 20/2010.

AN ACT TO PROVIDE FOR THE REGULATION OF FINANCE BUSINESS AND TO
PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL
THERE TO

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

1. This Act may be cited as the Finance Business Act, No. 42 of 2011. Short title

PART I

LICENSING OF FINANCE COMPANIES

2. (1) Subject to the provisions of section 3 of this Act, no person other than a person licensed under this Act shall carry on finance business. Carrying on
finance business
and accepting
deposits, without
authority, to be
an offence.

(2) No person, other than a person licensed to carry on finance business under this Act or a person exempted from the application of the provisions of this Act in terms of section 3, shall accept deposits.

(3) A person shall not be eligible to be licensed as a finance company under this Act unless such person is a company registered under the Companies Act, No. 7 of 2007, and such company is not a company limited by guarantee, a private company, an offshore company or an overseas company within the meaning of the Companies Act, No. 7 of 2007.

(4) Any person who contravenes the provisions of subsections (1) or (2) shall be guilty of an offence under this Act.

Non-application of provision of this Act to certain institutions.

3. The provisions of this Act shall not apply to and in relation to any bank licensed under the Banking Act, No. 30 of 1988 or any institution, other than a finance company, exempted in terms of section 76A thereof or a co-operative society registered under a Statute of a Provincial Council, or any other institution exempted from the application of this Act by any written law for the time being in force.

Application for a licence.

4. An application for a licence shall be made in writing to the Board in such form as may be prescribed by rules and shall contain a declaration by the applicant company that the particulars stated in the application are, to the knowledge and belief of the applicant, true and accurate.

Licensing of companies as finance companies.

5. (1) Where an application is made to the Board for a licence under this Act, the Board may require the Director to make his recommendation in respect of the application and the Director may call for information as he may consider necessary and call for and examine or cause to be examined books, records and documents of whatever description, of the company applying for a licence and its holding company, any subsidiary company, any associate company or any subsidiary or associate company of its holding company or any other company that in the view of the Director, has a substantial financial interest or a significant management interest in the company applying for a licence and shall make his recommendation to the Board.

(2) The Board may, at any time prior to issuing of a licence under subsection (3) to a company, cause such investigations as it may deem necessary to satisfy itself as to the suitability of the applicant company and may require the applicant company to satisfy the Board on any matter relevant to the suitability of the applicant company and in particular—

- (a) the veracity and validity of the documents and particulars submitted by the applicant company ;

- (b) the financial status and history of the applicant company;
- (c) the academic and professional qualifications, experience, financial standing and suitability of the Board of Directors, the Chief Executive Officer and key management personnel, as the Board may deem necessary;
- (d) the adequacy of the capital of the applicant company or based on the information furnished by the applicant company, the ability of such company to raise adequate capital;
- (e) the ability of the applicant company to cover all obligations and liabilities that may be incurred in the conduct of finance business of such company and to comply with the provisions of this Act; and
- (f) the applicant company's compliance with the provisions of this Act or any direction given thereunder in relation to the application for a licence under this Act.

(3) On consideration of an application made to the Board and the recommendations of the Director under subsection (1) and after such investigations under subsection (2) —

- (a) if the Board is satisfied that—
 - (i) the applicant company has a core capital of not less than two hundred million rupees or such other higher amount as may be determined by the Board in terms of subsection (1) of section 17;
 - (ii) the applicant company has the ability to comply with the directions and rules applicable to finance companies; and

- (iii) the issue of a licence to the applicant company on the strength of the information made available to the Board, would not be detrimental to the interests of its creditors and other stakeholders,

the Board may issue a license to the applicant company as a finance company to carry on finance business subject to such terms and conditions as the Board may deem fit;

- (b) if the Board is satisfied that the issue of a licence to the applicant company would not be detrimental to the interests of its creditors and other stakeholders and that the applicant company has the potential to fulfil the requirements specified in sub-paragraphs (i) and (ii) of paragraph (a), the Board may grant provisional approval subject to such terms and conditions as the Board may deem fit; or
- (c) if the Board is satisfied that the issue of a licence to the applicant company would be detrimental to the interests of its creditors and other stakeholders or to the interest and stability of the financial system, the Board may reject the application and issue such directions as it deems necessary.

(4) The provisional approval granted under paragraph (b) of subsection (3) shall be valid for such period as may be determined by the Board. The Board may in exceptional circumstances extend the period of validity of a provisional approval: Provided however, the period of validity of the provisional approval shall not exceed eighteen months from the date on which the provisional approval was granted under paragraph (b) of subsection (3).

(5) An applicant company to whom a provisional approval has been granted shall not commence finance

business before being issued with a licence under this Act. Any prospectus or notice issued or any advertisement or other publication made by such company shall not state the fact that it has been granted provisional approval under paragraph (b) of subsection (3) unless such disclosure is required under any written law.

(6) The Board may, withdraw the provisional approval:

- (a) if any information contained in the application for a licence or any information submitted in connection therewith by the applicant company is found to be false, incomplete or incorrect; or
- (b) if having regard to any information made available to the Board it becomes apparent that the issue of a licence to the applicant company is detrimental to the interest and stability of the financial system.

(7) The Board having considered the fulfillment of terms and conditions imposed under paragraph (b) of subsection (3) and information received after granting provisional approval and being satisfied that the licensing of the applicant company would not be detrimental to the interests of its creditors and other stakeholders or to the interest of financial system stability may issue a licence to the applicant company subject to such terms and conditions as the Board may deem necessary:

Provided however, that the provisional approval shall not bind the Board to grant a licence to the applicant company.

(8) Upon the issuance of a licence to an applicant company, the Board shall cause to be published in the *Gazette* and in at least one Sinhala, Tamil and English daily newspapers circulating in Sri Lanka, a notice informing the public that a licence has been issued to such applicant company authorizing it to carry on finance business.

(9) Any person who submits information in an application for a licence or in any other document submitted in connection therewith or in the course of any inquiry or investigation conducted to ascertain the suitability of the company to be issued with a licence under this Act, which is false, incomplete or incorrect, shall be guilty of an offence under this Act.

Licence fee.

6. Every finance company licensed under this Act, shall pay an annual licence fee in such amount as may be prescribed by rules.

Register of finance companies and publication of names of finance companies.

7. (1) The Board shall keep and maintain in such form as may be prescribed by rules a Register of Finance Companies licensed under this Act.

(2) The Board may from time to time cause to be published a notice containing the names of finance companies licensed under this Act, in a manner and form as the Board deems fit and it may also include the supervisory rating of those companies.

Exhibiting the licence of finance company.

8. Every finance company shall exhibit its licence at all times in the principal office or place of business of such finance company and a copy of such licence at each of its branches.

Duty of finance company to notify Board of cessation of finance business.

9. (1) Where any finance company licensed under this Act has ceased to carry on finance business, a notice of such cessation shall be given to the Board forthwith upon such cessation by such company.

(2) On receipt of a notice of cessation under subsection (1), the Board may issue to such finance company directions for winding up or for divesting the finance business of the finance company or for the settlement in such manner as may be specified by the Board of the deposit liabilities of the finance company and such other directions incidental thereto.

(3) Where the Board has reasonable grounds to believe that any finance company licensed under this Act is not carrying on finance business, the Board may send to such company a notice by registered post requiring such company to furnish proof, within two weeks from the date of such notice, that it has not ceased to carry on finance business. After the expiration of two weeks from the date of such notice or in the event of the company furnishing proof after considering such proof, the Board may withdraw such notice, or may issue to such finance company directions for winding up or for divesting the finance business of the finance company or for the settlement in such manner as may be specified by the Board of the deposit liabilities of the finance company and such other directions incidental thereto.

(4) Where a finance company fails to comply with directions issued under subsections (2) or (3) within the period specified by the Board, which period may be extended by the Board in exceptional circumstances having considered the steps taken by the finance company to comply with such directions, the Board may require the Director to file action for winding up of the finance company and the provisions of section 32 shall apply thereto.

10. (1) A finance company shall have as part of its name, the word “finance”, “financing” or “financial” or any of its transliterations, or their equivalent in any other language. Any finance company which does not have in its name, the word “finance”, “financing” or “financial” or any of its transliterations, or their equivalent in any other language in its name, shall forthwith take such steps as are necessary to change its name to include the word “finance”, “financing” or “financial” or any of its transliterations or their equivalent in any other language in its name, within six months from the date of commencement of operation of this Act.

Use of the word “finance”.

(2) No person other than a finance company and an institution specified in subsection (6) shall, except with the prior written approval of the Board, use the word “finance”,

“financing” or “financial” alone or in combination with another word or any of its derivatives or its transliterations or their equivalent in any other language, as part of the name or the description or the business name of such person.

(3) Subject to the provision of subsections (1) and (6), any person who uses the word “finance”, “financing” or “financial” or any of its derivatives or its transliterations, or their equivalent in any other language as part of the name or the description or the business name of such person, unless it has obtained the written approval of the Board, shall change such name or such description or such business name by deleting the word “finance”, “financing” or “financial” or any of its derivatives or its transliterations, or their equivalent in any other language, from such name or such description or such business name within six months from the date of commencement of operation of this Act.

(4) The Director may require the Registrar General of Companies, the Registrar of Voluntary Social Service Organizations, Registrars of Business Names of Sri Lanka and any other relevant authority to furnish information of the bodies corporate or unincorporate using the word “finance”, “financing” or “financial” or any of its derivatives or its transliterations, or their equivalent in any other language, in the name or the description or the business name of such bodies which are established or registered under such authority and such Registrar or Authority shall furnish the information as required by the Director.

(5) The Board may, in the public interest, where any person uses the word “finance”, “financing” or “financial” or any of its derivatives or its transliterations, or their equivalent in any other language as part of the name or the description or the business name of such person in contravention of the provisions of this section and notwithstanding that any action has been or is to be taken under the provisions of any other section of this Act in respect of such contravention, publicise by any means whatsoever :—

- (a) in the case of an incorporated body of persons, the name, description and address of such incorporated body and the names and addresses of the directors of such incorporated body;
- (b) in the case of an unincorporate body of persons, the name, description and address of such body and if the Board thinks fit the names and addresses of the members of such body; and
- (c) in the case of an individual the name and address of such individual and his description or business name or both his description and business name,

and that such person is not authorized to use any of the words “finance”, “financing” and “financial” or any of its derivatives or its transliterations or their equivalent in any other language as part of the name or the description or the business name of such person.

- (6) Nothing in this section shall apply to -
 - (a) a company which is required by the Board to have as part of its name the word “finance”, “financing” or “financial” or its transliterations, or their equivalent in any other language in its name;
 - (b) an association of finance companies formed for the protection of their interests;
 - (c) a trade union registered under the Trade Union Ordinance (Chapter 138), which is an association or combination of workers who are employees of a finance company;
 - (d) an institution in respect of which such usage is established or recognized by law or international agreement; and

- (e) a body corporate which exclusively provides educational or consultancy services.

(7) The Board may introduce a logo or a sign to be used by every finance company. No person other than a finance company shall use such logo.

Restriction on use of abbreviated name or acronym of a finance company.

11. (1) No company, proprietorship, partnership or other entity shall without the prior written approval of the Director, be registered under any written law with a name that contains as part of it, the abbreviated name or acronym of any finance company:

Provided however, the provision of this subsection shall not be construed in such manner as would affect the powers conferred on the Registrar General of Companies in terms of section 7 and 10 of the Companies Act, No. 7 of 2007.

(2) No person other than the respective finance company shall use the name, abbreviated name or acronym of a finance company, in any of its advertisements promoting its business without the prior written approval of the Director.

PART II

DIRECTIONS, RULES AND REQUIREMENTS ON FINANCE COMPANIES

Directions of the Board.

12. (1) Notwithstanding the provisions of any other law, the Board may give directions to finance companies or to any group or category of finance companies regarding the manner in which any aspect of the business and corporate affairs of such finance companies are to be conducted and, in particular -

- (a) the terms and conditions under which deposits may be accepted by such companies, the maximum rates of interest payable on such deposits, and the maximum period for which deposits may be

accepted and the maximum amount that may be deposited with a company in the name of one person in one or more accounts;

- (b) the terms and conditions under which any loan, credit facility or any type of financial accommodation may be granted by such companies, the maximum rates of interest that may be charged on such loans, credit facilities or other types of financial accommodation, and the maximum periods for which any such loan, credit facility or other type of financial accommodation may be granted;
- (c) the maximum rates which may be paid to, or charged by, such companies by way of commissions, discounts, fees or other receipts or payments whatsoever;
- (d) the terms and conditions under which investments may be made by such companies;
- (e) the maximum permissible maturities for loans, credit facilities or other types of financial accommodation and investments made by such companies, and the nature and amount of the security that may be required or permitted for various types of lending, credit and investment operations;
- (f) the form and manner in which books of accounts or other records or documents are to be maintained by such companies;
- (g) the exclusion from the income of such companies in whole or in part, unpaid interest in respect of loans granted, if such loans have become overdue;
- (h) the minimum ratio which the liquid assets of such companies should bear to the total deposit liabilities of such companies;

- (i) the maintenance of cash balances by finance companies with the Central Bank if so required by the Board, and the minimum ratio of such cash balances should bear to the deposit liabilities of finance companies;
- (j) conditions which should be applicable to withdrawal by depositors of deposits before maturity;
- (k) prohibiting such companies from increasing the amount of their loans, credit facilities, other types of financial accommodation or investments;
- (l) fixing the limits to the rate at which the amount of any loans, investments or financial accommodation made or granted by such companies may be increased within specified periods;
- (m) requiring such companies to decrease the amount of their loans, investments or financial accommodation to specified limits within a specified period;
- (n) the maximum percentage of the share capital in a finance company which may be held –
 - (i) by a company, an incorporated body, or an individual; and
 - (ii) in the aggregate by-
 - (a) a company and one or more of the following:-
 - (aa) its subsidiary companies;
 - (bb) its holding company;

- (cc) a subsidiary company of its holding company; or
 - (dd) a company in which such company or its subsidiary company, or its holding company, or a subsidiary company of its holding company has a substantial interest; or
- (b) an individual and one or more of the following:-
- (aa) his relative;
 - (bb) a company in which he has a substantial interest or in which his relative has a substantial interest;
 - (cc) a subsidiary company of such company;
 - (dd) the holding company of such company;
 - (ee) a subsidiary company of such company's holding company;
 - (ff) a company in which such company, or its subsidiary company, or its holding company, or a subsidiary of its holding company has a substantial interest; or
 - (gg) an incorporated body, other than a company, in which such individual or his relative has a substantial interest; or

- (c) companies in each of which an individual or a company as the case may be, has either directly, indirectly or beneficially a substantial interest or significant management interest;
- (o) the margins to be maintained by such companies in respect of secured accommodations;
- (p) restriction on the types of activities that may be carried on by finance companies;
- (q) payment to directors or employees of such companies by way of salary, allowance, perquisites, reimbursement of expenses, terminal benefits, gratuity and other superannuation payments;
- (r) the amount of core capital to be maintained by a finance company;
- (s) the academic and professional qualifications and experience required of directors, the chief executive officer and key management personnel of a finance company;
- (t) composition and the constitution of the quorum of the Board of Directors of such companies;
- (u) requirement for obtaining prior approval of the Board for appointing, electing or nominating directors of such companies;
- (v) requirement for obtaining prior approval of the Director for appointing the chief executive officer of a finance company;
- (w) terms, conditions and procedures to be followed by such companies in the acquisition of real estate, and pricing thereof;

- (x) formation of subsidiary and associate companies by such companies;
- (y) submission of a bank guarantee by a finance company for such value and on such terms as may be determined by the Board to ensure the payment of any penalty that may be imposed by the Board under this Act.

(2) A direction issued under subsection (1) shall have effect notwithstanding that such direction will require a finance company to effect a change in the nature or amount of any of its assets or liabilities, whether acquired or incurred before or after the date of the coming into operation of this Act:

Provided that, a finance company required to effect a change as stated above, shall be allowed a period of twelve months from the date of such direction within which to effect such change, or such longer period as may be granted by the Board for such purpose.

(3) In order to comply with a direction issued to it under paragraph (n) of subsection (1), a finance company may direct a person holding shares in such finance company to reduce within such period as specified in such direction, the number of shares held by such person in such finance company, whether such shares were acquired by such person before or after the date of commencement of this Act. It shall be the duty of such person to comply with such direction.

(4) The Board may in its discretion pay interest on any cash balance maintained by a finance company in the Central Bank in pursuance of a direction issued to it under paragraph (i) of subsection (1), at such rate as may be determined by the Board.

(5) The Board may give directions where necessary to any finance company in particular on such matters as are specified in subsection (1).

(6) In order to ensure the soundness of the financial system, the Board may issue directions to holding companies, subsidiaries and associate companies of finance companies regarding the manner in which any aspect of the business of such companies is to be conducted.

Monitoring the compliance with directions.

13. The Board may issue guidelines to the Director relating to the manner of monitoring compliance with the directions issued under subsections (1) and (2) of section 12 and authorize the Director to direct finance companies to comply with such directions either forthwith or within such period as may be specified by the Director.

Action on failure to comply with directions.

14. (1) If any finance company fails to comply with any direction issued under subsection (1) or (2) of section 12, the Director shall report such fact to the Board unless otherwise provided for in any guidelines issued under section 13 and the provisions in section 25 of this Act shall apply in such event.

(2) If any finance company fails to comply with any direction issued by the Director in terms of the guidelines issued by the Board under section 13, the Director shall report such fact to the Board and the provisions in section 25 of this Act shall apply in such event.

Directions to submit documents and information.

15. The Director may with a view to ascertaining the manner in which business and corporate affairs of a finance company are being conducted or for any other specified purpose, direct any finance company to submit documents and information in the manner, in such form and at such intervals or at such times as shall be specified in such direction.

Rules.

16. (1) The Board may make rules on any matter in respect of which rules are authorized to be made under this Act, or which is stated or required to be prescribed.

(2) In particular and without prejudice to the generality of the powers conferred by subsection (1), the Board may make rules in respect of all or any of the following matters:-

- (a) licensing of finance companies and the annual licence fees payable to the Board by finance companies;
- (b) the forms to be used under this Act;
- (c) the regulation or the prohibition of the issue by any finance company of any prospectus or advertisement relating to any aspect of finance business, and the conditions subject to which, any such prospectus or advertisement may be issued.

(3) Every rule made by the Board under this Act shall be published in the *Gazette*.

17. (1) The Board may, from time to time determine the minimum amount of core capital that a company shall have for licensing under this Act: Core capital

Provided however, such amount determined by the Board shall not be less than two hundred million rupees.

(2) A finance company shall at all times maintain its core capital at a level not less than the amount it had at the time of being licensed as a finance company:

Provided however, that in the event the Board has issued a direction stipulating a higher amount of core capital or maintenance of core capital in relation to assets or liabilities of a finance company in terms of section 12 of this Act, a finance company shall maintain its core capital in conformity with such direction.

18. (1) A finance company shall at all times maintain a Reserve Fund. Every finance company shall after the payment of tax in respect of each year, but before any dividend is declared, transfer to the Reserve Fund such part of its net profit as the Board may direct. Reserve Fund.

(2) A finance company shall not without the prior written approval of the Board reduce or impair its capital or such amount as is lying in its Reserve Fund.

Carrying on business by finance companies.

19. A finance company shall at all times carry on its business in such manner so as to safeguard the interests of its depositors and shall take all such measures as are reasonably necessary to repay or pay on the due dates as the case may be, the deposits or interest thereon to its depositors.

Failure to repay deposit or pay interest to be an offence.

20. (1) Where any finance company fails to repay a deposit or fails to pay interest thereon to a depositor, on demand or if a date of maturity is agreed upon at the time of deposit, on or after such date of maturity, every director, manager or secretary of such company shall be guilty of an offence under this Act:

Provided however that, no such director, manager or secretary shall be guilty of an offence if he proves that such offence was committed without his knowledge, and that he exercised all due diligence to prevent the commission of that offence.

(2) Any depositor whose deposit and interest has not been paid on demand or at maturity in terms of subsection (1), may institute proceedings in the Magistrate's Court in terms of section 136 of the Code of Criminal Procedure Act, No. 15 of 1979.

Disqualifications for holding certain posts in finance companies.

21. (1) A person shall be disqualified from being appointed or elected, as the case may be, as a director, chief executive officer, secretary or key management personnel of a finance company or from holding such post if such person-

- (a) has been declared an undischarged insolvent or a bankrupt, by any court in Sri Lanka or abroad;
- (b) has been convicted by any court for an offence involving moral turpitude;

- (c) has been convicted by any court for any offence under this Act or the Companies Act, No.07 of 2007;
- (d) is a person against whom action has been taken by the Board under section 51 of this Act;
- (e)
 - (i) is being subjected to any investigation or inquiry in respect of an act of fraud, deceit, dishonesty or other similar criminal activity, conducted by the police, any regulatory or supervisory authority, professional association, commission of inquiry, tribunal, or any other body established by law, in Sri Lanka or abroad;
 - (ii) has been found guilty in respect of an act of fraud, deceit, dishonesty or other similar criminal activity, by any regulatory or supervisory authority, professional association, commission of inquiry, tribunal, or any other body established by law, in Sri Lanka or abroad, at any time during the period of fifteen years immediately prior to being so appointed or elected;
- (f)
 - (i) is being subject to court proceedings for an offence involving an act of fraud, deceit, dishonesty or other similar criminal activity;
 - (ii) has been convicted by any court for an offence involving an act of fraud, deceit, dishonesty or other similar criminal activity at any time during the period of fifteen years immediately prior to being so appointed or elected;
- (g) has been removed or suspended by a regulatory or supervisory authority from serving as a director, chief executive or other officer in any bank, finance company or corporate body in Sri Lanka or abroad;

- (h) has been declared by a court of competent jurisdiction to be of unsound mind;
- (i) has been determined by the Board -
 - (i) as having carried on finance business-
 - (a) in contravention of subsection (1) of section 2 of this Act; or
 - (b) in contravention of subsection (1) of section 2 of the Finance Companies Act, No. 78 of 1988 (prior to its repeal); or
 - (ii) as having accepted deposits in contravention of subsection (2) of section 2 of this Act; or
- (j) has been a director, chief executive or held any other position of authority in any body corporate or unincorporate body which the Board has determined as having carried on finance business in contravention of subsection (1) of section 2 of this Act or subsection (1) of section 2 of the Finance Companies Act, No. 78 of 1988 (prior to its repeal) or having accepted deposits in contravention of subsection (2) of section 2 of this Act.

(2) If the Board so determines, any person who has been a director, chief executive officer or held any other position of authority in any bank, finance company or financial institution whose licence or registration has been cancelled, shall be disqualified from being appointed or elected as the case may be, as a director, chief executive officer, secretary or key management personnel of a finance company or from holding such post.

(3) Any person who acts as a director, chief executive officer, secretary or key management personnel of a finance company while being under any disqualification set out in subsection (1), shall be guilty of an offence under this Act.

22. (1) The Director may require any director, manager, employee of a finance company to make a declaration of his assets and liabilities to the Director as at a date and in such form as may be specified by the Director.

Declaration of assets and liabilities.

(2) In requiring a declaration under subsection (1) the Director may also require the details of increase and decrease in liabilities and acquisition and disposal of assets for a particular period.

(3) For the purpose of this section “assets and liabilities” means assets and liabilities within and outside Sri Lanka, and includes immovable and movable property owned by the declarant or a relative in whole or in part and any property in which the declarant or a relative has a beneficial interest.

23. (1) Where an owner of a deposit or a holder of a valid Power of Attorney of the owner in respect of such deposit:-

Transfer of dormant deposits to a special account in the Central Bank.

(a) has not transacted with the finance company either by making a deposit or withdrawal; and

(b) has not had any correspondence with the finance company,

for a period not less than ten years, such deposit shall be considered to be a dormant deposit:

Provided, that in relation to a deposit owned by a person who has not attained the legal age of majority the aforesaid period of ten years in respect of such deposit shall commence only upon such person attaining the legal age of majority.

(2) Any finance company holding any dormant deposit referred to in subsection (1), shall make a report to the Board stating the nature of the deposit in such manner and time as may be required by the Board.

(3) The Board may direct a finance company to take such action as it deems necessary in respect of dormant deposit reported by such finance company. Notwithstanding anything to the contrary in any other written law, all monies in such deposit shall, if the Board so directs, be transferred by the finance company to a special account in the Central Bank and may be utilized by the Board for such purposes as may be determined by the Board.

(4) Any dormant deposit included in the report of a finance company and which does not fall under subsection (3) shall be referred by the Board to the Minister who shall issue such instructions as he considers appropriate in the circumstances.

(5) Within thirty days from the submission of the report required by subsection (2), the relevant finance company shall publish a notice in at least one Sinhala, Tamil and English daily newspapers circulating in Sri Lanka stating the name of the owner and particulars with regard to such deposit and shall dispatch, by registered post a notice to the owner to his last known address containing particulars of such deposit, provided that the Board may exempt the finance company from the mailing of such notice upon the finance company showing reasonable cause therefor.

(6) The Central Bank shall where any person furnishes proof to the satisfaction of the Board, that any monies lying to his credit in his name with any finance company or in the name of a person from whom he derives title have been transferred to a special account in the Central Bank under subsection (3) subject to such terms, conditions or restrictions as may be imposed in respect of such monies, by or under any written law, repay to such person such monies, either with interest payable on such monies up to the date of repayment at such rate as the Board may, from time to time determine or if the Board so determines without such interest.

PART III

EXAMINATIONS AND SUPERVISORY ACTIONS ON
FINANCE COMPANIES

24. (1) The Director by himself, or by any officer of the Central Bank or any other person, authorized on that behalf by the Director, may examine the books and accounts of every finance company at least once in each examination period, and may make such further examinations in respect of any specified finance company as the Director may deem fit and for such purpose, may do one or more of the following-

Examination of books and accounts etc of finance companies.

- (a) require any finance company, or a director, secretary, manager, employee, auditor, agent or contractor of any finance company to furnish him within such period and in such manner or form as he may specify, information as he considers necessary;
- (b) require any finance company or a director, secretary, manager, employee, auditor, agent or contractor of any finance company to produce for inspection books, records, files, registers, and such other documents, maintained in print, electronic or any other form, of such finance company and to provide authenticated copies in any form as required of such books, records, files, registers and such other documents;
- (c) enter the premises or storage area of any finance company, and notwithstanding anything to the contrary in any other written law, examine books, records, files, registers, and such other documents, maintained in print, electronic or any other form, of such finance company and may obtain copies, authenticated or otherwise, in any form of such books, records, files, registers and such other documents:

Provided however, if the Director receives reasonable information that the books, records, files, registers and such other documents, maintained in print, electronic or any other form, of a finance company are kept at any place other than the places specified above, the Director or any person authorized by the Director shall have the power to enter and examine such other place and examine such books, records, files, registers and such other documents and if necessary obtain copies, authenticated or otherwise, thereof in any form as required:

Provided further, if the Director believes that there will be resistance or obstruction for such entering or search or there will be concealment of information, he may obtain a warrant from a Magistrate to enable him or any person authorized by the Director to enter upon and search such place specified in such warrant and may take into custody of the Director or the person so authorised any books, records, files, registers and such other documents, maintained in print, electronic or any other form, and electronic devices containing relevant information. The Director may when entering upon, any such place obtain the assistance of the office-in-charge of the police station within whose area of jurisdiction such place is situated.

For the purposes of this paragraph any person who is not an officer of the Central Bank when entering the premises of such finance company shall be accompanied by the Director or an officer of the Central Bank authorized by the Director.

- (d) require the holding company, any subsidiary or associate company of any finance company, or any subsidiary or associate company of the holding company of any finance company, or any other company that in view of the Director has a substantial financial interest or significant management interest in any finance company to

furnish information as the Director may consider necessary and to produce for inspection books, records, files, registers and such other documents, maintained in print, electronic or any other form, of such company at such time, date and place and in a manner or form as the Director may specify and to provide in any form as required, authenticated copies of such books, records, files, registers and such other documents;

- (e) require any finance company or a director, manager, employee, agent, contractor or secretary of any finance company to submit the accounts of such finance company, furnish such information and produce such books, records, files, registers, and such other documents, maintained in print, electronic or any other form, for audit by an auditor authorized by the Director;
- (f) question and record statements of or if necessary direct, any director, shareholder, secretary, manager, employee, agent, auditor or contractor of any finance company or of any other person who may be acquainted with or is aware of or is in possession of, information regarding the business or corporate affairs of such finance company to submit answers to the questions raised by way of an affidavit or if necessary administer oath or affirmation in accordance with the Oaths or Affirmations Ordinance (Chapter 17) and cause questions to be asked of and record or cause the recording of statements;
- (g) call for information by notice in writing from any person who may be acquainted with or is aware of or is in possession of or appears to have information regarding the business or corporate affairs of any finance company and if required summon such person for an interview.

(2) A Report on such examination shall be furnished to the Board by the Director after the examination is completed.

(3) The Board may recover the costs of such examination from the finance company.

(4) It shall be the duty of every person to comply with any requirement imposed on him under this section. Any person who-

- (a) fails to provide any information or produce for inspection any book, record, file, register or such other document, material or object required under this section;
- (b) fails to attend in person when summoned for an interview;
- (c) provides false, incomplete or incorrect or misleading information, book, record, file, register or such other document, material or object; or
- (d) obstructs the Director or any other person authorized by the Director under subsection (1) in the performance of any function under subsection (1),

shall be guilty of an offence under this Act.

(5) In this section “examination period” means a period as may be fixed for the purpose by the Board.

Procedure to be followed when Director is of opinion that finance company is following unsound practices.

25. (1) Where the Board, on a report made under section 14 or subsection (2) of section 24 by the Director, is of the opinion that a finance company-

- (i) is carrying on or is likely to carry on, its business following unsound or improper financial practices, which are detrimental to the interest of its depositors and other creditors; or
- (ii) has contravened or failed to comply with any provisions of this Act, or any direction, rule, order or requirement made or imposed thereunder,

the Board may do one or more of the following-

- (a) impose a penalty not exceeding five hundred thousand rupees payable within such period as may be specified by the Board;
- (b) direct such finance company to cease any such practice;
- (c) direct such finance company to comply with the provisions of this Act or direction, rule, order or requirement made or imposed thereunder which such finance company has failed to comply with, forthwith or within such period as may be specified by the Board;
- (d) direct such finance company to take necessary action to correct the conditions resulting from such practice or contravention;
- (e) publish the name of the finance company as a finance company regarding which the Board has serious supervisory concerns;
- (f) appoint a person to manage the affairs of such finance company with regard to the proper conduct of the business of such finance company;
- (g) appoint an officer of the Central Bank as its representative in such finance company to monitor the affairs of such finance company and carry on such other functions on terms of reference as may be determined by the Board;
- (h) restrain any director, manager or controller of the finance company from carrying out any function in or in relation to the finance company;
- (i) remove any director, manager or employee of the finance company;

- (j) re-organize the finance company, by arranging for the increase of its capital or reconstituting its Board of Directors or taking both such measures;
- (k) require the reduction of the number of shares held in the finance company by any person;
- (l) provide for such arrangements as are necessary for the amalgamation of the finance company with another finance company or any other institution, with the consent of such other finance company or institution;
- (m) notwithstanding the provisions of any other written law, review any contract entered into by a depositor with the finance company and vary the terms of such contract, including the terms relating to repayment, interest rates and charges where it considers that such contract has been entered into without due regard to the interests of depositors or other creditors of the finance company or due regard to prudent commercial practice;
- (n) notwithstanding the provisions of any other written law, review any agreement or contract entered into by the finance company, with any person and if upon such review, it appears to the Board that the agreement or contract has been entered into without due regard to the interest of the depositors and other creditors of the finance company or without due regard to prudent commercial practice, vary the terms of such agreement or contract.

(2) Any finance company dissatisfied with a direction given under paragraphs (b), (c) or (d) of subsection (1), may, before the expiry of thirty days from the date of the issue of such direction, appeal in writing to the Board and the Board shall render its decision within thirty days of receipt of such appeal.

(3) The Director may make an application to the Magistrate to impound the passport of any director or key management personnel of a finance company in an event where such finance company has violated the provisions of this Act and the Director has reasons to believe that such director or key management personnel is responsible for such violation.

PART IV

FINANCIAL STATEMENTS AND AUDIT OF FINANCE COMPANIES

26. Every finance company shall prepare at the expiration of each financial year a complete set of financial statements including-

Financial statements of finance company.

- (a) a balance sheet as at the end of such financial year; and
- (b) an income statement in respect of such financial year.

27. (1) The balance sheet of a finance company shall set out the state of affairs of such company as at the end of the financial year to which such balance sheet relates.

Balance sheet of finance company.

(2) Unless the Board otherwise requires there shall be shown in the balance sheet or in any statement annexed thereto-

- (a) capitalized expenses not represented by tangible assets under separate headings, so far as they are not written off;
- (b) the market value of investments;
- (c) the method adopted to value fixed assets if there had been any valuation of such assets during the financial year;

- (d) the aggregate amounts of advances after the provision for bad and doubtful debts;
- (e) any increase or decrease in the provision for depreciation, renewals, or diminution in the value of fixed assets;
- (f) the sources and application of funds;
- (g) reserves, provisions and liabilities distinguishable from each other;
- (h) changes in equity;
- (i) except in the case of the first balance sheet of the finance company, the corresponding amounts at the end of the immediately preceding financial year for all items shown in the balance sheet.

Income
statement of
finance
company.

28. Unless the Board otherwise requires there shall be shown in the income statement of a finance company or in any statement annexed thereto-

- (a) the amount charged to revenue by way of provision for depreciation, renewals, or diminution in value of fixed assets;
- (b) the amount charged to revenue for Sri Lanka income tax and other Sri Lanka taxation on profits and distinguishable from such accounts, the amounts, set aside, or proposed to be set aside, for liabilities in respect of tax due in the current year of taxation or a succeeding year;
- (c) the aggregate amount of dividends paid or proposed to be paid;
- (d) the amount of remuneration of auditors;

- (e) the amount charged to revenue representing the aggregate amount of the emoluments of directors;
- (f) the amount set aside or proposed to be set aside to, or withdrawn from reserves;
- (g) under separate headings, the profit or loss or the income and expenses arising from transactions such as are not usually carried on by the finance company and are carried on owing to circumstances of an exceptional or non-recurrent nature or by a change in the basis of accounting;
- (h) except in the case of the first income statement of the finance company, the corresponding amount for the immediately preceding financial year for all items shown in the income statement.

29. (1) Every finance company shall transmit to the Director within three months after the closure of each financial year -

- (a) the audited income statement of the company for that financial year;
- (b) the audited balance sheet of the company as at the end of the financial year;
- (c) the auditor's report in respect of the documents referred to in paragraphs (a) and (b) above; and
- (d) the report by the directors relating to the state of the affairs of the finance company attached to the balance sheet.

Transmission of balance sheet and income statement of finance company to the Director and publication.

(2) Every finance company shall publish at least once in a Sinhala, Tamil and English daily newspapers circulating in Sri Lanka within three months after the closure of each financial year, the documents specified in paragraphs (a), (b) and (c) of subsection (1).

(3) Every finance company shall exhibit documents specified in paragraphs (a), (b) and (c) of subsection (1) in a conspicuous place of each of its places of business until those documents for the succeeding financial year are prepared and exhibited.

(4) The Board may specify the form of the balance sheet and income statement referred to in this section and where such form is specified, the balance sheet and income statement of every finance company shall be prepared in such form.

(5) Every finance company shall publish its key financial data and key performance indicators in respect of the period of six months immediately following from the end of its each financial year, in such form and within such period as may be specified by the Director.

Auditing of
accounts.

30. (1) The auditor of a finance company shall inspect the accounts, the finances, the management of the finances and the property of that finance company. The auditor shall as far as possible, and where necessary, examine-

- (a) whether the conduct of the affairs of the finance company has been in accordance with the laws for the time being in force relating to the conduct of finance business by finance companies and rules and directions issued by the Board;
- (b) whether records relating to the acceptance of deposits and maintaining of accounts are satisfactory;
- (c) whether the accounting systems, procedures, books, records and other documents have been properly and adequately designed from the point of view of financial control purposes and from the point of view of the presentation of information to enable continuous evaluation of the activities of the finance

company and whether such systems, procedures, books, records and other documents are in effective operation;

- (d) whether the accounts audited have been so designed as to present a true and fair view of the affairs of the finance company in respect of the period under consideration due regard being had to principles of accountancy, financing and valuation.

(2) The Board may having regard to the need to ensure that competent and qualified auditors are engaged in auditing the accounts of finance companies issue guidelines in that respect to the Director who shall select from time to time in accordance with such guidelines, such number of qualified auditors to audit the accounts of finance companies and transmit a list of the qualified auditors so selected to all finance companies.

(3) The Board may issue directions regarding the rotation of auditors of finance companies.

(4) It shall be the duty of each finance company to select its auditors for the purpose of auditing its accounts from and out of the list transmitted under subsection (2) and to comply with directions issued in terms of subsection (3).

PART V

REGULATORY AND RESOLUTION ACTIONS ON FINANCE COMPANIES

31. (1) Where the Director is satisfied after examination by himself or by any officer of the Central Bank or any other person, authorized on that behalf by the Director, or upon information received from the finance company, that it is insolvent or is likely to become unable to meet the demands of its depositors or that its continuance in business is likely to involve loss to its depositors or other creditors, the Director Suspension.

shall make a report accordingly to the Governor of the Central Bank for submission to the Board; and if the Board, upon review of the facts and circumstances, is of opinion that action should be taken as hereinafter provided, the Board may make an order directing the company forthwith to suspend business and directing the Director to take charge of all books, records and assets of the company, and to take such measures as may be necessary to prevent the continuation of business by the company.

(2) Any director, manager, secretary or employee of the finance company or any other person having in his possession or custody any books, records or assets of the company, who fails to hand over the same to the Director or to an officer of the Central Bank or to any other person, authorized on that behalf by the Director, or any person who obstructs or resists the Director or an officer of the Central Bank or any other person, authorized on that behalf by the Director from taking charge of any books, records or assets of the company or from taking such other measures as the Director may consider necessary to prevent the continuation of business by the company, shall be guilty of an offence under this Act.

(3) Where any loss or damage is incurred or is likely or alleged to have been incurred by reason of any order made in good faith under subsection (1) no action or proceeding may be instituted in a court for securing review or revocation of such order or recovery of such loss or damage unless it can be proved that such order was not made in good faith.

(4) The Board may take such steps as it may consider necessary for enabling the continuation of recovery of debts of the finance company and for such purpose shall have the power to open bank accounts in the name of the finance company to enable the debtors to make payments to the finance company.

(5) Any order of suspension made by the Board in respect of any finance company under this section shall cease to have effect upon the expiration of a period of six months

from the date on which it is made and it shall be the duty of the Board as soon as practicable-

- (a) make order permitting the company to resume business, either unconditionally or subject to such conditions as the Board may consider necessary in the public interest, or in the interest of the depositors and other creditors of the company; or
- (b) cause the Director to make application as hereinafter provided to a competent court for the winding up of the finance company and notify such company accordingly. Where a finance company is so notified, the company shall not resume business unless an order to do so is made by a Court,

without prejudice to the generality of the powers conferred by paragraph (a) and notwithstanding anything to the contrary in any other written law or the memorandum and articles of association of the company, the Board may, as a condition of permitting the company to resume business, remove any director, manager or employee of such company where it is of the view that the continuance of such director, manager or employee in the company is detrimental to the interests of its depositors and other creditors and appoint any person as a director, manager or an employee of such company.

(6) Notwithstanding anything to the contrary in any other written law or the Memorandum and Articles of Association of a finance company, the Board, may where an order has been made by the Board under paragraph (a) of subsection (5), do one or more of the following -

- (a) make such arrangements as it considers necessary for the amalgamation of the finance company with another finance company or any other institution, with the consent of such other finance company or institution;

- (b) re-organise the finance company by increasing its capital and arranging for new shareholders;
- (c) reconstruct the finance company in any manner as it deems necessary in the interest of depositors and other creditors of such finance company;
- (d) appoint a person to manage the affairs of such finance company with regard to the proper conduct of the business of such finance company;
- (e) restrain any director, manager or controller of the finance company from carrying out any function in or in relation to the finance company;
- (f) remove any director, manager or employee of the finance company;
- (g) reconstitute the Board of Directors of the finance company;
- (h) review any contract entered into by a depositor with the finance company and vary the terms of such contract, including the terms relating to repayment, interest rates and charges where it considers that such contract has been entered into without due regard to the interests of depositors or other creditors of the finance company or due regard to prudent commercial practice;
- (i) review any agreement or contract entered into by the finance company, with any person and if upon such review, it appears to the Board that the agreement or contract has been entered into without due regard to the interest of the depositors and other creditors of the finance company or without due regard to prudent commercial practice, vary the terms of such agreement or contract;

- (j) direct any shareholder of the finance company to divest or transfer the ownership of the shares owned by him, to a person nominated by the Board, on payment by such person of compensation as follows:-
 - (i) where such shares are quoted, at the market value thereof; or
 - (ii) where such shares are not quoted at a price to be determined by a valuer nominated by the Board.

(7) A shareholder who fails to comply with a direction given to him under paragraph (j) of subsection (6) shall be guilty of an offence under this Act.

32. (1) Where an order has been made by the Board under paragraph (b) of subsection (5) of section 31, the Director shall make an application as hereinafter provided to a competent court for the winding up of the finance company. Winding up.

(2) The Court may, on an application made by the Director, order the winding up of the finance company and accordingly the provisions of the Companies Act, No. 07 of 2007, relating to the winding up of companies subject to the supervision of court shall, *mutatis mutandis*, apply to the winding up of such company.

(3) If the court is of opinion, after such inquiry as it may consider necessary, and after considering the submissions of the Director, that the finance company is not insolvent, it may make order permitting the finance company to resume business, either unconditionally or subject to such conditions as the Court may consider necessary in the public interest or in the interest of the depositors and other creditors of the company:

Provided, that the provisions of this subsection shall not apply to a finance company which has made an application

to the Supreme Court in relation to an order made or purported to have been made by the Board in terms of subsection (5) of section 31 of this Act.

(4) The Director or any person authorized on that behalf by the Board shall be appointed to be the liquidator for the purposes of such winding up.

(5) Any costs, charges and expenses incurred in the winding up of a finance company may be paid out of the funds of the Central Bank where the Board considers it in the public interest to do so, in the event such costs, charges and expenses cannot be met out of the funds of such finance company.

(6) Every order made by a competent court under this section shall be subject to an appeal to the Supreme Court and the provisions of the Civil Procedure Code (Chapter 101) relating to appeals in civil actions shall apply, *mutatis mutandis*, in the case of any such appeal.

(7) Where the Director makes an application to Court for winding up of the finance company under subsection (1) for the continuity of legal proceedings it is deemed that the original caption of the plaint shall be valid for all purposes of law even if the Director who made the application to court is no longer the head of the department of the Central Bank to which the subject of finance companies has been assigned.

(8) In this section 'competent court' in relation to any finance company means a High Court established under Article 154P of the Constitution for a Province, empowered with civil jurisdiction by Order published in the *Gazette* under section 2 of the High Court of the Provinces (Special Provisions) Act, No. 10 of 1996, within the Province for which such High Court is established, or where no such High Court vested with such civil jurisdiction is established for any Province, the High Court established for the Western Province.

33. The Minister may make regulations with regard to the priority of claims in a winding up of a finance company:

Priority of claims in winding up.

Provided however, until any regulations are made under this section the provisions of the Companies Act, No. 7 of 2007 or any other applicable law to the extent that such provisions are not inconsistent with the provisions of this Act shall, *mutatis mutandis*, apply with regard to the priority of claims in a winding up of a finance company.

34. (1) The Board may, after review of the facts and circumstances upon the receipt of a report by the Director under section 31 as an alternative to taking action under section 31, take over the administration and management of such finance company for such period as may be determined by the Board and shall publish a notice in the *Gazette* of such take over. The Board may extend the original period of take over and shall publish a notice of such extension in the *Gazette*. The Board shall inform the Registrar General of Companies of such take over and any extension thereto and the Registrar General shall make a minute thereof in the books relating to the company.

Board may take over administration and management of a finance company.

(2) Where the Board takes over the administration and management of a finance company, the Board may do one or more of the following -

- (a) exercise, perform and discharge with respect to such finance company all the powers, duties and functions conferred or imposed on, or assigned to, the Board of Directors of such company by or under any written law or by the Articles of Association of such company or imposed on or assigned to any other person by the Articles of Association of such company;
- (b) enter into any agreement with any person for the management of the finance company subject to such conditions as may be agreed upon between the

Board and such person having regard to the interests of the depositors and other creditors of the company and in the public interest;

- (c) make such arrangements as it considers necessary for the amalgamation of the finance company with another finance company or any other institution with the consent of such other finance company or institution;
- (d) re-organise the finance company by increasing its capital and arranging for new shareholders;
- (e) reconstruct the finance company in any such manner as it considers to be in the interest of depositors and other creditors of such finance company;
- (f) remove any director, manager or employee of the finance company;
- (g) reconstitute the board of directors of the finance company;
- (h) direct any shareholder of the finance company to divest or transfer the ownership of any shares owned by him to a person nominated by the Board on payment by such person of compensation determined as follows-
 - (i) where such shares are quoted, at the market value thereof; or
 - (ii) where such shares are not so quoted, at a price to be determined by a valuer nominated by the Board;
- (i) notwithstanding anything to the contrary in any other written law, review any contract entered into by a depositor with the finance company and vary the terms of such contract, including the terms

relating to repayment, interest rates and charges where it considers that such contract has been entered into without due regard to the interests of depositors or other creditors of the finance company or due regard to prudent commercial practice;

- (j) notwithstanding anything to the contrary in any other written law, review any agreement or contract entered into by the finance company, with any person and if upon such review, it appears to the Board that the agreement or contract has been entered into without due regard to the interest of the depositors and other creditors of the finance company or without due regard to prudent commercial practice, vary the terms of such agreement or contract.

(3) During the period for which the administration and management of finance company is taken over by the Board, every director, manager and secretary of such finance company shall, unless expressly authorized to continue by the Board, cease to exercise, perform and discharge any powers, duties and functions with respect to such company.

(4) Where the administration and management of a finance company is taken over by the Board, the Board may where it considers it in the public interest to do so-

- (a) arrange for or grant such financial accommodation as it may consider necessary to the finance company by way of loans or other accommodation, other than by way of grants; and
- (b) meet all costs, charges and expenses incurred in the administration and management of the company.

(5) That the Board may at any time after the taking over of the administration and management of a finance company under subsection (1) suspend the business of the company,

if it is of opinion, that it is in the interest of the public or of the depositors to do so, or direct the Director to apply to wind up the company, if on a report made by the Director or any person authorized by the Board, it appears to the Board that the company cannot be made viable and solvent within a reasonable period of time. In the event of the Board directing the Director to wind up the finance company, the provisions of section 32 relating to winding up shall apply.

Protection from suit.

35. Where the Board has taken over the administration and management of a finance company under section 34, the Board shall not be liable or subject to any action or proceedings in any court in respect of any loss or damage suffered or incurred or alleged to have been suffered or incurred by any person by reason of any act or thing done or omitted to be done in good faith by the Board or in the exercise of any power, duty or function conferred or imposed on, or assigned to, the Board by or under subsection (2) of section 34.

Vesting of administration and management of finance company in person.

36. (1) Where the Board has taken over the administration and management of a finance company under section 34 the Board may, in order to take steps to safeguard the interest of the depositors or creditors vest the administration and management of such finance company in any person with the consent of such person and publish a notice in the *Gazette* in that regard. The person on whom the administration and management of such finance company is vested shall exercise, perform and discharge with respect to such finance company all the powers, duties and functions conferred or imposed on, or assigned to the Board of Directors of such company by or under any written law or by the Articles of Association of the company or to any other person by the Articles of Association of such company.

(2) Where the Board has vested the administration and management of a finance company in any person the Board may direct any shareholder of such finance company to divest or transfer the ownership of any shares owned by him to a

person nominated by the Board on payment by such person of compensation as follows-

- (a) where such shares are quoted, at the market value thereof; or
- (b) where such shares are not quoted, at a price to be determined by a valuer nominated by the Board.

(3) Any person in whom the Board vests the administration and management of a finance company, may, discharge such functions in accordance with the provisions of this Act and the provisions of subsection (2) of section 34 shall, *mutatis mutandis*, apply in relation thereto:

Provide however, if it appears necessary the Board may require such person to obtain the prior written approval of the Board to exercise any of the powers or functions given under subsection (2) of section 34 of this Act.

37. (1) Where the Board is satisfied that any finance company has-

- (a) failed to commence business within nine months of the issue of the licence;
- (b) failed to pay up any debts incurred by it, on such debts becoming due;
- (c) had petition or action for relief filed against such finance company, and has had appointed in respect of such finance company under any bankruptcy law or any other written law which provides for relief for debtors or which relates to debtors, a liquidator, custodian or receiver;
- (d) ceased to carry on finance business;
- (e) continuously been violating or contravening the provisions of this Act or any direction or rule issued thereunder;
- (f) failed to pay the annual licence fee; or

Cancellation of licence of a finance company.

- (g) carried on, or is carrying on, its business in a manner likely to be detrimental to the interests of its depositors and other creditors,

the Board may, give notice to the finance company that it would cancel the licence issued to such finance company.

(2) A finance company may tender objections in writing to the Board against the notice of cancellation under subsection (1), within thirty days of the date of such notice, giving reasons why the licence issued to it under section 5 should not be so cancelled.

(3) After the expiration of sixty days from the date of the notice of the cancellation and after considering the objections tendered to the Board under subsection (2), the Board may withdraw such notice or cancel the licence issued to the finance company, and such cancellations shall take effect on the date of the decision of the Board to cancel the licence or such other later date as the Board may deem appropriate.

(4) The decision of the Board to cancel the licence shall be notified to the finance company and the notification of cancellation shall be published in the *Gazette* and in at least one Sinhala, Tamil and English daily newspapers circulating in Sri Lanka, informing the public that such company is no longer authorized to carry on finance business.

(5) Where the licence of a finance company is cancelled the Board shall remove the name of the finance company from the register maintained under subsection (1) of section 7 and may issue such directions as it considers necessary, including directions for winding up or require the Director to apply for winding up of the company in which event the provisions of section 32, except subsection (3) thereof, shall apply.

(6) Where the finance company fails to comply with any directions issued under subsection (5) within the time

specified by the Board, the Board may require the Director to file action for the winding up of the finance company, and the provisions of section 32, except subsection (3) thereof shall apply.

PART VI

INSURANCE OF DEPOSITS

38. (1) The Board may notwithstanding anything in the Regulation of Insurance Industry Act, No. 43 of 2000, or any other written law, establish, maintain, manage and control a scheme for the insurance of deposits held by finance companies and require such companies to insure under such scheme the deposits held by them.

Scheme of Insurance of Deposits.

(2) (a) The Board may authorize a body corporate (hereinafter referred to as “authorized body corporate”) to carry out all or any of the functions referred to in subsection (1), subject to such terms and conditions, and in such event, the provisions of the Regulation of Insurance Industry Act, No. 43 of 2000 shall not apply to such body corporate for such purpose.

(b) The Board may acquire and hold shares in the authorised body corporate.

39. (1) Where a scheme for the insurance of deposits has been established, every finance company shall apply to the Board or to the authorised body corporate in the form specified by the Board to insure under such scheme, the deposits held by such finance company.

Application for insurance of deposits.

A finance company, the deposits of which have been insured under such scheme is referred to as an “insured finance company” in this Part of this Act.

(2) The Board or the authorised body corporate, at its discretion, may accept or reject any application made under subsection (1).

(3) Every applicant finance company shall pay an initial fee to the Board or authorized body corporate as the case may be, which shall be determined, from time to time by the Board or the authorised body corporate with the concurrence of the Board.

(4) An insured finance company shall pay a premium of insurance to the Board or to the authorised body corporate on its deposits.

(5) If an insured finance company makes any default in the payment of any premium, it shall, for the period of such default, be liable to pay to the Board or to the authorised body corporate interest on the amount of such premium at such rate as may be determined by the Board or the authorised body corporate with the concurrence of the Board, having regard to the losses likely to be incurred by the Board or the authorised body corporate by such default.

Examination by authorized body corporate.

40. (1) The authorised body corporate may, at its discretion, cause to examine the books and accounts of any insured finance company and the provisions of subsections (1) and (4) of section 24 of this Act shall, *mutatis mutandis*, apply to such examination.

(2) A copy of the examination report shall be submitted by the authorised body corporate to the Director forthwith after an examination.

Rules relating to deposit insurance.

41. (1) Rules may be made by the Board or the authorised body corporate with the concurrence of the Board in respect of establishment and operation of a scheme of insurance of deposits and in particular –

- (a) the amount, the time at which and the manner in which the insurance premium shall be paid by an insured finance company;
- (b) the interest which may be charged from an insured finance company, where it makes default in the payment of premia;

- (c) any matter that is stated or is required to be prescribed or determined under this Part of this Act for the purpose of insuring depositors of finance companies;
- (d) record keeping requirements for an insured finance company;
- (e) reporting requirements for an insured finance company;
- (f) any other matter affecting, connected with or incidental to the exercise, discharge or performance of the powers, functions and duties of the Board or the authorised body corporate under this Part of this Act.

(2) Every rule made under this section shall be published in the *Gazette*.

PART VII

ACTION AGAINST PERSONS CARRYING ON FINANCE BUSINESS OR ACCEPTING DEPOSITS WITHOUT AUTHORITY

42. (1) For the purpose of ascertaining whether any person has carried on or is carrying on finance business or has accepted or is accepting deposits from the public in contravention of the provisions of section 2, the Director or any officer of the Central Bank authorized on that behalf by the Director may conduct an investigation and for that purpose may do one or more of the following –

Investigation.

- (a) require such person or a director, partner, member, secretary, manager, employee, agent, contractor or auditor of such person to furnish him within such period and in such manner or form as he may specify, such information as he may consider necessary;
- (b) require such person or a director, partner, member, manager, secretary, employee, agent, contractor or auditor of such person to produce for inspection

books, records, files, registers and such other documents, maintained in print, electronic or any other form, relating to the business and corporate affairs of such person at such place as specified and to provide authenticated copies in any form as required, of such books, records, files, registers and such other documents;

- (c) at any time enter or authorize any other person whose services have been obtained by the Director for such purpose, to enter the premises or storage area of such person or any vehicle of such person or of any director, partner, member, secretary, manager, employee, agent, contractor or auditor of such person which is at the premises of such person and notwithstanding anything to the contrary in any other written law examine or cause to be examined such premises or storage area or vehicles and books, records, files, registers and such other documents, maintained in print, electronic or any other form, found in such premises, storage area or vehicle relating to the business and corporate affairs of such person and if necessary obtain copies, authenticated or otherwise, in any form as required, of such books, records, files, registers and such other documents, and take account of currency, bills of exchange, corporate and government securities found in such premises or storage area or vehicle or which may be kept in safe custody in such premises or storage area:

Provided further that, if the Director receives reasonable information that the books, records, files, registers and such other documents, maintained in print, electronic or any other form, relating to the business and corporate affairs of such person are kept at any place other than the premises or storage area of such person or any vehicle of such person or of any director, partner, member,

secretary, manager, employee, agent, contractor or auditor of such person which is at the premises of such person, the Director or any person authorized by the Director shall have the power to enter and examine such place or vehicle and examine the books, records, files, registers and such other documents, and if necessary obtain copies, authenticated or otherwise, thereof in any form as required and take account of currency, bills of exchange, corporate and government securities found at such place.

- (d) question and record statements of or if necessary direct such person or a director, partner, member, secretary, manager, employee, agent, auditor or contractor of such person or any other person who may be acquainted with or aware of or in possession of information regarding the business or corporate affairs of such person to submit answers to the questions raised by way of an affidavit or if necessary administer oath or affirmation in accordance with the Oaths or Affirmations Ordinance (Chapter 17) and cause questions to be asked of and record or cause the recording of statements ;
- (e) require the holding company, any subsidiary or associate company of such person, or any subsidiary or associate company of the holding company of such person, or any other company that in view of the Director has a substantial financial interest or significant management interest in such person to furnish information as the Director may consider necessary and to produce for inspection the books, records, files, registers and such other documents, maintained in print, electronic or any other form, relating to its business and corporate affairs at such time, date, place and in a manner or form as the Director may specify and to provide in any form as

required, authenticated copies of such books, records, files, registers and such other documents;

- (f) call for information by notice in writing from any person who may be acquainted with or is aware of or is in the possession of or appears to have information regarding the business and corporate affairs of such person and if required summon such person for an interview;
- (g) take any other action which he may deem necessary for the purpose.

(2) (a) Notwithstanding anything to the contrary in any other written law, the Director may require the Inspector General of Police or the Deputy Inspector General of Police in charge of the Province or the Division to provide all assistance as may be necessary in the circumstances in order to carry on an investigation for the purposes of subsection (1) and report the findings of such investigation to the Director in such manner and within such time as he may specify.

(b) The Inspector General of Police or the Deputy Inspector General of Police in charge of the Province or the Division may order the Assistant Superintendent of Police of the division or the Officer in Charge of the relevant police station to carry on an investigation for the purposes of subsection (1), and such officer shall, in addition to the powers he may lawfully exercise, have the power to do *mutatis mutandis* any act specified in paragraphs (a) to (g) of subsection (1).

(c) The Director may request the assistance of any Divisional Secretary to carry on an investigation for the purposes of subsection (1) and such Divisional Secretary shall assist the Director in such manner and within such time as he may specify.

(3) The Director shall, where he has reasons to believe that a person has carried on or is carrying on finance business, or has accepted or is accepting deposits, report such fact to the Board.

(4) The Board shall, after considering the report of the Director under subsection (3) and after giving the person in respect of whom the report is submitted an opportunity of being heard, determine whether such person has carried on or is carrying on finance business or has accepted or is accepting deposits in contravention of the provisions of section 2, and shall if determined that such person has carried on or is carrying on finance business or has accepted or is accepting deposits in contravention of the provisions of section 2, notify such determination, in writing, to such person accordingly. Any notice required to be given by the Board under this section including the notice regarding the hearing, shall be deemed to be served if dispatched by registered post to the last known address of such person.

(5) Where in any prosecution instituted under this Act, any question arises as to whether any person has carried on or is carrying on finance business or has accepted or is accepting deposits, a certified copy of the minutes of the meeting of the Board regarding the determination that such person has carried on or is carrying on finance business or has accepted or is accepting deposits shall be admissible in evidence and shall be *prima facie* evidence of the facts stated therein.

(6) The Board may along with or after the notification of its determination under subsection (4) issue to such person directions as it considers necessary, including directions to divest the business of such person to a person specified by the Board or to repay the deposit liabilities or to make an application within a specified period of time to a competent court for winding up and it shall be the duty of such person to comply with such directions.

(7) In the event of issuing directions under subsection (6) to divest the business of such person, the Board may notwithstanding provisions to the contrary in any other written law -

- (a) review any contract entered into by a depositor with such person and may vary the terms of such contract,

including the terms relating to repayment, interest rates and charges where it considers that such contract has been entered into without due regard to the interests of depositors or other creditors of such person or without due regard to prudent commercial practice;

- (b) review any agreement or contract entered into by such person with any other person and upon such review, if it appears to the Board that the agreement or contract has been entered into without due regard to the interest of the depositors and other creditors of such person or without due regard to prudent commercial practice, vary the terms of such agreement or contract.

(8) (a) Where such person fails to comply with the directions issued under subsection (6), the Board may take such steps as it considers necessary including the winding up of such person or to take action to declare such person as insolvent by a court.

(b) In the event of winding up of a company, the provisions of section 32 other than the provisions of subsection (3) thereof shall *mutatis mutandis* apply.

(c) In the event of winding up of a body of persons other than a company, the provisions of section 32 other than the provisions of subsections (2) and (3) thereof shall *mutatis mutandis* apply and the value of the assets and liabilities of such body of persons shall be ascertained in such manner and upon such basis as the liquidator thinks fit. The competent Court may at any time after making a winding up order authorize the liquidator to realize all assets and may require any person to pay, deliver, convey, surrender or transfer forthwith or within a specified time to the liquidator any money, property or books and other documents in his hands to which such body of persons is entitled. A scheme for the purpose of winding up of such body of persons shall

be prepared by the liquidator and submitted for confirmation to the competent court and the winding up of such body of persons shall be carried out according to the scheme.

(9) The Board may take such steps as it considers necessary to recover the money and property of such person determined in terms of subsection (4) and the provisions of section 51 of this Act shall *mutatis mutandis* apply in respect of such recovery.

(10) The Board may publish a notice in at least one Sinhala, Tamil and English daily newspapers circulating in Sri Lanka, that the person referred to in the determination has carried on or is carrying on finance business or has accepted or is accepting deposits in contravention of the provisions of section 2. Where such person is a body of persons, such notice may include, if that body of persons is:-

- (i) a body corporate the names and addresses of directors of such body corporate;
- (ii) a firm the names and addresses of partners of that firm; and
- (iii) an unincorporate body other than a firm, the names and addresses of members of such body and officers of that body.

(11) It shall be the duty of every person to comply with any requirement imposed on him under this section and any person who-

- (a) fails to provide any information or produce for inspection any book, record, file, register or such other document, material or object required under this section;
- (b) fails to attend in person when summoned for an interview;

- (c) provides false, incomplete or incorrect or misleading information, book, record, file, register or such other document, material or object; or
- (d) obstructs the Director or any other person authorized by the Director under subsection (1) or the Inspector General of Police or the Deputy Inspector General of Police in charge of the Province or the Division or any Divisional Secretary required or requested to assist the Director in carrying out an investigation by him, or any other person authorized by the Inspector General of Police or the Deputy Inspector General of Police or the Divisional Secretary, as the case may be, in the performance of any function under subsection (1) of this section,

shall be guilty of an offence under this Act.

Court order to compel a person to provide information and books.

43. Where any person fails to provide information, book, record, file, register or such other document or material or object or provides false, incorrect or incomplete information, book, record, file, register or such other document or material or object when required in terms of subsection (1) of section 42 or section 46, the Director or any person authorized by the Director may make an application to the appropriate Magistrate for the issuance of an order –

- (a) authorizing any person named in the application to inspect the books, records, files, registers and such other documents maintained in print, electronic or any other form, material or object of the person who has failed to comply with the requirement made in terms of subsection (1) of section 42 or section 46; or
- (b) requiring the person who has failed to comply with the requirement made in terms of subsection (1) of section 42 or section 46, or a director, partner, member, secretary, manager, employee, agent, contractor or auditor of such person as may be named in the order, to produce the books, records,

files, registers and such other documents maintained in print, electronic or any other form, material or object of such person, to a person and at a place specified in the order.

44. (1) The Director may at any time where a person is being investigated in terms of subsection (1) of section 42, issue an order (hereinafter referred to as a “Freezing Order”) for any one or more of the following:-

Issue of
Freezing Order.

- (a) prohibiting such person from disposing assets of such person or any part thereof;
- (b) prohibiting such person from entering into any transaction or class of transactions as may be determined by the Director;
- (c) prohibiting such person from soliciting or mobilizing deposits;
- (d) prohibiting any transaction in relation to any account, property or investment as may be determined by the Director.

(2) The Director may at any time where a body of persons is investigated in terms of subsection (1) of section 42, issue, if such body of persons is-

- (i) a body corporate, on any director, or manager of that body corporate;
- (ii) a firm, on any partner of that firm;
- (iii) an unincorporate body other than a firm, on any member of such body, or any officer of that body responsible for its management and control,

a Freezing Order for any one or more of the following:-

- (a) prohibiting such person from disposing assets of such person or any part thereof;

- (b) prohibiting such person from entering into any transaction or class of transactions as may be determined by the Director;
- (c) prohibiting such person from soliciting or mobilizing deposits;
- (d) prohibiting any transaction in relation to any account, property or investment as may be determined by the Director.

(3) Subject to the provisions of section 45, a Freezing Order issued under subsections (1) and (2) shall not be in force for a period exceeding seven days of the issuing thereof.

Confirmation of Freezing Order and impounding of passports.

45. (1) The Director after issuing a Freezing Order under the provisions of section 44 shall within the period during which the Freezing Order is in force, make an application to the High Court seeking confirmation of such Freezing Order and also if the circumstances so necessitates, request an extension thereto.

(2) Where the High Court is satisfied that there are sufficient reasons for issuance of such Freezing Order, the court may confirm the Freezing Order and if it is satisfied there are sufficient reasons for extension thereof may grant extensions for such periods as it considers appropriate.

(3) (a) The Director may at any time where a person is investigated in terms of subsection (1) of section 42, make an application to the relevant Magistrate's Court to impound the passport of such person so investigated.

(b) In an event where the person investigated in terms of subsection (1) of section 42 is a body of persons, it shall be lawful for the Director to make an application or applications as may be necessary to impound the passport –

- (i) if that body of persons is a body corporate, of any director, or manager of the body corporate; and

- (ii) if that body of persons is a firm, of any partner of that firm; and
- (iii) if that body of persons is an unincorporate body other than a firm, of any member of such body, or any officer of that body responsible for its management and control.

46. (1) The Director may call for information by notice in writing in such manner and as at such date as he may specify of the assets and liabilities of a person regarding whom an investigation has commenced in terms of subsection (1) of section 42 from such person or from any other person who may be acquainted with or aware of or appears to have information regarding the assets and liabilities of such person.

Information of assets and liabilities of a person under investigation.

(2) Where such person is an individual, information of the assets and liabilities of his spouse, children and parents may also be called.

(3) Where such person is a body of persons, information of the assets and liabilities of:—

- (a) the Directors, managers and employees of a body corporate;
- (b) the Partners of a firm;
- (c) the Members of an unincorporate body other than a firm,

and of their spouses, children and parents may also be called.

(4) Where the Director has information that assets of such person has been transferred, gifted, assigned or disposed of in any manner to any other person the Director may call for information of the assets and liabilities of such other person.

(5) In requiring information under subsection (1), (2), (3) or (4), the Director may also require the details of increase and decrease in liabilities and acquisition and disposal of assets for a particular period.

(6) For the purpose of this section “assets and liabilities” means assets and liabilities in and outside Sri Lanka, and includes immovable and movable property owned by a person or his relative in whole or in part and any property in which such person or his relative has a beneficial interest.

Police and Divisional Secretaries to provide information.

47. The Director may require any officer in charge of a police station or the relevant Divisional Secretary to furnish him with information regarding any person residing or having his place of business within the limits of the relevant police division or the Divisional Secretary’s Division as the case may be, in order to facilitate an investigation in terms of section 42 of this Act, and such officer in charge of a police station or such Divisional Secretary shall make every endeavour to furnish the information required by the Director.

Prohibition of advertising soliciting deposits without authority.

48. (1) No person, other than a person licensed under this Act to carry on finance business or any bank or institution exempted in terms of section 3 of this Act, shall advertise by any means, in any manner whatsoever, either directly or indirectly, soliciting deposits.

(2) Where the Director is of the opinion that an advertisement made by a person contravenes the provisions of subsection (1), the Director may send a notice to such person requiring him to refrain from publishing advertisements soliciting deposits.

(3) The notice referred to in subsection (2) shall be deemed to have been served on the person referred to in the notice if such notice was sent by registered post-

(a) to the address given in the advertisement;

- (b) if such person is an individual to such person's place of business or residential address;
- (c) if such person is a body corporate, to such person's place of business or registered address; or
- (d) if such person is an unincorporate body, to such person's place of business or to the addresses of partners or members of such body.

(4) If any person fails to comply with the notice sent by the Director in terms of subsection (2), the Director may make an application in writing to the Magistrate's Court within whose jurisdiction such person's place of business is situated or to, within whose jurisdiction the registered address, residential address or the address given in the advertisement is situated.

(5) (a) The application made by the Director in terms of subsection (4) shall contain the following matters: -

- (i) that he is the Director for the purposes of this Act;
- (ii) that the advertisement referred to in the notice issued in terms of subsection (2), is in his opinion intended directly or indirectly for the purpose of soliciting deposits;
- (iii) that in terms of subsection (2) a notice was issued to the person named in the application, who in his opinion, is the advertiser of the advertisement referred to in subparagraph (ii);
- (iv) that the advertiser is not a person authorized by subsection (1) to publish an advertisement soliciting deposits; and
- (v) that the advertiser failed to comply with the requirements contained in the notice issued in terms of subsection (2);

(b) The application shall contain a prayer for the making of an order directing the advertiser who is named in the application to forthwith refrain from advertising, in any manner, either directly or indirectly soliciting deposits.

(6) Every application made under subsection (4) shall be supported by an Affidavit confirming the matters set forth in such application and shall be accompanied by a copy of the advertisement referred to in the notice issued in terms of subsection (2) and a copy of such notice.

(7) Upon receipt of an application made under subsection (4), the court shall, forthwith issue on the advertiser named in the application-

- (a) a conditional order restraining him from publishing the advertisement in respect of which the application is made, and also restraining him from publishing by any means whatsoever any further advertisements soliciting deposits, until the conclusion of the Court proceedings or until such time the Court may consider fit; and
- (b) summons requiring him to appear and show cause on the date specified in such summons (being a date not later than two weeks from the date of issue of such summons) as to why an order restraining him from advertising, in any manner, either directly or indirectly soliciting deposits, should not be issued.

(8) If the person on whom the summons were issued under subsection (7) fails to appear in court on the date specified therein or informs the court that he has no cause to show, the court shall make the conditional order issued under subsection (7) hereof a final order restraining the advertiser from publishing advertisement in respect of which the application is made, and also restraining him from publishing by any means whatsoever any further advertisements soliciting deposits.

(9) If a person on whom summons have been served under subsection (7) appears on the date specified therein and informs court that he has cause to show as to why an order should not be issued prohibiting him from advertising, in any manner, soliciting deposits, the court may proceed to hear and determine the matter.

(10) (a) At such inquiry under subsection (9) the advertiser on whom summons under subsection (7) have been served shall not be entitled to contest any of the matters stated in the application under subsection (4) except that he has not made the advertisement referred to in the application or he had made such advertisement in accordance with any written law under which he is permitted to do so and such permission is in force and not revoked or otherwise rendered invalid.

(b) It shall not be competent to the Magistrate's Court to call for any evidence from the Director in support of the application under subsection (4).

(11) If after inquiry the Magistrate is unable to conclude on the evidence adduced before him that the person showing cause is entitled to advertise soliciting deposits, the Magistrate shall make the conditional order issued under subsection (7) hereof, a final order restraining the advertiser from publishing advertisement in respect of which the application is made, and also restraining him from publishing by any means whatsoever any further advertisements soliciting deposits. If such person shows cause to the satisfaction of the court, the Magistrate shall set aside the conditional order issued under sub section (7).

(12) Where a Court has made, in pursuance of any application under subsection (4), an Order directing a person to stop forthwith advertising in any manner, soliciting deposits, the Court shall along with such Order make all such orders as are necessary to ensure that the Order of restraint is effectively enforced.

Media institutions to verify before publishing advertisements soliciting deposits.

49. Any media institution shall, before publishing an advertisement which solicits deposits, verify from the relevant advertiser whether he is authorised under this Act to accept deposits.

Publication of advertisements soliciting deposits without authority is an offence.

50. (1) The Director may send a notice to any media institution requiring such institution to refrain from publishing advertisements soliciting deposits by a person specified in such notice.

(2) Any person who contravenes the provisions of subsection (1) shall be guilty of an offence under this Act.

PART VIII

OFFENCES AND PENALTIES

Action to be taken regarding wrongful gain.

51. (1) If the Board, on consideration of a report of the Director, is of the opinion that any past or present director, chief executive officer, manager, employee, agent or a contractor of a finance company has by an act or omission caused a-

- (a) wrongful gain for himself or for any other person of any money or property belonging to such finance company; or
- (b) wrongful loss to the finance company,

the Board may notwithstanding that any action has also been taken under this Act or any other law, require such director, chief executive officer, manager, employee, agent, contractor or any other person referred to in paragraph (a) to repay, restore to or compensate the finance company, the money or property so wrongfully gained or caused to wrongfully lose, with interest on such money or property at such rate as the Board may think fit and within such period of time as may be specified by the Board.

(2) Where any person referred to in subsection (1) fails to repay, restore to or compensate the finance company, the money or property referred to in that subsection, the Board may-

- (a) direct such person to disclose to any officer authorized by it within a specified time, the value, nature and whereabouts of any monies, properties or other assets –
 - (i) owned by such person; or
 - (ii) in which such person has a beneficial interest; or
 - (iii) acquired or purchased or held or possessed, by a relative of such person or any other person, in trust for such person, including the properties and other assets disposed in any manner whatsoever, as at a specified date or within a specified period.
- (b) require such person to furnish an affidavit enumerating all movable or immovable property owned or possessed by such person at any time, or at such time as may be specified by the Board stating the date on which each of the properties enumerated was acquired and whether the acquisition was by way of purchase, gift, bequest, inheritance or otherwise;
- (c) require any other person to furnish an affidavit –
 - (i) enumerating all movable or immovable property owned or possessed at any time, or at such time as may be specified by the Board by such person, where the Board has reasonable grounds to believe that such information can assist an investigation into the affairs of a finance company;

- (ii) containing particulars of such other matters which in the opinion of the Board are relevant to such investigations;
- (d) require the chief executive officer of any bank in Sri Lanka or any finance company as the case may be to produce within such time as may be specified in the notice, any book, document or cheque of the bank or any book, document or certificate of the finance company containing entries relating to the account of such person or to furnish as so specified, certified copies of such entries;

For the purpose of this paragraph, “document” shall include details of any safe deposit box.

- (e) notwithstanding the provisions to the contrary in any written law, require the Commissioner-General of Inland Revenue to furnish, as specified in the notice, all information available to him relating to affairs of such person and to produce or furnish as specified in the notice, any document or certified copy of any document relating to such person, which is in the possession or under the control of the Commissioner-General of Inland Revenue;
- (f) invite the public by any means whatsoever to furnish to a person authorized by it, any information required in terms of paragraph (a);
- (g) serve a notice on the chief executive officer of any bank or finance company to freeze the accounts and safe deposit boxes of such person, whether held individually or jointly, up to an amount specified by the Board.

Every notice issued under this paragraph shall be in force for a period specified in such notice which period shall however not exceed ninety days and during the period a notice issued under this paragraph is in force any transfer of funds in contravention to the notice shall be void and of no effect;

- (h) serve a notice on any person referred to in subsection (1), or on a relative or other person holding property or assets in trust for the first mentioned person, or on any other person holding property or assets purchased or acquired by the improper utilization or misapplication of monies attributable to the funds of the finance company, prohibiting the transfer by such person, relative of such person, or other person, of possession, ownership or any interest in any properties or other assets specified in that notice, and also requiring such person to submit to the Director:—

Every notice issued under this paragraph shall be in force for a period specified in such notice which period shall however, not exceed ninety days and during the period a notice issued under this paragraph is in force any transfer of ownership, possession or other interest in any property or assets specified in such notice shall be void and of no effect;

- (i) in the case of immovable property the copies of deeds relating to the title of such property;
 - (ii) in the case of a motor vehicle, a copy of the Certificate of Registration issued by the Commissioner of Motor Traffic, in respect of that motor vehicle;
 - (iii) in the case of movable property other than motor vehicles copies of documents in proof of ownership.
- (i) serve a copy of the notice referred to in paragraph (h) on any relevant authority including in the case of immovable property, on the Registrar of Lands, in the case of motor vehicles, on the Commissioner of Motor Traffic, in the case of shares, stocks and debentures of any company, on the Registrar

General of Companies and the Secretary of the relevant finance company and where applicable on the Director General of any stock exchange licensed under the Securities and Exchange Commission of Sri Lanka Act, No. 36 of 1987 and in the case of Government securities on primary dealers appointed in terms of Registered Stock and Securities Ordinance, (Chapter 420) and Local Treasury Bills Ordinance, (Chapter 417);

- (j) require any authority on whom a copy of a notice referred to in paragraph (i) is served, to register such notice in the appropriate books or records in the custody of such authority and during the period, that a notice is in force, the Registrar of Lands, Commissioner of Motor Traffic and Registrar General of Companies and any other relevant authority on whom a copy of such notice has been served under paragraph (i) shall not register any deed or instrument of transfer or other document of title relating to the property or assets specified in that notice;
- (k) require any person or authority referred to in paragraphs (d) and (i) to furnish such information as he may have in his possession or custody relating to the assets of any person or relative of a person, referred to in paragraph (a);
- (l) (i) before the expiration of the period specified in notices served under paragraphs (g) and (h), the Director may make an application by way of summary procedure to the District Court having jurisdiction in the district within which any property specified in such notices is situated, for an order authorizing the seizure and sale of such property, and for a writ of execution for seizure and sale of such property;

- (ii) the District Court upon application made to it under sub-paragraph (i) of this paragraph and being satisfied that such past or present director, chief executive officer, manager, employee, agent, contractor or any other person referred to in subsection (1) has by an act or omission caused a wrongful gain for himself or for any other person of any money or property belonging to the company or wrongful loss to the company shall direct the chief executive officer of any bank or finance company to deposit the amount specified by the Board in the notices issued under paragraph (g) in the District Court, out of the funds in the accounts of such person, whether held individually or jointly, and the District Court shall direct a writ of execution to issue to the Fiscal authorizing and requiring him to seize the deposits so made;

- (iii) the District Court upon application made to it under sub-paragraph (i) of this paragraph and being satisfied that such past or present director, chief executive officer, manager, employee, agent, contractor or any other person referred to in subsection (1) has by an act or omission caused a wrongful gain for himself or for any other person of any money or property belonging to the company or wrongful loss to the company shall direct a writ of execution to issue to the Fiscal authorizing and requiring him to seize and sell-
 - (a) any property or assets owned by such director, chief executive officer, manager, employee, agent or contractor of the finance company or any other person or persons so gained wrongfully; or

- (b) any property or assets held in trust by a relative or any other person for such director, chief executive officer, manager, employee, agent or contractor of the finance company; or
 - (c) any property or assets acquired or purchased with monies attributable to the assets of the finance company;
- (iv) the provisions of sections 217 to 297 of the Civil Procedure Code shall, *mutatis mutandis*, apply to the seizure and sale of any property under a writ of execution issued under sub paragraphs (ii) and (iii) of this paragraph;
- (v) any sum realized by the seizure and sale of any property under this paragraph shall be applied by the court-
 - (a) firstly, in payment of the costs and charges incurred in seizing, keeping and selling such property;
 - (b) secondly, in satisfaction of the amount determined by court to be attributable to the finance company, referred to in sub paragraph (ii) of this paragraph,

and the balance shall be paid to the owner of the property seized.

- (vi) where any money is seized in terms of sub-paragraph (ii) of this paragraph it shall be applied by the court in satisfaction of the amount determined by court to be attributable to the finance company, referred to in sub paragraph (ii) of this paragraph, and the balance shall be repaid to the person to whom such money is due.

(3) Any past or present director, chief executive officer, manager, employee, agent or contractor of a finance company who has by an act or omission caused a-

- (a) wrongful gain for himself or for any other person, of any money or property belonging to the company; or
- (b) wrongful loss to the company;

shall be guilty of an offence under this Act.

52. (1) Any person, who being a director, secretary, chief executive officer, manager, officer, employee or auditor of a finance company-

- (a) fails to take all reasonable steps to secure compliance by that finance company with the requirements of this Act;
- (b) fails to comply with any direction issued or rule made by the Board under the provisions of this Act;
- (c) fails to comply with any direction issued or requirement made by the Director under the provisions of this Act;
- (d) fails to take all reasonable steps to secure the correctness of any statement submitted by such finance company under the provisions of this Act;
- (e) makes a false entry in any book, record, file, register or such other document or statement relating to the business affairs, transactions, conditions, assets or liabilities or accounts of such finance company or causes such entry to be made;
- (f) omits to make an entry in any book, record, file, register or such other document or statement

Offences by a director, secretary, chief executive officer, manager, officer, employee or auditor of a finance company.

relating to the business affairs, transactions, conditions, assets or liabilities or accounts of such finance company or causes such entry to be omitted;

- (g) alters, abstracts, conceals, erases or destroys any entry in any book, record, file, register or such other document, or statement relating to the business affairs, transactions, conditions, assets or liabilities or accounts of such finance company or causes any such entry to be altered, abstracted, concealed, erased or destroyed; or
- (h) maintains multiple sets of books, records, files, registers, or such other documents for the purpose of concealing the true condition of such finance company,

shall be guilty of an offence under this Act.

(2) In any prosecution instituted against a person under subsection (1), it shall be a defence to prove that he had reasonable grounds to believe that another person was charged with the duty of securing compliance with the requirements of this Act or with the duty of ensuring that the statements in question were accurate and that such person was competent and in a position to discharge that duty.

Offences by
persons.

53. (1) Where an offence under this Act is committed by a person, such person shall be guilty of an offence.

(2) Where an offence under this Act is committed by a person that is—

- (a) a body corporate, every director, manager, or secretary of that body corporate;
- (b) a firm, every partner of that firm; or
- (c) an unincorporate body other than a firm, every member of such body,

shall be guilty of such offence:

Provided however, that no person shall be deemed to be guilty of an offence if he proves that the offence was committed without his knowledge and that he exercised all due diligence to prevent the commission of that offence.

54. Where proceedings are instituted in High Court or Magistrate Court under the provisions of this Act for the offences under this Act, the court shall give priority to the disposal of such cases. Hearing and decision on applications made under this Act.

55. Any person who abets, conspires or attempts to commit an offence under this Act shall be guilty of an offence and shall be punishable in the same manner as punishable for the substantive offence under this Act. Abetting to commit an offence is an offence.

56. (1) Any person who is guilty of an offence under subsection (4) of section 2 of this Act shall be liable on conviction after trial before the High Court to imprisonment of either description for a term not exceeding five years or to a fine not exceeding five million rupees or to both such imprisonment and fine and to settle liabilities of such person to depositors and other creditors under the supervision of court: Penalties.

Provided however, that any person who is found guilty of an offence under subsection (4) of section 2 by application of the provisions of subsection (2) of section 53 of this Act shall settle the liabilities of the relevant body corporate or the unincorporate body as the case may be, in such manner and in such extent as the Court may direct:

Provided further, that the court may direct the debtors of such person or of the relevant body corporate or the unincorporate body as the case may be, to repay their debts in such manner and within such time as the court may direct.

(2) Any person who is guilty of an offence under subsection (9) of section 5, subsection (1) of section 20, subsection (4) of section 24, subsections (2) and (7) of

section 31, subsection (11) of section 42, subsection (3) of section 51 or subsection (1) of section 52 of this Act shall be liable on conviction after trial before a Magistrate to a fine not exceeding three million rupees or to imprisonment of either description for a term not exceeding three years or to both such fine and imprisonment.

(3) Any person who is guilty of an offence under subsection (2) of section 21 and subsection (2) of section 50 of this Act shall be liable on conviction after trial before a Magistrate to a fine not exceeding one million rupees or to imprisonment of either description for a term not exceeding one year or to both such fine and imprisonment.

(4) Any person who contravenes or fails to comply with any provisions of this Act or any rule, direction, order or requirement made or imposed thereunder other than where such contravention or failure constitutes an offence in terms of subsections (1), (2) and (3), shall be guilty of an offence under this Act and shall be liable on conviction after trial by a Magistrate, to a fine not exceeding one million rupees or to imprisonment of either description for a term not exceeding one year or to both such fine and imprisonment.

Application of
funds for
payment of fine.

57. (1) A director, manager or secretary of a body corporate or a partner or a member of an unincorporate body ordered to pay a fine shall be guilty of an offence under this Act, if he applies any funds of such body corporate or unincorporate body, as the case may be, for the payment of such fine or part thereof.

(2) Any person who commits an offence under subsection (1) of this section shall be liable on conviction after trial by a Magistrate to a fine not exceeding one million rupees or to imprisonment of either description for a term not exceeding three years or to both such fine and imprisonment and to restore to such body corporate or unincorporate body an amount equivalent to the amount of funds he utilized from such body corporate or unincorporate body to pay the fine.

58. (1) No person aggrieved by any determination or decision made, direction issued, requirement imposed or purported to have been made, issued, or imposed under section 5 or section 12 or subsection (2) of section 25 or paragraph (b) of subsection (5) or sub section (6) of section 31 or section 34 or section 36 or section 37 or section 42 or section 51 or who apprehends that he would be affected by any act or any step taken, or proposed to be taken or purporting to be taken under any such section shall be entitled to a permanent or interim injunction, an enjoining order, a stay order or any other order having the effect of staying, restraining, or impeding the Board from giving effect to such order.

Provision for appeals from certain orders.

(2) (a) The jurisdiction conferred on the Court of Appeal by Article 140 of the Constitution shall in relation to any determination, decision, direction, or requirement or purported determination, decision, direction, or requirement under sections referred to in subsection (1), be exercised by the Supreme Court and not by the Court of Appeal.

(b) Every application invoking the jurisdiction referred to in paragraph (a) shall be made within one month of the date of commission of the act in respect of which or in relation to which, such application is made and the Supreme Court shall hear and finally dispose of such application within two months of the filing of such application.

(3) Nothing contained in subsection (1) shall affect the powers which the Supreme Court may otherwise lawfully exercise in respect of any application made under Article 126 of the Constitution or in the exercise of the jurisdiction referred to in subsection (2).

(4) The Supreme Court shall before making any order whether interim or final against the Board, in the exercise of the jurisdiction conferred on it by this section, afford the Board an opportunity of being heard.

PART IX

GENERAL

- Fund.**
- 59.** (1) There shall be a fund called Enhancing Public Awareness on Financial Matters Fund.
- (2) All fines received under this Act shall be credited to the Fund and the money lying to the credit of such Fund may be utilized for the purposes and in a manner as may be determined by the Board from time to time.
- (3) The amount lying to the credit to the Depositors' Relief Fund of the Central Bank as at the date of coming into operation of this Act shall be transferred to the Enhancing Public Awareness on Financial matters Fund.
- Authority to represent and delegation of powers.**
- 60.** (1) Subject to and in accordance with such rules, if any, as may be made by the Board in that behalf, the Board may in writing authorise any officer of the Central Bank to represent the Board for any of the purposes of this Act, so however, that the Board shall remain and continue to remain to be responsible for any act or thing done or omitted to be done by such officer in representing the Board under such authorisation.
- (2) The Board may in writing delegate to any officer of the Central Bank any of its powers under this Act, so however, that the Board shall remain and continue to be responsible for any act or thing done or omitted to be done by such officer in the exercise of such powers delegated to him.
- Maintenance of secrecy.**
- 61.** (1) Every director, manager, officer, employee and agent of any finance company and of any body corporate authorized in terms of paragraph (a) of subsection (2) of section 38 shall observe strict secrecy in respect of all transactions of the finance company, its customers and the

state of accounts of any person and all matters relating thereto and shall not reveal any such matter except –

- (a) when required to do so by a court of law or by the person to whom such matter relates, in the performance of the duties of such director, manager, officer, employee and agent; or
- (b) in order to comply with any of the provisions of this Act or any other written law:

(2) Every director, manager, officer, employee and agent of any finance company and of any body corporate authorized in terms of paragraph (a) of subsection (2) of section 38 shall sign a declaration pledging himself to observe strict secrecy in accordance with subsection (1).

(3) The provisions of subsections (1) and (2) shall not prohibit a finance company from providing in good faith to another finance company on request an opinion or reference relating to a customer in accordance with customary practices in the finance industry.

62. Notwithstanding anything to the contrary in section 61 of this Act or section 77 of the Banking Act, No.30 of 1988 every director, manager, officer, employee and agent of any finance company or of any bank shall inform the Director in writing of any customer of such finance company or bank with respect to whom he has reasonable suspicion of carrying on finance business or accepting deposits from the public in contravention of section 2 of this Act.

Finance companies and banks to inform the Director of persons carrying on finance business or accepting deposits without authority.

63. Every member of the Board, the Director, and any officer authorized by the Board or the Director under this Act shall be deemed to be public servants, within the meaning of and for the purposes of the Penal Code (Chapter19).

Members of the Board, Director, authorized officers deemed to be public servants.

Director,
authorized
officers deemed
to be public
officers.

64. The Director or any officer authorized shall be deemed to be public officers within the meaning of section 136 of the Code of Criminal Procedure Act, No. 15 of 1979 for the purpose of instituting proceedings in respect of offences under this Act:

Provided however, in respect of an offence committed in contravention of the provisions of section 2 of this Act the Board may request the Attorney General to consider instituting criminal proceedings.

Offences to be
cognizable and
bailable.

65. Notwithstanding anything to the contrary in the Code of Criminal Procedure Act, No.15 of 1979 every offence under this Act shall be a cognizable and bailable offence within the meaning and for the purpose of the Code.

Pre-condition
for prosecution.

66. (1) No prosecution shall be instituted in any court against the Board or a member thereof or the Director or any officer or servant of the Central Bank or any other person who is authorized under the provisions of this Act to carry out any duty or function, by reason of any act done or purported to be done, or omitted to be done under this Act or any direction, order or requirement made or imposed thereunder unless the prior written sanction of the Attorney-General has been obtained for such prosecution.

(2) Any expenses incurred by a member of the Board, the Director or any officer or servant of the Central Bank in any suit or prosecution brought against such person before any court in respect of any act which is done or purported to be done or omitted to be done by such person under this Act or any direction, order or requirement made or imposed thereunder, as the case may be, shall, if the court holds that such act was done in good faith, be paid out by the Board unless such expenses are recovered by him in such suit or prosecution.

67. (1) Where the Director is satisfied, after examination by himself, or by any officer of the Central Bank or any other person, authorized on that behalf by the Director, of the affairs of any finance company, or upon information received from the finance company that it would be in the interest of depositors to provide temporary financial accommodation to such finance company, the Director shall report accordingly to the Board and the Board may grant a loan or advance to a commercial bank from the Medium and Long Term Credit Fund established under section 88E of the Monetary Law Act (Chapter 422), for the purpose of lending to such finance company on such terms and conditions as may be determined by the Board.

Providing temporary financial assistance & guarantees by the Board.

(2) The provisions of section 88A to 88E of the Monetary Law Act shall, *mutatis mutandis*, apply to any loan or advance granted to a commercial bank under the provisions of subsection (1).

(3) The Board may guarantee loans, advances or other accommodation granted to a finance company by credit institutions operating in Sri Lanka.

(4) In this section “credit institution” means-

- (a) any bank licensed under the Banking Act, No. 30 of 1988;
- (b) any finance company licensed under this Act;
- (c) any agency or institution acting on behalf of the government (whether established by any written law or otherwise) which grants loans and advances or makes investments or accepts deposits from the public;
- (d) any other person declared by the Minister in charge of the subject of Finance, by Order published in the *Gazette*, to be a banking institution for the purposes of Monetary Law Act (Chapter 422); and

- (e) any such society registered under the Co-operative Societies Law, No 5 of 1972.

Directions of the Minister.

68. The Minister may give to the Board general or special directions in writing for the purpose of giving effect to the principles and provisions of this Act and the Board shall give effect to such directions.

Regulation of the Minister.

69. (1) The Minister may make regulations in respect of matters required by this Act to be prescribed or in respect of which regulations are authorized to be made.

(2) Every regulation made by the Minister shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified in the regulation.

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

(4) Every regulation which is not so approved shall be deemed to be rescinded as from the date of such disapproval but without prejudice to anything previously done thereunder. Notification of the date on which any regulation is deemed to be rescinded shall be published in the *Gazette*.

Power to call for information to find out the whereabouts of a person.

70. Where an investigation or an examination has been commenced or a litigation has been instituted in terms of this Act, notwithstanding the provisions of any other written law, the Director shall have power to call for information by notice in writing, for the purpose of finding the whereabouts of a person who is subject to such investigation, examination or litigation, from:-

- (a) the Telecommunication Regulatory Commission of Sri Lanka or any one or more of telecommunication service providers or internet service providers regarding the telephone or internet usage of such person including the location from

which he has made use of the service so provided, whether frequently or at any given time; and

- (b) any bank or a finance company regarding the transactions made by such person with such bank or finance company including the branch or automated teller machine location from which he has transacted, whether frequently or at any given time.

71. (1) The Finance Companies Act, No 78 of 1988 is hereby repealed. Repeal and savings.

(2) Notwithstanding the repeal of the Finance Companies Act, No 78 of 1988, every regulation, notice, order, rule, guideline or direction issued, requirement imposed, determination or delegation made under the repealed Act and in force on the day preceding the date of commencement of this Act shall in so far as such regulation, notice, order, rule, guideline, direction, requirement, determination or delegation is not inconsistent with the provisions of this Act, be deemed to be a regulation, notice, order, rule, guideline, direction, requirement, determination or delegation issued, imposed or made, as the case may be, under the provisions of this Act.

(3) Companies registered under the Finance Companies Act, No. 78 of 1988 which are carrying on finance business on the day preceding the date of commencement of this Act, shall, with effect from the date of commencement of this Act, deemed to be finance companies licensed under this Act.

(4) All actions, proceedings or matters instituted in terms of Finance Companies Act, No. 78 of 1988 and pending in a Magistrate Court or District Court on the day preceding the date of commencement of this Act, shall from and after the date of commencement of this Act be heard and determined by the said Magistrate Court or District Court in terms of the provisions of this Act.

This Act to prevail over other laws.

72. In the event of any conflict or inconsistency between the provisions of this Act and the provisions of any other written law, the provisions of this Act shall prevail.

Deposit.

73. (1) For the purposes of this Act, “deposit” means a sum of money paid on terms under which it will be repaid, with or without interest or a premium, and either on demand or at a time or in circumstances agreed to by or on behalf of the person making the payment and the person receiving it, subject to subsections (2) and (3).

(2) In any of the following instances a sum of money paid on terms specified in subsection (1) shall not be a deposit for the purposes of this Act:-

- (a) a sum of money paid by way of a loan or investment in a debt instrument including a hybrid debt instrument by –
- (i) the Central Bank;
 - (ii) a bank licensed under the Banking Act, No. 30 of 1988, a finance company within the meaning of this Act and a person exempted from the licensing requirement of the said Acts;
 - (iii) a person specifically authorized to lend money under any written law;
 - (iv) the Government, a Provincial Council or a local authority;
 - (v) any other source where repayment is guaranteed by the Government;
 - (vi) a foreign government;
 - (vii) the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, or any other multilateral lending institution; and

- (viii) any other institution that may be specified by the Board in this regard.
- (b) a sum of money paid by way of a loan or subscription to shares by one company to another at a time when the first mentioned company is a subsidiary of the other or both are subsidiaries of another company or the first mentioned company is the holding company of the other or the same individual is the majority shareholder controller of both of them;
- (c) a sum of money which is paid by a person who, at the time when it is paid, is a relative of the person receiving it or is a director of the person receiving it or is a relative of a director of the person receiving it:

Provided however, that a sum of money received, other than by way of borrowings or subscription to shares, by a finance company within the meaning of this Act shall amount to a deposit;

For the purpose of this paragraph, “a relative” in relation to any individual means the spouse, the children, or the parent of such individuals;

- (d) a sum of money paid to a person authorised to carry on insurance business under the Regulation of Insurance Industry Act, No. 43 of 2000, for the purpose of carrying on authorized insurance business;
- (e) subject to subsection (3), a sum of money paid as subscription to shares;
- (f) a sum of money subscribed to bonds or debentures secured by the mortgage of any asset of a company provided that the total value of such bonds or debentures shall not exceed the market value of such asset of the company;

- (g) a sum of money subscribed to hybrid debt or subordinated debt, provided that the underlying debt instrument is a security listed on a stock exchange licensed under the Securities and Exchange Commission of Sri Lanka Act, No. 36 of 1987;
- (h) subject to subsection (3), a sum of money paid by way of security for the performance of a contract or by way of security in respect of loss which may result from the non-performance of a contract;
- (i) subject to subsection (3), a sum of money subscribed to hybrid debt or subordinated debt, the minimum maturity period of which is not less than sixty months;
- (j) subject to subsection (3), a sum of money paid to a person only on particular occasions on terms specified in subsection (1); and
- (k) a sum of money paid in a transaction, the nature of which may be as specified by the Board by notification in the *Gazette*.

(3) The Board may determine whether a sum of money transacted as specified in paragraphs (e), (h), (i) and (j) of subsection (2), is a deposit for the purposes of this Act, having regard to the frequency of those occasions and to the characteristics thereof.

Interpretation.

74. In this Act, unless the context otherwise requires-

“associate company” when used in relation to a particular company means a company in which such particular company holds not less than twenty per centum and not more than fifty per centum of the paid up ordinary share capital;

“Board” means the Monetary Board of the Central Bank of Sri Lanka established under the Monetary Law Act, (Chapter 422);

“capital” means the paid up capital of a company;

“capital funds” in relation to a finance company means paid up capital and permanent free reserves and includes, if so determined by the Board, the face value of unsecured debentures and other loan bonds, which in the event of the winding up of a finance company or the return or reduction of capital shall rank after and be subordinated to deposits and other borrowings of the finance company;

“Central Bank” means the Central Bank of Sri Lanka established under the Monetary Law Act, (Chapter 422);

“commercial bank” means a licensed commercial bank within the meaning of the Banking Act, No. 30 of 1988;

“core capital” means the aggregate of the following:-

- (a) issued and fully paid up ordinary shares or common stock and in the case of partly paid shares or stock the paid up amount:

Provided however, any shares issued against reserves, surpluses, retained profits which are not eligible to be included in core capital in terms of directions issued by the Board from time to time shall not be included in core capital:

Provided further, in calculating core capital in regard to a company applying for a

licence under this Act issued ordinary shares shall be considered as paid up only if they are issued for cash;

- (b) issued and fully paid up non-cumulative, non redeemable preference shares where the payment of dividends could be reduced or waived off permanently in the event of profit being inadequate to support such payment in part or full:

Provided however, in deciding core capital in regard to a company applying for a licence under this Act, issued non-cumulative, non redeemable preference shares shall be considered as paid up only if they are issued for cash;

- (c) the excess of issue price over the par value of the ordinary shares, common stock or non-cumulative, non-redeemable preference shares, if applicable;
- (d) amount lying to the credit of a reserve fund maintained in terms of subsection (1) of section 18 of this Act;
- (e) disclosed reserves in the form of general or other free reserves created or increased by appropriation of retained earnings, share premia or other realized surpluses as shown in the last audited statement of accounts;
- (f) accumulated profit or loss as shown in the last audited statement of accounts:

Provided however, retained profits arising from the revaluation of investment properties, shall not be included;

- (g) subject to any direction that may be issued by the Board any profit earned or loss incurred since the closing date of the last audited accounts including any surplus or loss after tax, arising from the sale of fixed and long term investments; and
- (h) any other capital element that meets the requirements stipulated by the Board from time to time;

“dependent child” shall mean a child who is under the age of eighteen years; or a child under the age of twenty five years who is unmarried and unemployed, or a child, irrespective of age, who suffers from a physical or mental disability that renders him incapable of earning his livelihood;

“Director” means the head of the department of the Central Bank to which the subject of finance companies has been assigned and includes an acting director;

“finance business” means the business of acceptance of deposits, and

- (a) the lending of money; or
- (b) the investment of money in any manner whatsoever; or
- (c) the lending of money and the investment of money in any manner whatsoever;

“finance company” means a company licensed under this Act to carry on finance business;

“holding company” shall have the same meaning assigned to the term in the Companies Act, No. 7 of 2007;

“key management personnel” means a person having authority and responsibility for planning, directing and controlling the activities of any finance company directly or indirectly including any director (whether executive or otherwise) of such company;

“legal age of majority” shall have the meaning assigned to it under the Age of Majority Ordinance (Chapter 66);

“liquid assets” means-

- (a) cash in hand;
- (b) balances in a current or deposit account in a commercial bank, free from any bankers’ lien or charge;
- (c) Sri Lanka Government Treasury Bills and Treasury Bonds, maturing within one year, free from any lien or charge;
- (d) Sri Lanka Government Securities maturing within one year and free from any lien or charge;
- (e) Central Bank of Sri Lanka securities maturing within one year and free from any lien or charge;
- (f) cash balance, if any, maintained with the Central Bank of Sri Lanka; and
- (g) such other assets as may be determined by the Monetary Board of the Central Bank of Sri Lanka;

“loan” includes any advance or the deferment of payment on any sale or the deferment of payment in a transaction relating to a hire purchase agreement or a leasing agreement;

“Provincial Council” means a Provincial Council established for a Province by virtue of Article 154A of the Constitution;

“qualified auditor” means—

- (i) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute; or
- (ii) a firm of Accountants of which each of the resident partners being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law possesses a certificate to practice as an Accountant issued by the council of such Institute;

“relative” in relation to an individual means spouse or dependent child of such individual;

“subsidiary company” shall have the same meaning assigned to the term in the Companies Act, No. 7 of 2007;

“substantial interest” –

- (a) in relation to a company, the holding of a beneficial interest by another company or an individual or his relative, whether singly or taken together, in the shares thereof, the paid up value of which exceeds ten *per centum* of the paid up capital of the company or the existence of a guarantee or indemnity for a sum not less than ten *per centum* of the paid up capital given by an individual or his relative or by another company on behalf of such company;

- (b) in relation to a firm, the beneficial interest held therein by an individual or his relative, whether singly or taken together, which represents more than ten *per centum* of the total capital subscribed by all partners of the firm or the existence of a guarantee or indemnity for a sum not less than ten *per centum* of that capital given by an individual or the spouse, parent or child of the individual on behalf of such firm;

“wrongful gain” means gain by dishonest, fraudulent or unlawful means of property to which the person gaining is not legally entitled;

“wrongful loss” means the loss by dishonest, fraudulent or unlawful means of property to which the person losing it is legally entitled.

Sinhala text to prevail in case of inconsistency.

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

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

**REVIVAL OF UNDERPERFORMING
ENTERPRISES OR UNDERUTILIZED ASSETS
ACT, No. 43 OF 2011**

[Certified on 11th November, 2011]

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*Revival of Underperforming Enterprises or
Underutilized Assets Act, No. 43 of 2011*

[Certified on 11th November, 2011]

L.D.— O. 45/2011.

AN ACT TO PROVIDE FOR THE EFFECTIVE MANAGEMENT, ADMINISTRATION OR REVIVAL OF IDENTIFIED UNDERPERFORMING ENTERPRISES OR UNDERUTILIZED ASSETS VESTED IN THE STATE THROUGH ALTERNATE UTILIZATION AND THE PAYMENT OF COMPENSATION IN RESPECT THEREOF; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH AND INCIDENTAL THERETO.

WHEREAS in furtherance of the expeditious development policies being expeditiously implemented within the country in the backdrop of the favourable economic environment, the Government, having regard to the Directive Principles of State Policy enshrined in the Constitution, considers it necessary and expedient to ensure to its people the maximum benefit from the limited resources available, by securing and protecting as effectively as the Government could, a social order in which social, economic and political justice would prevail:

Preamble

AND WHEREAS it has become necessary in the national interest to vest in the State, certain identified Underperforming Enterprises and Underutilized Assets, in order to ensure the effective administration, management or revival of such enterprises or assets, through alternate methods of utilization, such as restructuring or entering into management contracts:

NOW THEREFORE be it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows;-

1. This Act may be cited as the Revival of Underperforming Enterprises or Underutilized Assets Act, No. 43 of 2011.

Short Title

2 *Revival of Underperforming Enterprises or Underutilized Assets Act, No. 43 of 2011*

Acquisition by Government of Underperforming Enterprises and Underutilized Assets.

2. (1) With effect from the date of the coming into operation of this Act, where the Underperforming Enterprise or Underutilized Assets specified in Schedule I or Schedule II to this Act, are having an adverse impact on the national economy and thereby on the public interest, the shares of such Underperforming Enterprise and the Underutilized Assets shall with effect from the date of coming into operation of this Act, stand vested in the Secretary to the Treasury for and on behalf of the State.

(2) It shall be the duty of the Competent Authority appointed under section 3 to control, administer and manage or otherwise ensure the revival in keeping with the policy of the Government, through alternate methods of utilization, such as restructuring or entering into management contracts with regard to such Underperforming Enterprise and Underutilized Assets vested with the Secretary to the Treasury in terms of subsection (1).

(3) No person who was a Director of the Board of Directors of an Underperforming Enterprise which is vested in the Secretary to the Treasury in terms of subsection (1), shall exercise, perform or discharge any power, duty or function with respect to such Enterprise unless expressly authorized to do so in writing by the Competent Authority.

Appointment of a Competent Authority.

3. (1) The Cabinet of Ministers shall appoint in respect of the Underperforming Enterprise or each one or more of the Underutilized Assets as the case may be, vested in the Secretary to the Treasury by subsection (1) of section 2, a person by name or by office, to be the Competent Authority who shall control, administer and manage or ensure the revival of such Enterprise or Assets as the case may be, through alternate utilization,.

(2) A Competent Authority appointed under subsection (1) to control, administer and manage:—

(a) the Underperforming Enterprise specified in Schedule I, shall take possession of all movable

and immovable property of such Enterprise (including any building belonging to or standing on land belonging to, such Enterprise, together with fixtures or fittings thereto belonging and appurtenant therewith, or treated as part and parcel thereof) and shall cause an inventory to be prepared of property wherever it is so possible, in the presence of the person, who on the day prior to the date of the vesting of such Enterprise in the Secretary to the Treasury by subsection (1) of section 2, was the Chairman of the Board of Directors of such Enterprise or an agent duly authorized by such Chairman;

- (b) any one or more Underutilized Assets specified in Schedule II, shall take possession of such Asset (including any building and any fixtures or fittings which are part of such building and any building belonging to and appurtenant thereto, or treated as part and parcel thereof) and shall cause an inventory to be prepared appropriately wherever it is so possible in the presence of the person, who on the day prior to the date of the vesting of such Assets in the Secretary to the Treasury, was the owner or an agent duly authorized by such owner.

(3) A Competent Authority shall, in the exercise, performance and discharge of his powers, duties and functions, be subject to such general and special directions of the Cabinet of Ministers as may be issued in writing from time to time, having regard to the interest of any workers and the effective management and administration of the enterprise or asset concerned in respect of which such Competent Authority is appointed.

(4) Subject to the provisions of subsection (3), a Competent Authority, appointed to control, manage and administer the affairs of an Underperforming

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Underutilized Assets Act, No. 43 of 2011*

Enterprise or an Underutilized Assets, shall wherever appropriate:—

- (a) exercise, perform and discharge, all the powers, duties and functions conferred or imposed on, or assigned to, the Board of Directors or any other body which was entrusted with the management of such Enterprise as on the date of vesting of the enterprise in terms of subsection (1) of section 2;
- (b) continue with or recommence any business activities of such Enterprise or Asset where deemed appropriate;
- (c) restructure such Enterprise or Asset so as to enhance its commercial viability;
- (d) make available to such Enterprise or Asset, the resources necessary to perform the duties referred to in paragraph (b) and (c);
- (e) ensure the maintenance of a proper accounting system in respect of the financial matters of such Enterprise or Asset;
- (f) secure the due payment of wages to the workers of such Enterprise or Asset and due compliance by such Enterprise or Asset of all its statutory dues in relation to such workers;
- (g) meet all costs and expenses incurred in the management and administration of the affairs of such Enterprise or Asset;
- (h) take such other steps as may be necessary to ensure in the national interest the revival of such Enterprise or Asset through alternate utilization;

- (i) do such other acts as are necessary or incidental to the performance of the duties referred to above.

4. (1) The shares held by all share holders of the Underperforming Enterprise which has vested in the Secretary to the Treasury under subsection (1) of section 2 shall, with effect from the date of such vesting, other than where such shares are being held by the Secretary to the Treasury, vest in the Secretary to the Treasury for and on behalf of the State.

Shares of the Underperforming Enterprise to vest with the Secretary to the Treasury.

(2) The shareholder or shareholders or the owner or owners, as the case may be, of any Underperforming Enterprise or Underutilized Assets as the case may be, shall—

- (a) where the shares of any Underperforming Enterprise, held by such shareholders or owners of such enterprise as on the date of the coming into operation of this Act, have vested with the Secretary to the Treasury under subsection (1) of section 2; and
- (b) where such Underutilized Assets has, as on the date of the coming into operation of this Act, vested in the Secretary to the Treasury under subsection (1) of section 2,

be entitled to receive prompt, adequate and effective compensation in terms of the succeeding provisions of this Act.

(3) The compensation payable shall,—

- (a) in relation to an Underperforming Enterprise reflect the value of the shares held by each shareholder in such Enterprise; and
- (b) in relation to an Underutilized Asset, reflect the value of such Asset based on the ownership by one or more owners.

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Underutilized Assets Act, No. 43 of 2011*

Appointment
of Compensation
Tribunal.

5. (1) The Cabinet of Ministers shall appoint, for the purposes of this Act, a tribunal, to be called the Compensation Tribunal comprising the Chief Valuer and two other persons who are persons having wide experience and who have shown capacity, in commercial valuation.

(2) All claims for the payment of compensation under subsection (2) of section 4 shall be made to the Compensation Tribunal appointed under subsection (1) within a period of two years from the date of vesting.

Determination of
Compensation
Tribunal and
appeals
therefrom.

6. (1) The Compensation Tribunal shall on receipt of claim for the payment of compensation and after such inquiry as it deems necessary, make its award on such claim within a period of twelve months from the date on which the claim was received by it.

(2) Any person who is aggrieved by an award made by the Compensation Tribunal may appeal against such award to the Court of Appeal within fourteen days from the date on which the award was communicated to such person, with the leave of the Court of Appeal first had and obtained. The provisions of the Civil Procedure Code relating to appeals to the Court of Appeal from an order of a District Court shall, *mutatis mutandis*, apply to the making and hearing of appeals under this section.

(3) All sums awarded as compensation under this Act shall be charged to a separate account opened and operated by the Government, for such purpose only with a licensed commercial bank operating in Sri Lanka, into which account the Government shall make arrangements to hold in escrow, sufficient funds to be able to meet any claim for compensation received by it in terms of this section.

Offences.

7. Any person who with regard to any Underperforming Enterprise or Underutilized Assets vested in the Secretary to the Treasury subsection (1) of under section 2:—

(a) refuses or fails to deliver to the Competent Authority possession of any property movable or

immovable including any building, plant, machinery or any fittings or fixtures appurtenant thereto and stock in trade of any such Enterprise or Assets;

- (b) wilfully or negligently destroys, damages or disables, or causes to be destroyed or damaged or disabled, or wilfully conceals or puts away, or causes to be concealed or put away any property of, any such Enterprise or Assets ;or
- (c) prevents or obstructs, or directly or indirectly causes any other person to prevent or obstruct, the Competent Authority in taking over the management of, or taking possession or control of, any building or property, of any such Enterprise or Assets,

shall be guilty of an offence under this Act and shall on conviction after summary trial before a Magistrate be liable to imprisonment of either description for a period not exceeding ten years or to a fine not exceeding ten thousand rupees or to both such fine and imprisonment.

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

Sinhala text to prevail in case of inconsistency.

9. In this Act—

Interpretation.

“Competent Authority” means a Competent Authority appointed under section 3;

“person” includes an individual or any body of persons corporate or unincorporated;

“Underutilized Asset” means—

- (a) land that was owned by the Government or a Government Agency and alienated within a period of twenty years prior to the date of the

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Underutilized Assets Act, No. 43 of 2011*

coming into operation of this Act to any person, by transferring freehold or leasehold rights or through a divestiture on the basis that the related operations proposed to be carried out on such land will result in generating employment, foreign exchange earnings or savings or economic activities, beneficial to the public, but where such benefits as aforesaid have not accrued, being prejudicial to the national economy and public interest ;

- (b) land owned by a person that had been granted within a period of twenty years prior to the date of the coming into operation of this Act, either, any tax incentives under any law relating to the imposition and recovery of any tax, incentives under the Board of Investment of Sri Lanka Law, No. 4 of 1978 or regulations framed there under, or any Government Guarantees, on the basis that the related operations proposed to be carried out by such person will result in generating employment, foreign exchange earnings or savings or economic activities, beneficial to the public, but where such benefits as aforesaid have not accrued, being prejudicial to the national economy and public interest;

“Underperforming Enterprise” means a company or other authority, institution or body established by or under any written law for the time being in force, in which the Government owns shares and where the Government has paid contingent liabilities of such enterprise and the Government is engaged in protracted litigation with regard to such Enterprise, which is prejudicial to the national economy and public interest.

SCHEDULE I

UNDERPERFORMING ENTERPRISES

1. HOTEL DEVELOPERS (LANKA) PLC (PQ 143)

SCHEDULE II

UNDERUTILISED ASSETS

1. PROPERTY SITUATED AT PETTAH – CHALMERS GRANARIES—

All that allotment of land marked Lot No. 1 depicted in Plan No. PPCO 5228 dated 18.01.1980 made by Surveyor General of the land called Chalmers Granaries situated in the District of Colombo, Western Province and which said land is bounded on the North by Main Street, East by Front Street, South by Norris Road and West by Lot 15 in C.L.P. No. 1 and containing in extent A9-R3-P27.2 as per the said Plan No. PPC 5228.

2. PROPERTIES SITUATED AT BADULLA - COLOMBO COMMERCIAL COMPANY—

1. All that allotment of land marked Lot No.353 depicted in Plan No. FVP 80 Sup. 32 made by the Surveyor General of the land situated at Hingurugamuwa in the District of Badulla, Uva Province and which said land is bounded on the North by Lot 33, Spring Valley Road, East by Lot 33, Spring Valley Road, South by Lot 33 & 102, Spring Valley Road and West by Lot 33 & 102, Spring Valley Road and containing in extent 2 Acres 2 Roods and 3.2 Perches (A2-R2-P3.2) as per the said Plan No. FVP 80 Sup. 32;
2. All that allotment of land marked Lot No. 352 depicted in Plan No. FVP 80 Sup. 31 made by the Surveyor General of the land situated at Hindagoda in the District of Badulla, Uva Province and which said land is bounded on the North by Hanwella Ela, East by Spring Valley Road, South by Spring Valley Road and West by Lot 33 and Hanwella Ela and containing in extent 2 Acres 2 Roods and 28.8 Perches A2-R2-P28.8 as per the said Plan No. FVP 80 Sup. 31;
3. All that allotment of land marked Lot No. 243 depicted in Plan No. FVP 5 Sup. 07 made by the Surveyor General situated at Kanupelella in the District of Badulla, Uva Province and which said land is bounded on the North by Dalada Ela, East by Kuda Oya, South by Kuda Oya and

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West by Dalada Ela and containing in extent 0 Acres 2 Roods and 6.4 Perches (A0-R2-P6.4) as per the said Plan No. FVP 5 Sup. 07;

4. All that allotment of land marked Lot No.1 depicted in Plan No. PP Ba. 297 made by the Surveyor General situated at Aluthwela Judge's Hill, in the District of Badulla, Uva Province and which said land is bounded on the North by Lot 2 in PPBA 2023, East by Aluth Ela Road, Assessment No. 30A, South by Lot 2 in PPBA 2023 and West by Lot 2 in PPBA 2023 and containing in extent 0 Acres 3 Roods and 25.6 Perches (A0-R3-P25.6) as per the said Plan.

3. PROPERTIES SITUATED AT PETTAH AND NARAHENPITA - LANKA TRACTORS LIMITED—

1. An allotment of land bearing Assessment No. 343, Olcott Mawatha, Colombo 11, situated in the District of Colombo, Western Province and bounded on the North by Garden No. 341, Olcott Mawatha, Garden No. 34 , St Sebastian Hill, South by the canal and on the West by Olcott Mawatha and containing in extent approximately nought acres, two roods and twenty eight perches (A0-R2-P 28), per Plan No. 606 dated 14.10.1994 made by Ranjith Karunaratne L.S;
2. An allotment of land marked lot 3 depicted in PP G CO. 1279 made by the Surveyor General, situated at Narahenpita in the District of Colombo, Western Province and containing in extent five acres, two roods and nought perches (A5-R2-P 00).

4. LAND COMPRISING OF PELWATTE SUGAR INDUSTRIES LIMITED—

The allotments of land forming the property of Pelwatte Sugar Industries Limited situated at Pelwatte in the District of Moneragala in the Uva Province and containing in extent approximately 6300 Hectares.

5. LAND COMPRISING OF SEVANAGALA SUGAR INDUSTRIES LIMITED—

1. All that allotment of Land marked Lot 2186 in Plan No.FTP 38(Sheet No.47, Supplementary No.44) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Katupila situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and

which said Lot 2186 is bounded on the North by Lot No.2188 on the East by Lot No.2187 ½ on the South by Lot No.2188 and on the West by Lot No.2188 and containing in extent Nine Decimal Three Five Nought Hectares (9.350 Hec.) according to the said Plan No.FTP 38;

2. All that allotment of Land marked Lot 2184 in Plan No.FTP 38 (Sheet No.46, Supplementary No.43) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Kowul Ara situated in the village of Thenketiya Bedde at Sittaram Palatha Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 2184 is bounded on the North by Lot No.2185 on the East by Lot No.28 on the South by Lot No.1489 and on the West by Lot No.2185 and containing in extent Seven Decimal One Five Two Hectares (7.152 Hec.) according to the said Plan No.FTP 38;
3. All that allotment of Land marked Lot 2218 in Plan No.FTP 38 (Sheet No.50, Supplementary No.47) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Water Tank situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 2218 is bounded on the North by Lot No.2219 on the East by Lot No.2216 on the South by Lot No.2216 and on the West by Lot No.2219 and containing in extent Nought Decimal Two One Nought Hectares (0.210 Hec.) according to the said Plan No.FTP 38;
4. All that allotment of Land marked Lot 2217 in Plan No.FTP 38 (Sheet No.50, Supplementary No.47) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Makuluwa Office situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 2217 is bounded on the North by Lot No.2216 on the East by Lot No.2216 on the South by Lot No.2219 and on the West by Lot Nos.2219 & 2216 and containing in extent Nought Decimal Three Two Seven Hectares (0.327 Hec.) according to the said Plan No.FTP 38;
5. All that allotment of Land marked Lot 2215 in Plan No.FTP 38 (Sheet No.50, Supplementary No.47) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Makuluwa Housing

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Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 2215 is bounded on the North by Lot No.2219 on the East by Lot No.2214 on the South by Lot No.55 and on the West by Lot No.55 and containing in extent Nought Decimal Eight Three Nought Hectares (0.830 Hec.) according to the said Plan No.FTP 38;

6. All that allotment of Land marked Lot 2213 in Plan No.FTP 38 (Sheet No.50, Supplementary No.47) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Makuluwa Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 2213 is bounded on the North by Lot No.2219 on the East by Lot Nos.2219 & 56 on the South by Lot No.56 and on the West by Lot No.2214 and containing in extent Three Decimal Five Nought Four Hectares (3.504 Hec.) according to the said Plan No.FTP 38;
7. All that allotment of Land marked Lot 2189 in Plan No.FTP 38 (Sheet No.48, Supplementary No.45) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Gingalpelessa Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2189 is bounded on the North by Lot Nos.40 & 2190 on the East by Lot No.2190 on the South by Lot No.2190 and on the West by Lot No.2190 and containing in extent Five Decimal Eight Six Four Hectares (5.864 Hec.) according to the said Plan No.FTP 38;
8. All that allotment of Land marked Lot 2234 in Plan No.FTP 38 (Sheet No.52, Supplementary No.49) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Zone 4 Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2234 is bounded on the North by Lot No.2241 on the East by Lot No.2233 on the South by Lot No.2241 and on the West by Lot No.2241 and containing in extent One Decimal Four Eight Seven Hectares (1.487 Hec.) according to the said Plan No.FTP 38;
9. All that allotment of Land marked Lot No.4932 in Plan No.FTP 43 (Sheet No.52 Supplementary No.46) dated 8th February, 1998 made by the Surveyor General of the land called

Bahirawa Kelle now known as Danduma Housing Scheme situated in the village of Bahirawa at Sittaram Palatha Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 4932 is bounded on the North by Lot Nos.4506 & 4508 on the East by Lot Nos.27, 4543 & 4900 on the South by Lot Nos.4509, 4510 & 4933 and on the West by Lot No.4933 and containing in extent Seven Decimal Nought Five Eight Hectares (7.058 Hec.) according to the said Plan No.FTP 43;

10. All that allotment of Land marked Lot No.2111 in Plan No.FTP 64 (Sheet No.40 Supplementary No.24) dated 8th February, 1998 made by the Surveyor General of the land called Uda Walawa Kelle now known as Chandimarama Housing Scheme situated in the village of Uda Walawa at Sittaram Palatha Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 2111 is bounded on the North by Lot No.262 on the East by Lot No.2112 on the South by Lot No.2112 and on the West by Lot No.285 and containing in extent Seven Decimal One Nought Nought Hectares (7.100 Hec.) according to the said Plan No.FTP 64;
11. All that allotment of Land marked Lot 2240 in Plan No.FTP 38 (Sheet No.52, Supplementary No.49) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Zone 4 Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2240 is bounded on the North by Lot Nos.2241 & 2239 on the East by Lot Nos.2239 & 56 on the South by Lot Nos.56 & 2241 and on the West by Lot No.2241 and containing in extent Nought Decimal Four Four Four Hectares (0.444 Hec.) according to the said Plan No.FTP 38;
12. All that allotment of Land marked Lot 2193 in Plan No.FTP 38 (Sheet No.49, Supplementary No.46) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Factory Village Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2193 is bounded on the North by Lot No.40 on the East by Lot Nos.2195 & 2194 on the South by Lot Nos.2206 & 2192 and on the West by Lot No.2192 and containing in extent Thirty Six Decimal Nine Eight Nought Hectares (36.980 Hec.) according to the said Plan No.FTP 38;

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13. All that allotment of Land marked Lot 2199 in Plan No.FTP 38 (Sheet No.49, Supplementary No.46) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Nucleus Plantation situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2199 is bounded on the North by Lot No.40 on the East by Lot No.2202 on the South by Lot Nos.2200 & 2198 and on the West by Lot No.2197 and containing in extent Eleven Decimal Eight Nought Nought Hectares (11.800 Hec.) according to the said Plan No.FTP 38;
14. All that allotment of Land marked Lot 2205 in Plan No.FTP 38 (Sheet No.49, Supplementary No.46) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Factory Village Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2205 is bounded on the North by Lot No.2202 on the East by Lot No.41 on the South by Lot No.2197 and on the West by Lot Nos.2197, 2198 & 2200 and containing in extent Thirty Eight Decimal Nought Eight Eight Hectares (38.088 Hec.) according to the said Plan No.FTP 38;
15. All that allotment of Land marked Lot 2206 in Plan No.FTP 38 (Sheet No.49, Supplementary No.46) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Factory Premises situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2206 is bounded on the North by Lot Nos.2175, 2193 & 2177 1/3 on the East by Lot No.2177 1/3 on the South by Lot No.2223 and on the West by Lot No.2192 and containing in extent Sixteen Decimal Four Four Nought Hectares (16.440 Hec.) according to the said Plan No.FTP 38;
16. All that allotment of Land marked Lot 2208 in Plan No.FTP 38 (Sheet No.49, Supplementary No.46) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Factory Village Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2208 is bounded on the

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North by Lot No.2209 on the East by Lot Nos.2209 & 2210 on the South by Lot No.2210 and on the West by Lot No.43 and containing in extent Seven Decimal Five One Two Hectares (7.512 Hec.) according to the said Plan No.FTP 38;

17. All that allotment of Land marked Lot 2223 in Plan No.FTP 38 (Sheet No.51, Supplementary No.48) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Nucleus Plantation situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2223 is bounded on the North by Lot No.2222 on the East by Lot No.2224 on the South by Lot No.2226 and on the West by Lot No.2221 and containing in extent Eight Decimal Two Seven Six Hectares (8.276 Hec.) according to the said Plan No.FTP 38;
18. All that allotment of Land marked Lot 2277 1/3 in Plan No.FTP 38 (Sheet No.45, Supplementary No.42) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Nucleus Plantation situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2277 1/3 is bounded on the North by Lot No.2176 on the East by Lot Nos.41 & FTP 39 on the South by Lot No.2177 2/3 and on the West by Lot Nos.2177 2/3 & 2178 and containing in extent Fifty Nine Decimal Seven Five Four Hectares (59.0754 Hec.) according to the said Plan No.FTP 38;
19. All that allotment of Land marked Lot 2179 ½ in Plan No.FTP 38 (Sheet No.45, Supplementary No.42) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Nucleus Plantation situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2179 ½ is bounded on the North by Lot Nos.2179 2/2 and 2181 on the East by Lot No.2181 on the South by Lot Nos.2181 & FTP 39 and on the West by Lot No.43 and containing in extent Fourteen Decimal Seven Two Four Hectares (14.724 Hec.) according to the said Plan No.FTP 38;
20. All that allotment of Land marked Lot No.1964 in Plan No.FTP 39 (Sheet No.24 Supplementary No.24) dated 8th February, 1998 made by the Surveyor General of the land called

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Aluthgama Kelle now known as Nucleus Plantation situated in the village of Aluthgama at Sittaram Palatha Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 1964 is bounded on the North by Lot Nos.1968 & FTP 38 on the East by Lot Nos.1968 & 1965 on the South by Lot No.1776 and on the West by Lot Nos. 50 & FTP 38 and containing in extent Twenty Two Decimal Eight Eight Five Hectares (22.885 Hec.) according to the said Plan No. FTP 39;

21. All that allotment of Land marked Lot No.1963 in Plan No.FTP 39 (Sheet No.24 Supplementary No.24) dated 8th February, 1998 made by the Surveyor General of the land called Aluthgama Kelle now known as Nucleus Plantation situated in the village of Aluthgama at Sittaram Palatha Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 1963 is bounded on the North by Lot No.FTP 38 on the East by Lot No.50 on the South by Lot Nos.1770 & 1962 and on the West by Lot Nos. 1962 & FTP 38 and containing in extent Eight Decimal Nought Eight Eight Hectares (8.088 Hec.) according to the said Plan No.FTP 39;
22. All that allotment of Land marked Lot No.1967 in Plan No.FTP 39 (Sheet No.24 Supplementary No.24) dated 8th February, 1998 made by the Surveyor General of the land called Aluthgama Kelle now known as Nucleus Plantation situated in the village of Aluthgama at Sittaram Palatha Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot 1967 is bounded on the North by Lot No.1966 on the East by Lot No.1968 on the South by Lot No.1770 and on the West by Lot No. 1965 and containing in extent Four Decimal Six One Two Hectares (4.612 Hec.) according to the said Plan No.FTP 39;
23. All that allotment of Land marked Lot 2242 in Plan No.FTP 38 (Sheet No.52, Supplementary No.49) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Factory Village Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2242 is bounded on the North by Lot No.40 on the East by Lot No.41 on the South by Lot Nos.41 & 2243 and on the West by Lot Nos.2243 & 40 and containing in extent Nought Decimal Six Nine Six Hectares (0.696 Hec.) according to the said Plan No.FTP 38;

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24. All that allotment of Land marked Lot 2243 in Plan No.FTP 38 (Sheet No.52, Supplementary No.49) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Nucleus Plantation situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2243 is bounded on the North by Lot Nos.40 & 2242 on the East by Lot No.41 on the South by Lot No. 2244 and on the West by Lot No.2244 and containing in extent Five Decimal Seven Seven Six Hectares (5.776 Hec.) according to the said Plan No.FTP 38;
25. All that allotment of Land marked Lot 2236 in Plan No.FTP 38 (Sheet No.52, Supplementary No.49) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Office & Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2236 is bounded on the North by Lot No.2232 on the East by Lot No.2232 on the South by Lot Nos.56 & 2235 and on the West by Lot No.2235 and containing in extent Three Decimal Two Nought Nought Hectares (3.200 Hec.) according to the said Plan No.FTP 38;
26. All that allotment of Land marked Lot 2235 in Plan No.FTP 38 (Sheet No.52, Supplementary No.49) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Nucleus Plantation situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2235 is bounded on the North by Lot No.2232 on the East by Lot Nos.2232 & 2236 on the South by Lot Nos.56 & 2237 and on the West by Lot No.2237 and containing in extent Seventy Four Decimal Seven Eight Eight Hectares (74.788 Hec.) according to the said Plan No.FTP 38;
27. All that allotment of Land marked Lot 2229 in Plan No.FTP 38 (Sheet No.52, Supplementary No.49) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Office & Housing Scheme situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2229 is bounded on the North by Lot No.2168 on the East by Lot Nos.2168 & 56 on the South by Lot Nos.56 & 2230 and on the West by Lot No.2228 and containing in extent Seven Decimal Three Two Four Hectares (7.324 Hec.) according to the said Plan No.FTP 38;

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28. All that allotment of Land marked Lot 2228 in Plan No.FTP 38 (Sheet No.52, Supplementary No.49) dated 8th February, 1998 made by the Surveyor General of the land called Portion of Thenketiya Bedde now known as Nucleus Plantation situated in the village of Thenketiya Bedde at Kongala Bintenne Koralya A.G.A. Division Thanamalwila (presently Sevanagala AGA Division) in the District of Moneragala, Uva Province and which said Lot No.2228 is bounded on the North by Lot No.2227 2/2 on the East by Lot Nos.2168 & 2229 on the South by Lot No.2230 and on the West by Lot No.2230 and containing in extent One Hundred and Five Decimal Six Nought Four Hectares (105.604 Hec.) according to the said Plan No.FTP 38.

6. SINOTEX (LANKA) LTD—

1. All that allotment of land marked SILL in the Katunayake Export Processing Zone depicted in Drawing No. GCEC/IPZ/K/003 dated 27th October 1978 of the land called Kadirawatte alias Muthuwadiya No. (2) situated in the Village or Kadirana South within the town Council Limits of Katunayake-Seeduwa in the Dasiya Pattu of Aluthkuru Korale in the registration division of Negombo, Colombo District, Western Province and which said Lot Marked SILL is bounded on the North by the Reservation of Spur Road 2 on the South, East and West by lands belonging to the GCEC containing in extent A2-R0-P0;
2. All that allotment of land marked SILL in the Katunayake Processing Zone depicted in Drawing No. GCEC/IPZ/K/003 dated 27th October 1978 of the land called Kadirawatte alias Muthuwadiya No. (2) situated in the Village or Kadirana South within the town Council Limits of Katunayake-Seeduwa in the Dasiya Pattu of Aluthkuru Korale in the registration division of Negombo, Colombo District, Western Province and which said Lot Marked SILL is bounded on the North by the Reservation of Spur Road 2 on the South, East and West by lands belonging to the GCEC containing in extent A1-R0-P0;
3. All that allotment of land marked SILL (I) in the Katunayake Export Processing Zone depicted in Plan No. 398 dated 21st November 1983 made by G.P. Abeynayake Licensed Surveyor and Leveller of four allotments of land called Dambuwewatta and Kadirawatta situated in the village of Everiwatta within the town Council Limits of Katunayake Seeduwa in the Dasiya Pattu of Aluthkuru Korale in DRO's Division of Negombo, Gampaha district Western Province of the Democratic Socialist Republic of

Sri Lanka and which said Lot marked SILL (I) is bounded on the North by Lot 1A (Reservation for spur Road (2) on the East by land leased out to Sinotex (Lanka) Limited on the South by Lot 1C (Reservation for Averiwatte Road) and on the west by Lot 1B (five feet GCED Reservation) and containing in extent A1-R0-P2.32);

4. All that allotment of land marked SILL (II) in the Katunayake Processing Zone depicted in Plan No. 399 dated 21st November 1983 made by G.P. Abeynayake Licensed Surveyor and Leveller of four allotments of land called Dambuwewatta and Kadiranaawatta situated in the village of Everiwatta within the town Council Limits of Katunayake Seeduwa in the Dasiya Pattu of Aluthkuru Korale in DRO's Division of Negombo, Gampaha district Western Province of the Democratic Socialist Republic of Sri Lanka and which said Lot marked SILL (II) is bounded on the North by Lot 2A (Reservation for spur Road (2) on the East by balance portion of the same land on the South by Lot 2B (land belonging to GCEC) and on the west by land leased out to Sinotex (Lanka) Ltd. And containing in extent A1-R0-P00);
5. All that allotment of land marked Lot 39c in Plan No. 1626 made by T.S.E. Wijesuriya Licensed Surveyor and Leveller dated 30th June 1991 from and out of land called Kadiranaawatte and Muthuwadiya of Katunayake Export Processing Zone Phase I within the Area of Authority of the GCEC situated at Averiwatte Village in Dasiya Pattu of Aluthkuru Korale Gampaha District Western Province of the Democratic Socialist Republic of Sri Lanka and bounded on the North by Spur Road 2 and Reservation and Lot 39D, East by Lot 39D, South by Road and Reservation and West by Lot No, 39B containing in extent A1-R0-P28.46);
6. All that allotment of land marked Lot No. 117 depicted in Plan No. 2498 dated 07th July 2000 made by T.K., Dhanasena Licensed Surveyor from and out of the land called Dambuwewatte of the Katunayake Export Processing Zone Phase I within the Area of Authority of the Board of Investment of Sri Lanka situated at Kadirana South Village in the Dasiya Pattu of Aluthkuru Korale in the Gampaha District, Western Province which said Lot No. 117 is bounded on the North by Jeep Track 4.5 m. wide on the east by Jeep Track 4.5 m. wide road and BOI land; south by reservation along Spur Road 3 and on the west by Lot 21 (AIECL) containing in extent five Acres Two Roods and Twelve Perches (A5-R2-P12) or two decimal two five six one hectares (2.2561 hectares).

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7. JAQALANKA LIMITED—

All that allotment of land marked JLL in the Greater Colombo Economic Commission Investment Promotion Zone-Katunayake Phase 1 Layout Plan depicted in Drawing No. GCEC/IPZ/K/003 of the land called dambuwewatta situated in the Village of Kadirana South within the Town Council Limits of Katunayake-Seeduwa in the Dasiya Pattu of Aluthkuru Korale in the Registration Division of Negombo in the District of Colombo Western Province and which said lot marked JILL is bounded on the north-east, south-east and south-west by lands belonging to the GCEC and on the north-west by the reservation of Ring Road 1 and containing in extent One Acre (A1-R0-P0) according to the said Drawing No. GCEC/IPZ/K/003.

8. PLYMOUTH INDUSTRIES (PRIVATE) LIMITED—

All that allotment of land marked Lot 28 together with the building standing thereon depicted in Plan No. 75/88 dated 3rd June 1988 made by S.A.V. Perera, Licensed Surveyor and Leveller from and out of Kadiranawatta of the Katunayake Export Processing Zone-Phase 1 within the Area of Authority of the Greater Colombo Economic Commission situated at Aweriwatta within the Town Council Limits of katunayake Seeduwa in Dasiya Pattu of Aluthkurukorale in the registration division of Negombo in the Negombo AGA's division Gampaha District Western Province bounded on the North-East by GCEC reservation 5 feet wide against factory premise JIPL, South-East by Ring Road 1 and Reservation GCEC, South-West by GCEC-reservation 5 feet wide against factory premises LMIL and North-West by GCEC Reservation 5 feet wide against factory premises JIL & TIL and containing in extent two acres (A2-R0-P0) as per the aforesaid Plan no. 75/88.

9. COSMOS MACKY INDUSTRIES LIMITED—

All that allotment of land marked CMIL in the Greater Colombo Economic Commission Investment Promotion Zone Katunayake in Phase 1 – Layout Plan depicted in Drawing No. GCEC/IPZ/K/003 of the land called Kadiranawatta situated in the Village of Kadirana South within the town Council limits of Katunayake-Seeduwa in Dasiya Pattuwa Registration Division of Negombo Colombo District Western Province which said Lot marked CMIL is

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bounded on the North East, Sout East and South West by lands belonging to the Greater Colombo Economic Commission in advance tracing No. KO/A/78/26 Rev.4 dated 2nd March 1978 made by the Surveyor General; North West by Ring Road II and containing in extent Two Acres and Two Roods (A2—R2-P0).

10. KABOOL LACE (PRIVATE) LIMITED—

All the allotment of land comprising of amalgamated Lots No.63, 87, 88 and 89 of the land called “Hettiyadeniyawatta” situated at Bopitiya and Mattegama in Katugampola Hathpattuwa, Kurunegala District, North Western Province depicted in Plan No. 362 and 378 made on 15.03.1974 by H.M.H Wijekoon, Licensed Surveyor of the Surveyor Department, on the north by main Road from Negombo to Kurunegala; east by Lot 33 and 33C and wire fence; south by Road belonging to V.C. and Lot 29C, 29E, 29F, 29G; and on the west by Cart Road containing in extent of Forty Six Acres Two Roods and Eighteen Perches (A46-R2-P18) and plantations and buildings standing thereon.

11. FORMER CACHEW CORPORATION LAND —

All that allotment of land Marked Lot 1 depicted in Field Note No. L 11/21 in Final Preliminary Plan No. Co. 4444 bearing assessment No. 363 (now bearing assessment no. 349 situated in Kollpity Village in the Division of Bambalapitiya No. 38 within the Urban Council Limits of Colombo in Divisional Secretariat Division of Thimbirigasyaya in the District of Colombo Western Province and which said Lot 1 is bounded on the north by a portion of Assessment No. 353 Kollpity Road claimed by Lee Hedges and Co. Ltd on the east by a portion of Assessment No. 353 Kollpity Road claimed by Lee Hedges and Co. Ltd on the south by portion of Assessment No. 353 Kollpity Road claimed by Lee Hedges and Co. Ltd and Kollpity Road and on the west by Kollpity Road and containing in extent One Rood and Twelve Decimal Nine Two Perches (0A-1R-12.92P).

12. INTERTRADE LANKA (PRIVATE) LIMITED—

All that allotment of land marked Lot 1 depicted in Plan No. PP Co. 7482 bearing Assessment Nos. 12 and 20 in the Division of Fort No. 20 in the Divisional Secretariat Division

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and Urban Council Limits of Colombo in the District of Colombo Western Province and which said Lot No.1 is bounded on the north by D R Wijewardena Mawatha on the east by D R Wijewardena Mawatha and Assessment No. 36, D R Wijewardena Mawatha, on the south by Baire Lake and on the west by land claimed by Porty Authority and containing in extent Hectares 0.8397 as per the aforesaid Plan No. PP Co. 7482.

13. SUCHIR NEB PROJECTS (PRIVATE) LIMITED—

1. All that allotment of land marked Lots 2 depicted in Plan No. PP CO 8873 dated 13th June 2007 made by the Government surveyor on behalf of the Surveyor General of the land situated at Battaramulla in the Minor Division of Hewagam Korale in Kaduwela D.S. Division in the District of Colombo Western Province, which said Lot 2 is bounded on the North by Lot 1 and Ela, on the East by Ela and Lot 11 in PP CO 5442, on the South by Lot 11 in PP CO 5442 and Lot 3 and on the West by Lots 3 and 1 and containing in extent Nought decimal One Three Four One Hectares (Ha 0.1341);
2. All that allotment of land marked Lots 3 depicted in Plan No. PP CO 8873 dated 13th June 2007 made by the Government surveyor on behalf of the Surveyor General of the land situated at Battaramulla in the Minor Division of Hewagam Korale in Kaduwela D.S. Division in the District of Colombo Western Province, which said lot 3 is bounded on the North by Lots 1 and 2, on the East by Lot 2 and Lot 11 in PP CO 5442, on the South by Lot 11 in PP CO 5442 and Lot 4 and on the West by Lots 4 and 1, and containing in extent Nought decimal Four One Nine Nine Hectares (Ha 0.4199);
3. All that allotment of land marked Lots 4 depicted in Plan No. PP CO 8873 dated 13th June 2007 made by the Government surveyor on behalf of the Surveyor General of the land situated at Battaramulla in the Minor Division of Hewagam Korale in Kaduwela D.S. Division in the District of Colombo Western Province, which said 4 is bounded on the North by Lots 1 and 3, on the East by Lot 3 and Lots 11 and 12 in PP CO 5442, on the South by Lot 11 in PP CO 5442, Ketakellagahawatta claimed by Nazar and Lot 5 and on the West by Lots 5 and 1 and containing in extent Nought decimal Four Nought Four Seven Hectares (Ha 0.4047).

14. CEYLINCO LEISURE PROPERTIES LIMITED—

1. All that allotment of land marked Lot 1 bearing assessment No. 116, Galle Road, Kollupitiya depicted in Plan No. 1365 A dated 10th August 2004 made by K.P. Chandrasekara, Licensed Surveyor and Leveller situated in Kollupitiya, Ward No. 37 within the Municipal Council Limits of Colombo in the District of Colombo Western Province, which said Lot 1 is bounded on the North by Premises bearing Assessment No. 112, Galle Road, Kollupitiya, Ranmuthu Hotel Premises, on the East by Galle Road, on the South by Premises bearing Assessment No. 134, Galle Road, Kollupitiya, and on the West by Lot 2 hereto, and containing in extent One Acre, Two Roods and One decimal Seven Three Perches (A1-R2-P01.73) or Nought decimal Six One One Four Nought Hectares (0.61140 Hec.);
2. All that allotment of land marked Lots 2 bearing assessment No. 116, Galle Road, Kollupitiya depicted in Plan No. 1365 A dated 10th August 2004 made by K.P. Chandrasekara, Licensed Surveyor and Leveller situated in Kollupitiya, Ward No. 37 within the Municipal Council Limits of Colombo in the District of Colombo Western Province, which said Lot 2 is bounded on the North by Premises bearing Assessment No. 112, Galle Road, Kollupitiya, Ranmuthu Hotel Premises, on the East by Lot 1 hereto, on the South by premises bearing Assessment No. 134, Galle Road, Kollupitiya (part of land Reserved for the Marine Drive) and on the West by the Railway Reservation, and containing in extent Thirty Nine decimal Nought Two Perches (A0-R0-P39.02) or Nought decimal Nought Nine Eight Seven Nought Hectares (0.09870 Hec.).

15. SEETHA'S FASHION (PRIVATE) LIMITED—

All that allotment of land marked Lot 968 depicted in Final Colony Plan No. 13 dated 24th March 1977 made by Supdt. of Surveys, Polonnaruwa Division in Final Colony Plan Sheet No. 13 from and out of land called Baduelidamana in the village called Sevagama Minor Division Heda Pattu in the DRO's Division Heda Pattu and Egoda Pattu in the District of Polonnaruwa in the North Central Province which said Lot No. 968 is bounded on the north by Lot No. 967; east by Lot No. 923; south by Lot No. 1037 and on the west by Lot Nos. 1068 and 1067 containing in extent Nought decimal Four Eight One Hectares (0.481 Hec.) as per the aforesaid P.C.P. Plan No. 13.

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16. D.C APPAREL (PRIVATE) LIMITED—

All that allotment of land marked Lot A depicted in Plan No. Maha/MHN/97/707 dated 7th January 1998 made by Mahinda Wijyaratne of the land called Augustahill Estate situated at Kandy, Gangawata Korale in the District of Kandy, Central Province and which said Lot No. A is bounded on the north by Lots No. 84 and 40 in P. Plan No. 2874; east by Lot No. 40 in P. Plan No. 2874 and Road; south by Road and Main Road and on the west by main Road and containing in extent Nought decimal One Four Six Hectares (0.146 Hec.) as per the said Plan No. Maha/MHN/97/707.

17. NEEDLE CRAFTS (PRIVATE) LIMITED—

All that allotment of land called “Una Rohal Idama” marked Lot No. 1 depicted in P. Plan No. 7305 dated 06th August 1992 made by Superintendent of Surveys Colombo on behalf of the Surveyor General situated at Gothatuwa New Town in Ward No. 5, Kotikawatta, Mulleriyawa Town Council Limits in A.G.A.’s Division Kolonnawa in the District of Colombo in the Western Province and which Lot No. 1 is bounded on the north by the land claimed by Fever Hospital; east by the land claimed by Fever Hospital; south by Lot No. 13 and remaining portions of Lot Nos. 14, 15, 16 and 17 depicted in Survey Plan NO. 7107 and Lot No. 2 in Plan No. 7305 and on the west by Land claimed by Fever Hospital and containing in extent of Nought decimal Eight One Four Nine Hectares (0.8149 Hec.) as per the said Plan No. 7305 registered in L.D.O. (L-I)/01 at Colombo Land registry.

18. HY FASHION GARMENTS (PRIVATE)LIMITED—

All that allotment of land marked Lot 2 depicted in Plan No. 2451 dated 30th June 1992 made by U. L. D. Piyasiri, Superintendent of Surveys on behalf of the Surveyor General in accordance with F. S. No. 60/16/2 of the land in the village called Siyambalawela in Egodapatte in the AGA’s Division Ruwanwella in the District of Kegalle in the Sabaragamuwa Province which said Lot No. 2 is bounded on the north by the land called Ginigaththewahena claimed by W. D. J. Perera and the land called Peterhill Watta claimed by the State; east by Lot No. 1 2/3, land called Peterhill Watta claimed by the State (Village Canal) Road; south by Lot No. 3 and Lot No. 1 and on the west by Lot No. 1 and containing in extent of Two decimal Nought Two Five Hectares (2.025 Hec.) as per the aforesaid No. 2451 Registered in Awissawella Land Registry in Folio S 105/ 157.

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19. COLLINS GARMENT (PRIVATE) LIMITED—

All that allotment of land marked Lot No. 6958 depicted in TOPO P. Plan No. 20 (Supplement No. 2, Inset No. 5) made by the Superintendent of Surveys, Anuradhapura on behalf of the Surveyor General in the land called Padaviya Kele, in the Village of Padaviya in the Kunchuttu Korale Minor Division in the A.G.A.'s Division of Padaviya in the Anuradhapura District in the North Central Province and bounded on the north by Lot No. 6959; east by Lot No. 1385; south by Lot No. 1386 and on the west by Lot No. 1386 and containing in extent One decimal Four Six Five Hectares (1.465 Hec.)

20. RUHUNU PUTHA APPARELS (PRIVATE) LIMITED—

1. All that allotment of land marked Lot No. 207 depicted in Final Topo P.P. 71 dated 20th April 1993 made by W.A.S. Wickramarachchi, Superintendent of Surveys, Monaragala on behalf of the Surveyor General, situated at Weerasekaragama (Part of) Village in Wellawaya Assistant Government Agent's Division in the District of Monaragala in the Uva Province and which said Lots Nos. 207 is bounded on the north by Lot Nos. 209 and 208; east by Lot Nos. 208, 212 and 216; south by Lot No. 216 and on the west by Lot Nos. 216, 206 and 209 in the aforesaid Plan and containing in extent Nought decimal Six three Nought Hectares (0.630 Hec.) and registered in Folios M29/212/213 at Monaragala Land Registry;
2. All that allotment of land marked Lot No. 208 depicted in Final Topo P.P. 71 dated 20th April 1993 made by W.A.S. Wickramarachchi, Superintendent of Surveys, Monaragala on behalf of the Surveyor General, situated at Weerasekaragama (Part of) Village in Wellawaya Assistant Government Agent's Division in the District of Monaragala in the Uva Province and which said Lots Nos. Lot No. 208 is bounded on the north by Lot No. 209; east by Lot No. 212; south by Lot No. 207 and on the west by Lot No. 207 in the aforesaid Plan and containing in extent Nought decimal Two One Five Hectares (0.215 Hec.) and registered in Folios M29/212/213 at Monaragala Land Registry.

21. SANJAYA GARMENTS (PRIVATE)LIMITED—

1. All that allotment of land marked Lot 625 in Preliminary Plan No. 244 dated 14th August 1992 made by S. D. Sarathchandra Superintendent of Surveys Ratnapura on

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behalf of the Surveyor General situated at Kalawana village in Minor Division of Medapattu in A.G.A.'s Division of Kalawana in District of Rathnapura Sabaragamuwa Province containing in extent Two decimal Nought Two Nought Eight Hectares (2.0208 Hec.) according to the aforesaid Plan No. V.P 244 and which Lots 625 is bounded on the north by Lot Nos. 623 and 157; east by Lot Nos. 151 and 614; south by Lot Nos. 615 and 626 and on the west by Lot Nos. 626, 627 and 624 and containing in extent One decimal Nine Four Eight Five Hectares (1.9485 Hec.);

2. All that allotment of land marked Lot 628 in Preliminary Plan No. 244 dated 14th August 1992 made by S. D. Sarathchandra Superintendent of Surveys Ratnapura on behalf of the Surveyor General situated at Kalawana village in Minor Division of Medapattu in A.G.A.'s Division of Kalawana in District of Rathnapura Sabaragamuwa Province containing in extent Two decimal Nought Two Nought Eight Hectares (2.0208 Hec.) according to the aforesaid Plan No. V.P. 244 and which Lot 628 is bounded on the north by Lot Nos. 624 and 625; east by Lot No. 625; south by Lot Nos. 625 and 626 and on the west by Lot No. 627 and containing in extent Nought decimal Nought Seven Two Three Hectares (0.0723 Hec.)

22. MACFA APPAREL (PRIVATE) LIMITED—

All that allotment of land marked Lot 1 depicted in Plan No. AS/97/3307 dated 30.11.97 made by A. Singarajah, Licensed Surveyor and Leveller of the land called Arasadi Thottam situated at Nintavur – 5 in the village Nintavur within the PS Limits of Nintavur in the Divisional Secretariat Nintavur Pattu in the District of Amparai, Eastern Province and which said Lot 1 is bounded on the north by Road (VC); east by Lot 2 of same land; south by Lot 3 of same land and on the west by Road (H) and containing in extent One Rood and Two decimal Seven Perches (A0-R1-P2.7) or Nought decimal One Nought Six Four Hectares (0.1064 Hec.) as per the aforesaid Plan No. AS/97/3307.

23. YOBEEDHA ASSOCIATES (PRIVATE) LIMITED—

All that allotment of land marked Lot No. 411 ^{GCB} depicted in Plan No. 1535 dated 06th January, 2001 made by Ajith Ranjan Weerasuriya Licensed Surveyor and Leveller of the land called Mirijjawelakele, Kapuwatta and Karaganlewagodella (claimed as part of Lot 411 in Sup. 36 of Final Village Plan No. 54 authenticated by Surveyor General) situated at Mirijjawela Village in Magam Pattu in

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District of Hambantota Southern Province and which said Lot No. 411^{GCI^B} is bounded on the north by Lot 411^{GCI^A} of the same land; east by Lot 411^E of the same land; south by Lot 411^{GCI^Z} of the same land and on the west by Lot 411^{GD} of the same land and containing in extent One Acre Two Roods (1A-2R-00.00P) or Nought Decimal Six Nought Seven Nought Three Hectares (0.60703Hec.) as per the aforesaid Plan No. 1535.

24. DYNAMIC CLOTHING (PRIVATE) LIMITED—

All that allotment of land marked Lot No. 411B depicted in Plan No. 1337A dated 26th October, 1999 made by Ajith Ranjan Weerasuriya Licensed Surveyor of the land called Mirijjawelakele, Kapuwatta and Karaganlewagodella (claimed as Lot 411 in sup. 36 of final village Plan 54, made by Surveyor General) situated at Mirijjawila Village Magam Pattu in the District of Hambantota Southern Province and which said Lot 411B is bounded on the north by Lot No. 411; east by Lot No. 411C; south by Lot No. 411D and on the west by Lot No. 411E containing in extent of one decimal Two Five Two Four Five Hectares (1.25245Hec.) or Three Acres Fifteen decimal One Eight Perches (3A-0R-15.18P) as per the said Plan No. 1337A registered at the land Registry Hambantota C52/105.

25. 609 POLYMERS EXPORTS (PRIVATE) LIMITED—

All that allotment of land marked Lot No. 37 depicted in Preliminary Plan No. C 8109 dated 17th July, 1999 made by A. Welikalavithanage, Government Surveyor on behalf of the Surveyor General of the land called Arthurfieldwatta (now known as Seethawaka Industrial Park) situated at Avissawella Village in the Minor Division of Manikkawatta in the D.S. Division of Hanwella within the Urban Council Limits of Seethawakapura in the District of Colombo Western Province and which said Lot No. 37 is bounded on the north by Lot No. 44; on the east by Lots Nos. 44 and 46; on the south by Lot Nos. 46,45 and 38; and on the west by Lot Nos. 38 and 44 and containing in extent Nought decimal Five Nine Nought Hectares (Ha. 0.590) as per the aforesaid Preliminary Plan No. C. 8109.

26. COSCO POLYMER LANKA (PRIVATE) LIMITED—

All that allotment of land marked Lot No. 21 depicted in Preliminary Plan No. Co 8109 dated 17th July, 1999 made by A Welikalavithanage, Government Surveyor on behalf

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of the Surveyor General of the land called Arthurfieldwatta (now known as Seethawaka Industrial Park) situated at Avissawella Village in the Minor Division of Manikkawatta in the D.S Division of Hanwella within the Urban Council Limits of Seethawakapura in the District of Colombo Western Province and which said Lot No. 21 is bounded on the north by Lot No. 11 depicted in Preliminary Plan No. Co. 7646 and Lot No. 20; on the east by Lot No. 44, on the south by Lot No. 2 depicted in Preliminary Plan No. Co.8087; and on the west by Lot No. 11 and 2 depicted in Preliminary Plan No. Co. 7646 and containing in extent Nought Decimal Nine Seven Six Hectares (Ha 0.976) as per the aforesaid Preliminary Plan No. Co. 8109.

27. GREAT WALL THREAD MANUFACTURING (PRIVATE)
LIMITED—

All that allotment of land marked Lot No. 29 depicted in Plan No. Co. 8109 dated 17th July, 1999 made by A. Welikalavithanage, Government Surveyor on behalf of the Surveyor General of the land called Arthurfieldwatta (now known as Seethawaka Industrial Park) situated at Avissawella in the Minor Division of Manikkawatta in the D.S. Division of Hanwella within the Urban Council Limits of Seethawakapura in the District of Colombo Western Province and which said Lot No. 29 is bounded on the north by Lot No. 9; on the east by Lot No. 9, Lot No. 2 in Preliminary Plan No. Co. 7646 and Lot No. 30; on the south by Lot 30; and on the west by Lot No. 30, Lot No. 44 and Lot No. 9 and containing in extent Nought Decimal One Nine Four Hectares (Ha 0.194) as per the aforesaid Preliminary Plan No. Co 8109.

28. ADAMJEE EXTRACTIONS (PRIVATE) LIMITED—

All that allotment of land marked Lot 06 depicted in Plan No. 2354 dated 16th September, 2005 made by N. Kularatne, Licensed Surveyor and Leveller of the land called Lots 5 and 6 of Perth division of the Perth Estate being a divided portion of Lot 4 of Perth Division of Perth Estate depicted in Plan No. 1786 dated 3rd April, 2000 made by M T Ratnayake, Licensed Surveyor and Leveller situated at Poruwadanda Village within the Divisional Secretariat Area of Horana in Udugaha Pattu of Raigam Korale in the District of Kalutara Western Province and which said allotment of land marked Lot 06 is bounded on the North by reservation for Road 9.0 Meters wide and Paddy Field of Ariyawansa, Denzil D D Nandawathi & Others; East by Lot 5 of same land; South by Reservation

for Road 18.0 Meters wide and on the West by Balance Portion of same land and containing in extent of Six Acres (06 A -0R-0P) or Two decimal Four Two Eight One Hectares (2.42811 Hec.) as per the said Plan No. 2354.

29. DATA FOOD (PRIVATE) LIMITED—

All that allotment of land marked Lot 1 depicted in Plan No. 2313 dated 20th February 2005 made by N. Kularathne, Licensed Surveyor and Leveller (being a resurvey and sub division of Lot No. 4 depicted in Plan No. 1786 dated 3rd April 2000 made by M T Ratnayake, Licensed Surveyor and Leveller) of the land called Perth Division of Perth Estate (part of) situated at Poruwadanda Village within the Divisional Secretariat Division of Horana in the udugaha Pattu of Raigam Korale in the District of Kalutara Western Province in the Democratic Socialist Republic of Sri Lanka and which said allotment of land marked Lot 4 is bounded on the North by Lot 4A in Plan No. 1066 dated 5th December 2001 by J R Alahakoon Licensed Surveyor; East by balance Portion of same land and premises of Chem Pharma (Pvt) Ltd. (Lot 1 in Plan No. 1910A of 3rd September 2002 by M T Ratnayake Licensed Surveyor); South by Reservation for Road 18 meters wide and West by balance Portion of same land and containing in extent of Four Acres (4A-0R-0P) or one decimal Six One Eight Seven Five Hectares (1.61875 Hec.) as per said Plan No. 2313.

30. TENDON LANKA (PRIVATE) LIMITED—

All that allotment of land marked Lot No. 7 in Plan No. 292-R0-P30 dated 21.09.95 made by N. Rupasinghe, Licensed Surveyor and Leveller of the land called Pallekele Group (Part of Lot 38 and 36 in PP Maha 4243) of Industrial Area of the Kandy Industrial Park within the Licensed Zone of the Board of Investment of Sri Lanka situated at Kengalla Village in Kundasala AGA's Division, Paharhadumbara Udugahapattu Korale Kandy District in the Central Province and which said Lot No. 7 is bounded on the North by Remaining Portion of same land; East by Remaining Portion of same land and proposed Road; South by Road and West by Road and Remaining Portion of same land and containing in extent Two decimal Eight Three Two Eight Hectares (2.8328 Hec.) or Seven Acres (7A-0R-0P) as per the aforesaid Plan No. 292-R0-P30.

31. RICAN LANKA (PRIVATE) LIMITED—

All that allotment of land marked as Lot A depicted in Plan No. 1167 dated 9th September 1996 prepared by K P Wijeweera, Licensed Surveyor and Leveller being a resurvey

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and sub division of Lot No. 4 depicted in Surveyor General's Plan No. P P Gam 2542 dated 23rd May 1995 situated at Nambadaluwa in Udagaha Pattu within the Attanagalla Divisional Secretaries Division in the District of Gampaha Western Province which said Lot A is bounded on the North East by Ela; South East by Road; South West by Lots 7, 6, 5, 4, 3, 2 and 1 in PP Gam 1219 and North West by Path and containing in extent of Two Acres Two Perches (A2-R0-P2) or Nought decimal Eight Nought Eight Four Hectares (0.8084 Hec.) according to the said Plan No. 1167.

32. COMPOSITE TOWER SOLUTIONS (PRIVATE) LIMITED—

All that allotment of land marked Lot 30 depicted in Plan No. 2065 dated 19th December 1997 made by T K Dhanasena Licensed Surveyor from and out of the land called Mahayaya Estate of the Mirigama Export Processing Zone within the area of Authority of the Board of Investment of Sri Lanka situated at Luluwagama Kandangamuwa Village within the Pradeshiya Sabha Limits of Mirigama in Udugaha Pattu of Hapitigam Korale in the District of Gampaha Western Province and which said Lot 30 is bounded on the North by Reservation along Road; on the East by Reservation along Road; on the South by Remaining portion of the same land and on the West by Remaining portion of the same land and containing in extent One Acre and Two Roods (A1-R2-P0) or Nought decimal Six Nought Seven Nought Seven Nought Hectares (0.6070 Hec) as per the aforesaid Plan No. 2065.

33. HEALTH FOOD PRODUCTS (PRIVATE) LIMITED—

All that allotment of land marked Lot No. 1 (Resurvey of Lot 28) depicted in Plan No. 475 dated 04.05.2003 made by J.K.N.S. Jayakody Licensed Surveyor and Leveller of the land called Mahayaya Estate being a divided and defined portion from and out of the land depicted in Plan No. 3400 dated February and March 1994 prepared by K.E.J.B. Perera Licensed Surveyor and also being a part of the land depicted in P.P. Co 956 dated 03.10.1978 prepared by the Survey General vested in the Board of Investment of Sri Lanka in Mirigama Export Processing Zone Block A situated at Loluwagoda Kandangamuwa village within the limits of

Kandalama Sub-Office area of Mirigama Pradeshiya Sabha Udugaha Pattu of Hapitigam Korale in the District of Gampaha Western Province and which said Lot No. 1 is bounded on the North by Road with Reservation and Lot 27B and Lot 27C East by Jeep Track with Reservation; South by Jeep Track with Reservation and Lot 29 and on the West by Road with Reservation and containing in extent Three Acres One Rood and Six decimal Five Perches (3A-1R-6.5P) or One decimal Three Three One Seven Hectares (1.3317 Ha.) as per aforesaid Plan No. 475 and Registered in F 240/116 at the District Land Registry Negombo.

34. SRI CHIRAG (PRIVATE) LIMITED—

All allotment of land marked Lot 41 depicted in Plan No. 532 dated 2nd September, 2000 made by A.S.C. Vitanage, Licensed Surveyor and Leveller (being a portion of Block A in the Mirigama Export Processing Zone Lay Out Plan of the land called MAHAYAYA ESTATE depicted in Plan No. 3400 dated February and March, 1994 made by K.E.J.B. Perera, Licensed Surveyor and Leveller) situated at Loluwagoda in Kadangamuwa Village within the Sub-office of Kandalama of the Mirigama Pradeshiya Sabha in Udugaha Pattu of Hapitigam Korale in the District of Gampaha Western Province and which said allotment of land marked Lot 41 is bounded on the North by Reservation along Road and Road; on the East by Lot 40 in Plan No. 529 of A.S.C. Vitanage, Licensed Surveyor and Leveller); on the South by Reservation along Road and Road; and on the West by balance portion in Plan No. 3400 of K.E.J.B. Perera, Licensed Surveyor and Leveller and containing in extent One Acre Three Roods Twenty Three decimal Eight Nought Perches (A1-R3P23.80) or Nought decimal Seven Six Eight Four Hectares (Ha. 0.7684) as per the aforesaid Plan No. 532.

35. ROYALE EXPORTS (PRIVATE) LIMITED—

All that allotment of land marked Lot X₁^A (being a re-survey of part of Lot 34A) depicted in Plan No. 477 dated 08th May 2003 made by J.K.N.S. Jayakody, Licensed Surveyor and Leveller of the land called Mahaya Estate being a divided and defined portion from and out of the land depicted in Plan No. 3400 dated February and March 1994 prepared by K.E.J.B. Perera, Licensed Surveyor also being a part of Lot X in Plan No. 657 dated 11th December,

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1998 prepared by D.R. Kumarage, Licensed Surveyor and also being a part of the land depicted in P.P. Co 4956 dated 03rd October, 1978 prepared by the Surveyor General-vested in the Board of Investment of Sri Lanka in Mirigama Export Processing Zone-Block A situated at Loluwagoda Kadangamuwa village within the limits of Kandalama Sub-office area of Mirigama in the District of Gampaha Western Province and which said Lot X₁^A is bounded on the North by Remaining portion of Lot X in Plan No. 657 and proposed Road; on the East by Part of the same land of B.O.I.; on the South by Lot X₁^B and Remaining portion of Lot X in Plan No. 657; and on the West by Remaining portion of Lot X in Plan No. 657 and containing in extent Three Acres (A3-R0-P0) or One decimal Two One Four Nought Hectares (1.2140 Ha.) as per the aforesaid Plan No. 477 and Registered in F 240/116 dated 8th September 1997 at the District Land Registry, Negombo.

36. CONTINENTAL VANASPATHI (PRIVATE) LIMITED—

All that allotment of land marked Lot 27 depicted in Plan No. 950 dated 14th May 2000 made by A. C. L. G. Athukorala, Licensed Surveyor and Leveller (being a portion of the land depicted in Line Drawing B/V 174 dated 24th April 1998 authenticated by the Superintendent of Surveys of Gampaha on behalf of the Surveyor General – the land depicted in Line Drawing B/V 174 being an amalgamation of Lots 1, 2, 3, 4, 5, 6 and 7 depicted in Preliminary Plan No. 2776 dated 17th February 1998 authenticated by M. A. K. Mallawarachchi, Superintendent of Surveys of Gampaha on behalf of the Surveyor General of the land called Yakadawala Mukalana vested in the Board of Investment of Sri Lanka situated at Matalana Village within the Pradeshiya Sabhawa Limits of Attanagalla in the Udugaha Pattu of Siyane Korale in the District of Gampaha Western Province and which said allotment of land marked Lot 27 is bounded on the NORTH by the balance portion of Lot 5 in State Preliminary Plan No. 2776 and Lot 28 in Plan No. 599 by A. S. C. Vitanage, Licensed Surveyor; EAST by Lot 28 in Plan No. 500, Lot 1 in Plan No. 494 and Lot 26 in Plan No. 493 by A. S. C. Vitanage, Licensed Surveyor; SOUTH by Lot 26 in Plan No. 493 by A. S. C. Vitanage, Licensed Surveyor and the balance portion of Lot 5 in State Preliminary Plan No. 2776 and on the WEST by the balance portion of Lot 5 in State Preliminary Plan No. 2776 and containing in extent Three Acres and Sixteen Perches (A3-R0-P16) or One decimal Two Five Four Five Hectares (1.2545 Hec.) as per the aforesaid Plan No. 950.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.



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

**NATIONAL POLICE ACADEMY
ACT, No. 44 OF 2011**

[Certified on 21st November, 2011]

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National Police Academy Act, No. 44 of 2011

[Certified on 21st November, 2011]

L.D.—O. 39/2010.

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF A NATIONAL POLICE ACADEMY; TO IDENTIFY THE OBJECTIVE AND FUNCTIONS OF, AND TO PROVIDE FOR THE MANAGEMENT AND ADMINISTRATION OF THE NATIONAL POLICE ACADEMY; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

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

1. This Act may be cited as the National Police Academy Act, No. 44 of 2011. Short title.

PART I

ESTABLISHMENT OF THE NATIONAL POLICE ACADEMY

2. (1) There shall be established an academy, which shall be called the “National Police Academy” (hereinafter referred to as “the Academy”). Establishment of the National Police Academy.

(2) The Academy shall, by the name assigned to it by subsection (1) be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.

3. The Secretary to the Ministry of the Minister assigned the administration of the Police Department, shall be charged with the responsibility of ensuring the efficient management and administration of the Academy in order to achieve the objective for which the Academy is established. The Academy to be the responsibility of the Secretary to the Ministry of the Minister assigned the administration of the Police Department.

4. The objective of the Academy shall be to develop the professional knowledge and skills of police officers and other law-enforcement officers selected for training at the Objective of the Academy.

Academy in order to prepare and equip them for appointment to appropriate positions in their respective professions.

Functions of the Academy.

5. The functions of the Academy shall be to—

- (a) provide advanced training and education on policing, law-enforcement and related subjects to student officers;
- (b) conduct research and studies on issues directly related to policing and law-enforcement; and
- (c) disseminate and share professional knowledge on policing and law-enforcement for the benefit of those concerned through relevant programmes and publications.

Powers of the Academy.

6. (1) The Academy shall have the power to do all such acts as may be necessary for the discharge of any or all of its functions specified in section 5 of this Act.

(2) Without prejudice to the generality of the powers conferred on it by subsection (1), the Academy may—

- (a) admit student officers to follow the courses of study at the Academy;
- (b) levy such fees, where necessary, from student officers as are prescribed;
- (c) conduct examinations for the purpose of evaluating the proficiency of student officers admitted for selected courses of study;
- (d) issue certificates and grant and confer the post-nominal title “npa” (national police academy) on student officers on the successful completion of the courses of study;

- (e) award, subject to the approval of the relevant educational authorities, diplomas, certificates and other academic distinctions on subjects related to policing and law-enforcement;
- (f) affiliate to any University, subject to the approval of the University Grants Commission and the relevant local or foreign University;
- (g) publish and disseminate journals and similar documents to facilitate the functions of the Academy;
- (h) conduct research programmes on policing and law-enforcement to facilitate the functions of the Academy;
- (i) erect, equip and maintain for the purposes of the Academy, libraries, laboratories and other buildings;
- (j) create lectureship and other posts as may be required for the efficient functioning of the Academy;
- (k) appoint such employees and agents as are necessary for the administration of the affairs of the Academy;
- (l) receive grants, gifts or donations, whether from local or foreign sources;
- (m) borrow or raise money for the purpose of the Academy in such manner and upon such security as the Board may think fit;
- (n) take or hold any movable or immovable property which may become vested in it by this Act or by virtue of any purchase, grant, gift, testamentary

disposition or otherwise, and to sell, mortgage, lease, grant, convey, devise, assign, exchange or otherwise dispose of any such movable or immovable property;

- (o) enter into and perform or carry out, whether directly or through any officer or agent authorised in that behalf by the Academy, all such contracts or agreements as may be necessary for the attainment of the objectives of the Academy; and
- (p) invest its funds in such a manner as the Board may think fit.

PART II

BOARD OF MANAGEMENT OF THE ACADEMY

Constitution of the Board of Management of the Academy.

7. (1) The management and the administration of the affairs of the Academy shall be vested in a Board of management (in this Act referred to as “the Board”) which shall consist of—

- (a) the following *ex-officio* members, namely—
 - (i) the Secretary to the Ministry of the Minister assigned the administration of the Police Department who shall be the Chairman;
 - (ii) a senior official of the rank of Deputy Secretary to the Treasury nominated by the Secretary to the Ministry of the Minister to whom the subject of Finance is assigned;
 - (iii) an Additional Secretary to the Ministry of the Minister assigned the administration of the Police Department, nominated by the Secretary;
 - (iv) the Inspector-General of Police; and
 - (v) the Executive Director of the Academy appointed under section 13;

- (b) two members appointed by the Minister in consultation with the Secretary; having proven ability in the fields of national security, public security, law, and public administration.

(2) The Chairman shall preside at all meetings of the Board and in the absence of the Chairman from any such meeting of the Board, a person from among members of the Board referred to in subparagraph (ii) of paragraph (a) of subsection (1) and subparagraph (iii) of paragraph (a) of subsection (1) and paragraph (b) of subsection (1), who has been duly nominated by the Chairman, shall preside at any such meeting.

(3) The Principal Administrative Officer of the Academy shall function as Secretary to the Board.

8. (1) The seal of the Academy shall be in the custody of such person as the Board may decide from time to time. Seal of the Academy.

(2) The seal of the Academy may be altered in such manner as may be determined by the Board.

(3) The seal of the Academy shall not be affixed to any instrument or document except in the presence of the Chairman and one other member of the Board, both of whom shall sign the instrument or document in token of their presence:

Provided that where the Chairman is unable to be present at the time when the seal of the Academy is affixed to any instrument or document, any other member of the Board authorised in writing by the Chairman in that behalf, shall be competent to sign such instrument or document in accordance with the preceding provisions of this subsection.

(4) The Academy shall maintain a register of all instruments or documents to which the seal of the Academy is affixed.

Branches within the Academy.

9. The Academy shall consist of such Branches as are from time to time deemed necessary, by the Board.

Meetings and quorum at meetings of the Board.

10. (1) Subject to the other provisions of this Act, the Board may regulate its procedure in regard to the meetings of the Board and the transaction of business at such meetings.

(2) Five members shall form a quorum at any meeting of the Board.

Vacancy among members not to invalidate proceedings of the Board.

11. No act, decision or proceeding of the Board shall be invalidated by reason only of the existence of a vacancy among its members or any defect in the appointment of its members.

Annual estimates.

12. The Board shall as soon as may be practicable, submit through the Secretary to the Ministry of the Minister to whom the administration of the Police Department is assigned the annual estimates or supplementary estimates, as the case may be, to the Treasury for the purpose of securing the necessary budgetary allocation for the Academy.

PART III

STAFF OF THE ACADEMY

The Executive Director.

13. (1) There shall be appointed by the Minister a person to be the Executive Director of the Academy (hereinafter referred to as “the Executive Director”) who shall be a qualified senior officer holding the rank of Senior Deputy Inspector General of Police or Deputy Inspector General of Police.

(2) The Executive Director shall hold office for a period of three years from the date of his appointment and shall be eligible for reappointment, unless he vacates his office earlier by retirement, death, resignation or removal.

(3) The Executive Director may resign his office as Executive Director by written communication in that behalf addressed to the Minister, forwarded through the Secretary to the Ministry of the Minister to whom the administration of the Police Department is assigned.

(4) The Minister may, if he thinks it expedient to do so, by Order published in the *Gazette*, remove the Executive Director from office for reasons assigned.

(5) The Executive Director, in respect of whom an Order under subsection (4) is made, shall vacate his office on the date of publication of such Order in the *Gazette*, or on such other date as may be specified in such Order.

(6) In the event of the person appointed as Executive Director—

- (a) vacating his office or ceasing to be a member of the Police Department of which he was a member prior to the expiry of his term of office as Executive Director, the Minister shall having regard to the provisions of subsection (1), appoint a qualified officer as Executive Director, and he shall, unless he earlier vacates office, hold office for a period of three years from the date of his appointment and shall be eligible for reappointment; or
- (b) being temporarily unable to discharge the functions of his office by reason of ill health, absence from Sri Lanka or any other reason, the Minister shall having regard to the provisions of subsection (1), appoint the person holding the position of Principal Administrative Officer of the Academy, to act in his place as Executive Director during such period.

14. (1) The Executive Director shall, subject to the general direction and control of the Board, be charged with the direction of the affairs of the Academy and the discharge of the functions of the Academy. He shall also be charged with the overall administrative and disciplinary control of the employees and student officers of the Academy.

Duties of the Executive Director.

(2) The Executive Director may in writing, with the approval of the Board, delegate to any employee of the Academy such of his duties as he may from time to time

consider necessary. Any employee to whom such functions are so delegated shall exercise them subject to the general or special direction of the Executive Director. Notwithstanding such delegation it shall be competent for the Executive Director, where necessary, to continue to discharge such functions.

(3) The Executive Director may in consultation with the Board decide on the medical, welfare and recreational facilities to be provided for student officers by the Academy.

(4) The Executive Director may take necessary measures for the security and the protection of the Academy with the approval of the Board.

The Principal Administrative Officer of the Academy.

15. (1) The Board shall appoint an officer holding the rank of Deputy Inspector General of Police or Senior Superintendent of Police to serve as the Principal Administrative Officer of the Academy for such period as may be determined by the Board.

(2) The Principal Administrative Officer of the Academy shall be responsible to the Executive Director for supervising, coordinating and facilitating the affairs of the Academy in accordance with instructions issued by the Executive Director for that purpose.

Appointment and conditions of the staff of the Academy.

16. The Board may, subject to the provisions of this Act—

- (a) appoint such officers and servants as it considers necessary for the discharge of the functions of the Academy and formulate policies to exercise disciplinary control over, or dismiss, such officers or servants;
- (b) fix the rates at which such officers and servants shall be remunerated;
- (c) determine the terms and conditions of service of such officers or servants; and

- (d) establish and regulate provident funds or schemes, where applicable, for the benefit of such officers or servants and make contributions to any such funds or schemes.

17. (1) At the request of the Board, any officer in the public service may, with the consent of that officer and of the Secretary to the relevant Ministry, be temporarily appointed to the staff of the Academy for such period as may be determined by the Board, or with like consent be permanently appointed to such staff.

Appointment of public officers etc. to the staff of the Academy.

(2) Where any officer in the public service is temporarily appointed to the staff of the Academy the provisions of subsection (2) of section 14 of the National Transport Commission Act, No. 37 of 1991 shall, *mutatis mutandis*, apply to and in relation to him.

(3) Where any officer in the public service is permanently appointed to the staff of the Academy the provisions of subsection (3) of section 14 of the National Transport Commission Act, No. 37 of 1991 shall, *mutatis mutandis*, apply to and in relation to him.

(4) Where the Academy employs any person who has entered into a contract with the Government to serve the Government for a specified period, any period of service to the Academy by such person shall be regarded as service to the Government, for the purpose of discharging the obligations of such contract.

(5) At the request of the Board, any officer or servant of any Higher Educational Institution may, with the consent of such officer or servant and the principal executive officer of that Higher Educational Institution, be temporarily appointed to the staff of the Academy for such period as may be determined by the Board or with like consent be permanently appointed to such staff, on such conditions, including those relating to pension and provident fund rights, as may be agreed upon by the Board and such principal executive officer.

(6) Where any officer or servant of any Higher Educational Institution is temporarily appointed to the staff of the Academy, he shall be subject to the same disciplinary control as any other member of such staff.

PART IV

THE BOARD OF STUDIES AND THE BOARD OF DISCIPLINE OF THE ACADEMY

The Board of
Studies of the
Academy.

18. (1) The affairs of the Academy relating to academic and professional studies shall be vested in the Board of Studies. The Board of Studies shall consist of—

- (a) the Executive Director;
- (b) the Principal Administrative Officer of the Academy;
- (c) two persons nominated by the Board;
- (d) a representative nominated by the Vice-Chancellor of the University to which the Academy may be affiliated; and
- (e) the heads of various Branches in the Academy.

(2) The Board of Studies shall discharge the functions assigned to, or conferred on it, subject to the general direction and control of the Board and any rules which may be made in that behalf by the Board.

(3) The Board of Studies shall have control and general direction over the instruction, training, research and examination of the Academy.

(4) The Board of Studies shall be charged with the exercise, performance and discharge of the following powers, duties and functions:—

- (a) to identify and recommend to the Board, the courses of study and the curricula of such courses which are to be offered by the Academy;
- (b) to decide on the degrees, diplomas, certificates and other academic distinctions which shall be awarded for the courses of study offered at the Academy;
- (c) to identify the training to be followed, the examinations to be passed and the other conditions to be satisfied by students who wish to qualify for such degrees, diplomas, certificates and other academic distinctions;
- (d) to consider and report on any matter referred to it by the Board;
- (e) to present recommendations and reports to the Board on matters connected with the courses of study, teaching programmes, research programmes or examinations being conducted by the Academy;
- (f) to appoint committees, which may include persons not being members of the Board of Studies for the purpose of considering and reporting on any special subject or subjects;
- (g) to recommend to the Board—
 - (i) the requirements for the admission of students to courses of study and examination;
 - (ii) the persons who are suitable for recognition as teachers or examiners;

(iii) the persons who, having passed the prescribed examinations and having satisfied other prescribed conditions, are eligible for the award of diplomas, certificates and other academic distinctions;

(h) to identify the mode and conditions of competition for fellowships, scholarships, exhibitions, bursaries, medals and other prizes; and

(i) to name the persons suitable for the award of fellowships, scholarships, exhibitions, bursaries, medals and other prizes.

Board of Discipline.

19. The Board shall, in consultation with the Executive Director, appoint a Board of Discipline consisting of the following—

(a) the Principal Administrative Officer of the Academy; and

(b) any other officers who in the opinion of the Executive Director is required for the effective settlement of the particular misconduct.

Code of Discipline and application of the code.

20. (1) Every student officer shall be subject to the Code of Discipline of the Academy. The Code of Discipline shall be as prescribed by regulations.

(2) Any student officer found to be in breach of such Code or who is found guilty of any breach by the Board of Discipline, may on recommendation being made by the Board of Discipline to the effect that the conduct of the student officer is not conducive to the best interest of the Academy, be liable to be withdrawn from the course of study, by the Executive Director.

(3) Every act of misconduct of student officers shall be reported to the respective Head of Institution of such officer

by the Executive Director in order that disciplinary action as is deemed necessary in terms of the respective laws and regulations applicable to such institution, be initiated.

(4) Any student officer who is found to be responsible for causing damage to government property, wilfully or negligently, shall be liable to indemnify the Academy for such damage.

21. (1) The disciplinary control of the staff of the Academy shall be exercised by the Executive Director or any other officer of the Academy, authorised in that behalf by the Executive Director.

Disciplinary control of the staff of the Academy.

(2) The maintenance of disciplinary control of the staff of the Academy shall be in accordance with the procedure as specified by rules made by the Board.

PART V

FINANCE

22. (1) There shall be established a Fund called “the National Police Academy Fund” (hereinafter referred to as “the Fund”).

Fund of the Academy.

(2) The Board shall have the power to manage, control and operate the Fund.

23. There shall be paid into the Fund—

Payment into the Fund.

(a) all such sums of money as may be voted from time to time by Parliament for the management and administration of the Academy;

(b) all such sums of money as may be received by the Academy by way of donations, gifts or grants from any source whatsoever, whether within or outside Sri Lanka;

- (c) all moneys received by way of fees in respect of the courses of study being provided by the Academy; and
- (d) all such sums of money as may be received by the Academy in the exercise, performance and discharge of its powers, duties and functions.

Payment out of the Fund.

24. There shall be paid out of the Fund—

- (a) expenses necessary for the establishment, working and maintenance of the Academy;
- (b) the payment of fees to the visiting lecturers; and
- (c) all such other payments as are approved by the Board as being necessary for the purpose of carrying out the objective of the Academy.

Audit of Accounts.

25. (1) The Board shall direct the Accountant appointed in terms of section 26, to keep proper books of accounts and accounts of all income and expenditure, assets and liabilities and all other financial transactions of the Academy.

(2) The provisions of Article 154 of the Constitution relating to the audit of accounts of public corporations shall apply to the audit of accounts of the Academy.

(3) The financial year of the Academy shall be the calendar year.

(4) The annual accounts of the Academy shall be prepared by the Accountant who shall cause the same to be forwarded to the Board through the Executive Director.

Appointment of an Accountant.

26. (1) The Board shall appoint an Accountant for the Academy.

(2) The Accountant shall be responsible to the Executive Director of the Academy for the administration and control of the Fund of the Academy established under section 22 of this Act and the other financial matters of the Fund.

27. (1) All student officers and the staff of the Academy shall be entitled to such emoluments and allowances as may be stipulated in the relevant institutional pay regulations applicable to them.

Payment of emoluments.

(2) All personnel in the Academy referred to above shall be entitled to any additional allowances as may be paid to those appointed to training establishments presently under their respective institutions.

(3) All personnel of the Academy referred to above may in addition be entitled to such other additional allowances as may be determined by the Board from time to time with the concurrence of the Minister in charge of the subject of Finance.

(4) The period of training of a student officer in the Academy shall be deemed to be reckonable service for the purpose of pension, gratuity and allowances.

28. The Board may with the concurrence of the Minister and the Minister in charge of the subject of Finance, borrow such sums of money as may be necessary to effectively discharge the functions assigned to it.

Borrowing powers of the Board.

PART VI

GENERAL

29. (1) The Board may make rules in respect of the courses of study to be provided for student officers by the Academy on the recommendation of the Executive Director.

Board to make rules.

(2) Every rule made under subsection (1) shall be approved by the Minister upon the making thereof, and shall be published in the *Gazette*.

Regulations.

30. (1) The Minister may make regulations for the purpose of giving effect to the principles and provisions of this Act and in respect of matters required by this Act to be prescribed or in respect of which regulations are authorised or required to be made.

(2) Without prejudice to the generality of the powers conferred by subsection (1), the Minister may make regulations in respect of all or any of the following matters—

- (a) the management and administration of the affairs of the Academy;
- (b) setting out the Code of Discipline;
- (c) any other matter which is to be or may be prescribed or in respect of which this Act makes no provision or makes insufficient provision which in the opinion of the Minister, is necessary for the proper implementation of this Act.

(3) Every regulation made by the Minister shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified in the regulations.

(4) Every regulation made by the Minister shall, as soon as convenient after its publication in the *Gazette*, be brought before Parliament for approval. 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 previously done thereunder.

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

31. (1) No suit or prosecution shall lie—

Protection for action taken under this Act or on the direction of the Academy.

(a) against the Academy for any act which in good faith is done or purported to be done by the Academy under this Act; or

(b) against any member, officer, servant or agent of the Academy for any act which in good faith is done or purported to be done by him under this Act or on the direction of the Academy.

(2) Any expenses incurred by the Academy in any suit or prosecution brought by or against the Academy and any costs paid to, or recovered by the Academy in any such suit or prosecution shall be credited to the Fund.

(3) Any expenses incurred by any such person as is referred to in subsection (1) of this section in any suit or prosecution brought against him before any court in respect of any act which is done or purported to be done by him under this Act or on the direction of the Academy shall, if the court holds that such act was done in good faith, be paid out of the Fund, unless such expense is recovered by him in such suit or prosecution.

32. The members of the Board and all officers and servants of the Academy shall be deemed to be public officers within the meaning and for the purpose of the Penal Code.

Members of the Board and officers and servants of the Academy deemed to be public officers.

33. The Academy shall be deemed to be a Scheduled Institution within the meaning and for the purpose of the Bribery Act and the provisions of such Act shall be construed accordingly.

Academy deemed to be a Scheduled Institution within the meaning of the Bribery Act.

Provisions of Act, No. 16 of 1978 not to apply.

34. The provisions of the Universities Act, No. 16 of 1978, shall not apply to, or in relation to, the Academy established by this Act.

Sinhala text to prevail in case of inconsistency.

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

Interpretation.

36. In this Act unless the context otherwise requires—

“Branch” means a section of the Academy that is responsible for conducting specialised training pertaining to a particular subject or field;

“Higher Educational Institution” means a University, Campus, Open University or University College established or deemed to be established under the Universities Act, No. 16 of 1978;

“law-enforcement officers” mean an officer of any organisation that is statutorily vested with the responsibility of enforcing laws assigned to them;

“Police Department” means the Sri Lanka Police Department established under the Police Ordinance, (Chapter II);

“principal executive officer” in relation to—

- (i) a University, means the Vice-Chancellor of that University;
- (ii) an Open University, means the Vice-Chancellor of that Open University; and
- (iii) a University College, means the Director of that University College; and

“student officers” mean and include officers from the Police Department, public officers, officers of other law-enforcement agencies of Sri Lanka and officers from police services and law-enforcement agencies outside Sri Lanka who are admitted to the Academy for training and education.

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

**HOUSING DEVELOPMENT FINANCE
CORPORATION BANK OF SRI LANKA
(AMENDMENT) ACT, No. 45 OF 2011**

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*Housing Development Finance Corporation
Bank of Sri Lanka (Amendment) Act, No. 45 of 2011*

[Certified on 21st November, 2011]

L.D.—O. 2/2011.

AN ACT TO AMEND THE HOUSING DEVELOPMENT FINANCE
CORPORATION BANK OF SRI LANKA ACT, NO. 7 OF 1997

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

1. This Act may be cited as the Housing Development Finance Corporation Bank of Sri Lanka (Amendment) Act, No. 45 of 2011.

Short title.

2. The Housing Development Finance Corporation Bank of Sri Lanka Act, No. 7 of 1997 (hereinafter referred to as the “principal enactment”) is hereby amended in section 13 thereof as follows :—

Amendment of section 13 of Housing Development Finance Corporation Bank of Sri Lanka Act, No. 7 of 1997.

(1) by the repeal of paragraph (l) thereof and the substitution therefor of the following :—

“(l) to borrow or raise money;”;

(2) by the addition immediately after paragraph (m) thereof of the following paragraph :—

“(n) to carry on such forms of business as are specified in Schedule IV to the Banking Act, No. 30 of 1980, subject to such restrictions as may be expressly stipulated in the licence issued by the Monetary Board under the said Act.”.

3. Section 16 of the principal enactment is hereby amended in sub section (1) thereof by the substitution for the words “twenty million shares of one hundred rupees each.” of the words “two hundred million shares of ten rupees each.”.

Amendment of section 16 of the principal enactment.

2 *Housing Development Finance Corporation
Bank of Sri Lanka (Amendment) Act, No. 45 of 2011*

Sinhala text to
prevail in case of
inconsistency.

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

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**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
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**AGRARIAN DEVELOPMENT (AMENDMENT)
ACT, No. 46 OF 2011**

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*Agrarian Development (Amendment)
Act, No. 46 of 2011*

[Certified on 22nd November, 2011]

L.D.—O. 57/2007.

AN ACT TO AMEND THE AGRARIAN DEVELOPMENT
ACT, NO. 46 OF 2000

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

1. This Act may be cited as the Agrarian Development (Amendment) Act, No. 46 of 2011. Short title.

2. The Agrarian Development Act, No. 46 of 2000 (hereinafter referred to as the “principal enactment”) is hereby amended by the insertion immediately after section 1 thereof, of the following Part which shall have effect as PART I of the principal enactment:— Insertion of new Part I in the Act, No. 46 of 2000.

“PART I

TENANT CULTIVATORS OF PADDY LANDS

“Persons deemed to be tenant cultivators for the purposes of this Act. 1A. A person being a citizen of Sri Lanka shall, from and after the date of the coming into operation of this Act, be deemed to be a tenant cultivator within the meaning and for the purposes of the principal enactment, if, at any time during the period commencing on the eighteenth day of August two thousand and ending on the day immediately preceding the date of the coming into operation of this Act,—

- (a) such person had cultivated an extent of paddy land under an agreement, whether written or oral, entered prior to, or on, the eighteenth day of August two thousand;

- (b) such person, being in terms of the provisions of section 1D, a successor, of a tenant cultivator who is deceased or is permanently disabled, who had been evicted from the extent of paddy land which had previously been cultivated by such deceased or disabled tenant cultivator.

Procedure to be followed where possession of the extent of paddy land cannot be awarded to a person deemed to be a tenant cultivator.

1B. (1) Where at any time during the period commencing on the eighteenth day of August two thousand and ending on the day immediately preceding the date of the coming into operation of this Act, the nature of the possession of any extent of paddy land specified in section 1A has changed by reason of any sale, transfer or upon any Order of any Court, no person shall, even though such person is deemed to be the tenant cultivator by virtue of the provisions of section 1A, be placed in possession of any such extent of paddy land or be given possession of any such extent:

Provided however, such tenant cultivator as is referred to above, may make an application in writing, in that behalf to the Commissioner-General of Agrarian Services setting out with documentary proof, the reason which prevents him from being placed in or given possession of the extent of paddy land of which he has been deemed to be the tenant cultivator. The Commissioner-General shall, after such inquiry as may be required in the circumstances and on consideration of the facts before him and upon summoning such person to make any further explanation as he considers necessary, make order that such person shall therefor be paid compensation in *lieu* of placing such person in or giving such person possession of the relevant extent of paddy land.

(2) Regulations shall be made specifying the criteria to be taken into account in making an order for the payment of compensation in terms of the above proviso and the basis on which the amount to be paid as compensation is to be determined.

Where the lessee of an extent of paddy land shall not be deemed to be a tenant cultivator.

1c. Where a person who pursuant to a permit issued under the Land Development Ordinance (Chapter 469)—

- (a) holds an extent of paddy land subject to the condition that such permit holder himself shall cultivate such extent of paddy land; and
- (b) leases out such extent of paddy land to a person who cultivates such extent of paddy land,

the person so cultivating such extent of paddy land shall not be deemed to be a tenant cultivator within the meaning and for the purpose of the principal enactment.

Devolution of rights of tenant cultivators.

1D. (1) The rights of a tenant cultivator under the principal enactment in respect of an extent of paddy land shall in the event of the death or permanent disability of such tenant cultivator, devolve on the surviving spouse of such tenant cultivator and failing such spouse, on only one of the children of such tenant cultivator:

Provided that in the latter instance, if there is more than one child, the child whose sole means of living is cultivation, shall be preferred to the others:

Provided further, if there is more than one child, whose sole means of living is cultivation, the oldest from amongst such children shall be preferred to the others.

(2) The rights of a tenant cultivator of an extent of paddy land which is cultivated, either jointly or in rotation with any other tenant cultivator, who dies or becomes permanently disabled, shall in relation to such extent, be devolved in accordance with the provisions of this section.

Nomination
of a
successor
by a tenant
cultivator.

1E. (1) Notwithstanding the provisions of section 1D, any tenant cultivator, other than those who cultivate an extent of paddy land jointly or in rotation with any other tenant cultivator or cultivators, may nominate any member of his family as the successor who shall be entitled to succeed to the rights of such tenant cultivator under this Act in respect of the extent of paddy land he cultivates, in the event of his death or permanent disability.

(2) Any nomination of successor may at any time be cancelled by the tenant cultivator who made such nomination and a fresh nomination of a successor may be made by such tenant cultivator.

(3) The nomination of a successor and the cancellation of any such nomination shall be effected by a tenant cultivator in a document substantially in the prescribed form executed in duplicate and witnessed in the presence of the Government Agent or the Divisional Secretary or the Registrar of Lands or a Notary Public or a Justice of Peace, who is in charge of, or is engaged in, official duties in respect of the area within which the extent of paddy land relating to the nomination or cancellation, is situated.

(4) No stamp duty shall be charged or levied on the execution of a document specified in subsection (3).

(5) The original and the duplicate of the document executed in accordance with the provisions of subsection (3) shall be submitted for registration to the Commissioner-General by the respective officer referred to in subsection (3) in the presence of whom the document is executed. Any such document shall not be valid unless and until it has been duly registered by the Commissioner-General.

(6) The Commissioner-General shall return the original of the document submitted to him under subsection (5) after registration, to the tenant cultivator making the nomination or cancellation and keep the duplicate thereof, for the purpose of maintaining records. Such records shall be inspected by any person upon paying the prescribed fee.

(7) After the registration of a document specified under subsection (3) whereby a person is nominated as the successor to the rights of a tenant cultivator under this Act in respect of any extent of paddy land, a document specified in that subsection whereby any other person is nominated as the successor to those rights shall not be registered unless the nomination effected by the registered document has been duly cancelled by the registration of a document of cancellation. In one and the same document the registered nomination may be cancelled and another nomination in *lieu* thereof may be made. In that event the document in which such cancellation and nomination are combined may be registered and shall upon due registration operate both as a cancellation of the previously registered nomination and as the nomination of a new nominee.

(8) Where an application under subsection (3) of section 53 is made to the Commissioner-General, to amend an Agricultural Lands Register by entering the name of a new tenant cultivator therein, in the event of the death or permanent disability of a tenant cultivator, a document, if any, nominating a successor to the rights of the tenant cultivator under subsection (1), or cancelling any such nomination under subsection (2), shall be taken into account by the Commissioner-General and upon verifying the facts of the application, he shall make order to the Agrarian Development Council of the area within which the paddy land relating to such application is situated, to make entries required to include the name of the applicant as the new tenant cultivator of the relevant paddy land.

(9) Regulations shall be made prescribing the procedure for registration of a document specified under subsection (3), including the registers which shall be kept for maintaining records of the documents submitted to the Commissioner-General under this section.

(10) For the purposes of this section “member of the family” means the spouse or a son or a daughter of the tenant cultivator, whose main occupation is cultivation and whose only source of income is derived from the extent of paddy land cultivated by the tenant cultivator.

Where there is no successor.

1F. (1) Where a tenant cultivator of any extent of paddy land dies or becomes permanently disabled, and if there is no successor in terms of the provisions of section 1D or 1E, to inherit the rights of such deceased or permanently disabled tenant cultivator, as the case may be, in respect of such extent, the

landlord being the owner of such extent may, if he so desires, take possession of such extent of paddy land and cultivate the same as the owner cultivator of such extent:

Provided that prior to cultivating such land as the owner cultivator, the landlord shall give written notice to the Commissioner-General, of his intention so to cultivate such extent of paddy land as owner cultivator.

(2) If it is proved to the satisfaction of the Commissioner-General, that the tenant cultivator has died or has become permanently disabled and there is no successor of the family in terms of the provisions of section 1D or 1E, to inherit the rights of the deceased or of permanently disabled tenant cultivator, he shall permit the owner of such extent of paddy land to occupy and cultivate such extent as the owner cultivator thereof.

Person not entitled to rights of a deceased or permanently disabled tenant cultivator in respect of any extent of paddy land not to use or occupy same.

1G. (1) Where the tenant cultivator of an extent of paddy land has died or has become permanently disabled, no person who is not entitled to the rights of a tenant cultivator in respect of such extent of paddy land shall occupy and use such extent of paddy land.

(2) Where a person uses or occupies an extent of paddy land in contravention of the provisions of subsection (1), the Commissioner-General shall in writing, order such person to vacate such extent, on or before such date as shall be specified in such order. If such person fails to comply with such order, he shall be evicted from the relevant extent of paddy land in accordance with the provisions of section 8.

Commissioner-General to determine disputes regarding devolution of rights of tenant cultivators.

1H. (1) Where on the death or permanent disability of a tenant cultivator of any extent of paddy land, there is a dispute as to the person on whom the rights of such tenant cultivator under this Act should devolve, the parties to the dispute shall first refer such dispute to the Commissioner-General for determination, after having given written notice of such dispute to the Commissioner-General by registered post.

(2) On receipt of the notice under subsection (1), the Commissioner-General shall refer the dispute to an Agrarian Tribunal and direct such Tribunal to hold an inquiry for the purpose of determining the person on whom the rights of the deceased or permanently disabled tenant cultivator shall devolve.

(3) The determination of the Agrarian Tribunal shall be communicated by registered post to the Commissioner-General with copies to the parties to such dispute.”

Replacement of the Headings of PART I of the principal enactment.

3. The Headings “PART I” and “Rights of persons who cultivate paddy lands” appearing immediately after section 1 of the principal enactment are hereby replaced by the following:—

“PART IA

RIGHTS OF TENANT CULTIVATORS OF PADDY LANDS”.

Amendment of section 4 of the principal enactment.

4. Section 4 of the principal enactment is hereby amended by the substitution for the words and figures “section 6” of the words and figures “section 1A”, wherever it appears in that section.

Repeal of section 6 of the principal enactment.

5. Section 6 of the principal enactment is hereby repealed.

6. Section 7 of the principal enactment is hereby amended—

Amendment of section 7 of the principal enactment.

- (1) by the repeal of subsection (6) thereof and substitution therefor of the following:—

“(6) The landlord of the extent of paddy land and the person evicted shall be given an opportunity of being heard in person or through a representative, at an inquiry held by the respective Agrarian Tribunal. On the conclusion of the inquiry, the decision of the Agrarian Tribunal shall be communicated in writing by registered post to the Commissioner-General, the landlord and the person evicted.”;

- (2) by the insertion immediately after subsection (6) thereof of the following new subsections:—

“(6A) The landlord or the person evicted who is aggrieved by the decision of the Agrarian Tribunal may, within thirty days of the communication of the decision to him, appeal therefrom to the Board of Review established under section 42A either on a question of law or fact. Such appeal shall be submitted to the Commissioner-General within the time period allowed for such appeal and the Commissioner-General shall forthwith refer such appeal to the Panel appointed under subsection (1) of section 42A to be heard and concluded by a Board of Review established under the provisions of subsection (5) of section 42A.

(6B) The Board of Review established under subsection (5) of section 42A shall inquire into all appeals referred to such Board under subsection (6A) and inform the parties thereto and the Commissioner-General in writing by registered post of its decision thereon.

(6C) The landlord or the person evicted who is aggrieved by the decision of the Board of Review may, within thirty days of the communication of the decision to him, appeal to the High Court of the Province against such decision on a question of law. A copy of the appeal shall be sent to the Commissioner-General by registered post at the time when the appeal is made.

(6D) Where no appeal is made against the decision of the Board of Review within the time allowed therefor, such decision shall be final.”;

- (3) by the repeal of subsection (7) thereof and the substitution therefor of the following:—

“(7) Where at any inquiry referred to in subsection (6B) the Board of Review decides that—

- (a) eviction has taken place and no appeal has been made under subsection (6C) against such decision within the time allowed therefor or the High Court of the Province has, in an appeal made under subsection (6C) confirmed the decision of the Board of Review; or
- (b) eviction has not been taken place and the High Court of the Province has, in an appeal made under subsection (6C), varied the decision of the Board of Review and confirmed the fact that eviction has in fact taken place,

then, in any one of the above situations—

- (i) the person evicted shall be entitled to have the use and occupation of the extent of paddy land restored to him; and

- (ii) the Commissioner-General shall on receipt of the decision of the Board of Review or the High Court of the Province, as the case may be, by an order in writing require all persons in occupation of the extent of paddy land in dispute to vacate such extent on or before such date as shall be specified in such order, and if such persons fail to comply with such order, they shall be evicted from such extent in accordance with the provisions of section 8; and
- (iii) the landlord of such extent shall be required to pay damages at such rate as may be prescribed to the person mentioned in subparagraph (i), for each day during which such person in respect of whom an order has been made, continues to occupy such extent after the date specified in such order, unless the Board of Review or the High Court of the Province has determined that such person was evicted without the knowledge, consent or connivance of the landlord.”.

7. Section 19 of the principal enactment is hereby amended by the substitution for the words and figures “section 6” wherever those words and figures appear of the words and figures “section 1A”.

Amendment of section 19 of the principal enactment.

8. Section 20 of the principal enactment is hereby repealed.

Repeal of section 20 of the principal enactment.

Amendment of
section 39 of the
principal
enactment.

9. Section 39 of the principal enactment is hereby amended—

(1) by the repeal of subsection (1) thereof and the substitution therefor of the following:—

“(1) The Commissioner-General shall appoint for every administrative district or for one or more administrative districts one or more Agrarian Tribunals consisting of one person appointed from among retired judges who have had more than seven years experience, or retired public officers who have had seven years experience at executive level in the field of agrarian services.”;

(2) in subsection (2) thereof by the substitution for the words “Where a member of an Agrarian Tribunal” of the words “Where the person appointed to the Agrarian Tribunal”;

(3) by the repeal of subsection (3) thereof and the substitution therefor of the following:—

“(3) Every person appointed to the Agrarian Tribunal shall, unless he earlier vacates office, hold office for a period of three years:

Provided that—

(a) a person appointed in place of a person who has died, resigned or been removed from office, shall hold office for the unexpired period of the term of office of the person whom he succeeds; and

(b) a person appointed in place of a person who is absent from Sri Lanka or is ill, shall hold office for the period of absence or illness of such person. ”;

- (4) by the repeal of subsection (4) thereof and the substitution therefor of the following:—

“(4) A person vacating office by effluxion of time shall be eligible for re-appointment.”

- (5) by the repeal of subsection (5) thereof; and

- (6) by the repeal of subsection (9) thereof and the substitution therefor of the following:—

“(9) An Agrarian Tribunal shall inquire into and conclude all applications and complaints referred to it under this Act within a period of six months from the date of receipt of such application or complaint and shall inform the parties thereto and the Commissioner-General by registered post of its decision thereon.”

- 10.** Section 40 of the principal enactment is hereby repealed.

Repeal of section 40 of the principal enactment.

- 11.** Section 41 of the principal enactment is hereby amended—

Amendment of section 41 of the principal enactment.

- (1) in subsection (1) thereof by the substitution for the words “any such application, complaint or appeal has not preferred an appeal to the Court of Appeal” of the words “any such application or complaint has not preferred an appeal to the Board of Review”;

- (2) by the repeal of subsection (2) thereof and the substitution therefor of the following subsection:—

“(2) Where any such party has preferred an appeal to the Board of Review against the decision of the Agrarian Tribunal within thirty days of the receipt by him of the decision of the Agrarian Tribunal, the decision of the Board of Review once given, shall be given effect to.”

Replacement of section 42 of the principal enactment.

12. Section 42 of the principal enactment is hereby repealed and the following section substituted therefor:—

“Right of Appeal.

42. Any party aggrieved by the decision of an Agrarian Tribunal on any application or complaint referred to it under this Act, may make an appeal to a Board of Review established under section 42A, within thirty days from the date of receipt of such decision.”.

Insertion of new Part IVA in the principal enactment.

13. The following new Part is inserted immediately after section 42 of the principal enactment and shall have effect as Part IVA of that enactment:—

“PART IVA

BOARDS OF REVIEW

Boards of Review.

42A. (1) The Judicial Service Commission shall appoint a Panel of not more than nine persons from among the persons who have a wide knowledge in the fields of law and agrarian services for the purpose of establishing Boards of Review for a period of three years.

(2) Where a member of the Panel vacates office by reason of death, resignation, removal from office, absence from Sri Lanka or illness, another person shall be appointed in his place subject to the provisions of subsection (1).

(3) (a) A person appointed in place of a member who had died, resigned or been removed from office shall hold office for the unexpired portion of the term of office of the member whom he succeeds.

(b) A person appointed to act for a member who is absent from Sri Lanka or is ill, shall hold office for the period of absence or illness of the member whom he succeeds.

(4) One of the members of the Panel shall be appointed as the Chairman of the Panel.

(5) (a) There shall be established for the purpose of this Act, such number of Boards of Review as may be determined by the Commissioner-General.

(b) The Commissioner-General shall determine from among such number of Boards of Review, the number of Boards which are required for any particular Administrative District, depending on the requirement of such District:

Provided that, the number of Boards determined by the Commissioner-General as being operated within an Administrative District shall not exceed three such Boards.

(6) It shall be the duty of any Board of Review established under subsection (5) to entertain appeals of any aggrieved party referred to such Board of Review under the provisions of this Act and the proceedings in respect of any such appeal shall be concluded within a period of six months from the date of receipt of any such appeal by the Board of Review.

(7) Each Board of Review, shall comprise three members selected by the Chairman from among the members of the Panel appointed under subsection (1) for the purpose of exercising the power conferred on a Board of Review under subsection (6). The Chairman may select himself as a member of any particular Board of Review.

(8) Where the Chairman of the Panel is a member of a Board of Review constituted under this section then he, or where he is not a member of a Board, then such member of the Board as may be nominated by such Chairman, shall be the President of such Board of Review.

(9) There shall be appointed to each Board of Review a Secretary, who shall in respect of every appeal heard by the Board, keep a record of all such proceedings before the Board as relates to that appeal.

(10) A Board of Review may examine any witness on oath if it thinks fit so to do, and may summon any person to appear before it or to produce any documents which may be relevant in the opinion of the Board.

(11) The documents, notices or summons issued under the hand of the President of a Board of Review or the Secretary of a Board of Review, shall be deemed to have been issued by that Board of Review.

(12) When a Board of Review, has issued or deemed to have issued summons on any person and such person,—

- (a) fails without reasonable cause to appear before the Board of Review at the time and place mentioned in the summons; or
- (b) refuses without reasonable cause to be sworn or affirmed, or having been duly sworn or affirmed, refuses or fails without reasonable cause to answer any question put to him by a member of the Board of Review touching the matters to be heard and determined by such Board, or willfully gives a false answer to any such question; or

- (c) refuses or fails without reasonable cause to produce before the Board of Review any document which is in his possession and which he has been required to produce,

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 rupees ten thousand or to imprisonment of either description for a term not exceeding three months or to both such fine and imprisonment.

(13) Regulations may be made in regard to the allowances to be paid and procedure to be followed at the meeting of a Board of Review.

When the decision of a Board of Review shall be executed.

42B. (1) Where any party to any such appeal has not preferred an appeal to the High Court of the Province against the decision of the Board of Review within thirty days of the receipt by him of the notice of the decision of the Board of Review, the decision of the Board of Review shall be given effect to.

(2) Where any such party has preferred an appeal to the High Court of the Province against the decision of the Board of Review, within thirty days of the receipt by him of the decision of the Board of Review, the decision of the High Court of the Province given in repeal thereof, shall be given effect to.”.

14. Section 53 of the principal enactment is hereby amended—

Amendment of section 53 of the principal enactment.

- (1) by the repeal of subsection (3) thereof and the substitution therefor of the following:-

“(3) An application to amend the Agricultural Lands Register by entering the name of a new tenant cultivator, in the case of

the death or permanent disability of the tenant cultivator of an extent of paddy land included in the Register shall be made in writing to the Commissioner-General, accompanied by a letter from the owner consenting to the registration of the applicant as the tenant cultivator in respect of that extent of paddy land, and the Commissioner-General shall make order thereon:

Provided however, where the applicant proves to the satisfaction of the Commissioner-General that he is the successor in terms of the provisions of section 1D or 1E, to the tenancy rights of the deceased or permanently disabled tenant cultivator, the Commissioner-General shall make such order notwithstanding the consent of the owner.”;

- (2) by the insertion immediately after subsection (3) thereof of the following subsection:—

(3A) The Commissioner-General shall take steps to conduct annually, a census of the tenant cultivators of paddy lands with a view to annually updating the Agricultural Lands Registers.”;

- (3) by the repeal of subsection (8) thereof.

Amendment of section 101 of the principal enactment.

15. Section 101 of the principal enactment is hereby amended—

- (1) by the insertion immediately after the definition of the expression “evict” of the following definition:—

“High Court of the Province” means the High Court established for the Province in terms of Article 154P of the Constitution;”.

(2) by the insertion immediately after the definition of the expression “statutory tenant” of the following definition:—

“ “permanent disability” in relation to a person means the—

- (a) loss of both hands; or
- (b) loss of both legs; or
- (c) loss of eye sight of both eyes; or
- (d) loss of one hand and one leg; or
- (e) loss of one leg and eye sight of one eye; or
- (f) loss of one hand and eye sight of one eye; or
- (g) body paralysis; or
- (h) being of unsound mind;”.

16. The principal enactment is hereby amended by the substitution for the words “Court of Appeal” wherever those words appear in the principal enactment, of the words “High Court of the Province”.

General amendment to the principal enactment.

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

Sinhala text to prevail in case of inconsistency.

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

**NOTARIES (AMENDMENT)
ACT, No. 47 OF 2011**

[Certified on 24th November, 2011]

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Notaries (Amendment) Act, No. 47 of 2011

[Certified on 24th November, 2011]

L.D.—O. 17/2011.

AN ACT TO AMEND THE NOTARIES ORDINANCE

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

1. This Act may be cited as the Notaries (Amendment) Act, No. 47 of 2011. Short title.

2. Section 31 of the Notaries Ordinance (Chapter 107) (hereinafter referred to as the “principal enactment”) is hereby amended by the repeal of paragraph (a) of subsection (16) thereof and substitution therefor of the following paragraph :— Amendment of section 31 of Chapter 107.

“(16) (a) He shall not authenticate or attest any deed or instrument, other than a will or codicil, affecting land or other immovable property, unless the deed or instrument embodies therein or in a Schedule annexed thereto an accurate and clear description of the said land or other property affected thereby, showing its boundaries, extent, situation specifying the district, pattu, korale, Divisional Secretary’s Division, local authority division and the Grama Niladari Division, and the village within the District in which the land is situated and in case the land is situated in any municipality, town or development area, declared under section 2 of the Municipal Councils Ordinance (Chapter 252) section 2 of the Urban Councils’ Ordinance (Chapter 255) and section 2 of the Pradeshiya Sabha Act, No. 15 of 1987 respectively, the assessment number and the name, if any, of the street, in which it is situated.”.

Amendment of section 31 of the principal enactment.

3. Section 31 of the principal enactment is hereby amended in subsection (26) as follows:—

- (1) by the renumbering of paragraph (a) of that subsection as sub-paragraph (i) of paragraph (a) thereof;
- (2) by the insertion immediately after the re-numbered sub-paragraph (i) of paragraph (a) of the following:—

“(ii) a certified copy of the list prepared under subparagraph (i) above shall be sent to the Commissioner or Secretary of the respective local authority, within whose area of authority the land described in the Schedule is situated;”.

Replacement of Form F of the Second Schedule.

4. Second Schedule to the principal enactment is hereby amended in Form “F” thereof, by the substitution for the heading to column 6 of the aforesaid form, of the heading “Name of each local authority affected by each property in the Deed”.

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.

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**PARLIAMENT OF THE DEMOCRATIC
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**REGISTRATION OF DOCUMENTS
(AMENDMENT) ACT, No. 48 OF 2011**

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Registration of Documents
(Amendment) Act, No. 48 of 2011

[Certified on 24th November, 2011]

L.D.—O. 22/2010.

AN ACT TO AMEND THE REGISTRATION OF DOCUMENTS
ORDINANCE

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

1. This Act may be cited as the Registration of Documents (Amendment) Act, No. 48 of 2011. Short title.

2. Section 13 of the Registration of the Documents Ordinance (Chapter 117) is hereby amended by the repeal of subsection (1) of that section, and the substitution therefor of the following new subsection:— Amendment of section 13 of Chapter 117.

“(1) Every instrument (other than a will) presented for registration shall embody therein or in a Schedule annexed thereto, an accurate and clear description of the land or immovable property affected thereby, its boundaries, extent and situation specifying the District, Pattu, Korale, Divisional Secretary’s Division, local authority division and the Grama Niladari Division and the village, of the District in which the land is situated and in case the land or immovable property affected by this instrument is situated in within any municipality, town or developed area, declared under section 2 of the Municipal Councils Ordinance (Chapter 252), section 2 of the Urban Councils Ordinance (Chapter 255) and section 2 of the Pradeshiya Sabha Act, No. 15 of 1987 respectively, the assessment number and the name, if any, of the street, in which such land or immovable property is situated.”.

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

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**PARLIAMENT OF THE DEMOCRATIC
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**COAST CONSERVATION (AMENDMENT)
ACT, No. 49 OF 2011**

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*Coast Conservation (Amendment)
Act, No. 49 of 2011*

[Certified on 30th November, 2011]

L. D. —O. 47/99

AN ACT TO AMEND THE COAST CONSERVATION ACT, NO. 57 OF 1981;
TO AMEND CERTAIN PROVISIONS OF THE SRI LANKA LAND
RECLAMATION AND DEVELOPMENT CORPORATION ACT, NO. 15 OF
1968 AND THE BOARD OF INVESTMENT SRI LANKA LAW, NO. 4 OF
1978; 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:—

- | | |
|--|---|
| <p>1. This Act may be cited as the Coast Conservation (Amendment) Act, No. 49 of 2011.</p> | Short title |
| <p>2. The Long Title to the Coast Conservation Act, No. 57 of 1981 (hereinafter referred to as the “principal enactment”) is hereby amended by the substitution for the word “Scheme of work for Coast Conservation” of the words “Scheme of work for Coast Conservation and Coastal Resource Management”.</p> | Amendment of Long Title to Act, No. 57 of 1981. |
| <p>3. (1) In the principal enactment and in any other written law, there shall be substituted—</p> <p>(a) for the words “Coast Conservation Act”, the words “Coast Conservation and Coastal Resource Management Act”;</p> <p>(b) for the words “Director of Coast Conservation”, the words “Director-General of Coast Conservation and Coastal Resource Management”;</p> <p>(c) for the word “Director” the words “Director-General”; and</p> <p>(d) for the words “coast conservation” the words “coast conservation and coastal resource management”,</p> <p>(2) Every reference to the “Coast Conservation Act”, the “Director of Coast Conservation”, “Director” and “coast conservation” in any notice, notification or other document</p> | “Coast Conservation Act”, “Director of Coast Conservation”, “Director” and “coast conservation” to be known as “Coast Conservation and Coastal Resource Management Act”, “Director-General of Coast Conservation and Coastal Resource Management”, “Director-General” and “coast conservation and coastal resource management”. |

shall be read and construed as a reference respectively to “the Coast Conservation and Coastal Resource Management Act”, “the Director-General Coast Conservation and Coastal Resource Management”, “the Director-General” and “Coast Conservation and Coastal Resource Management”.

Amendment of section 3 of the principal enactment.

4. Section 3 of the principal enactment is hereby amended by the substitution for sub-paragraph (i) of paragraph (b) of that section, of the following:—

“(i) such number of Directors, Deputy Directors and Assistant Directors;”.

Amendment of section 4 of the principal enactment.

5. Section 4 of the principal enactment is hereby amended as follows:—

(1) in paragraph (b) of that section, by the substitution for the words “Coastal Zone; and” of the words “Coastal Zone;”; and

(2) by the repeal of paragraph (c) of that section and the substitution therefor of the following paragraphs:—

“(c) for the co-ordination of activities of other departments, institutions and agencies in connection with activities being carried out within the Coastal Zone;

(d) for the preparation and implementation of the Coastal Zone Management Plan prepared under section 12;

(e) for the dissemination of information on coast conservation and coastal resource management, to the public and to other departments, agencies and institutions and where necessary to tender advice and guidance;

- (f) for the conduct of research in collaboration with other departments, agencies and institutions for the purpose of ensuring effective coast conservation and coastal resource management;
- (g) for the implementation of the coast conservation and coastal resources management programmes specified in the National Fisheries Policy.”.

6. Section 5 of the principal enactment is hereby repealed and the following section substituted therefor:—

Replacement of section 5 of the principal enactment.

“Director-General may delegate any of his powers &c., under the Act to Divisional Secretaries or to prescribed officers.

5. The Director-General may, delegate by an authorization in writing in that behalf to any Divisional Secretary of a Division within which any part of the coastal zone is situated or to any prescribed public officer, as the case may be, any power, duty and function conferred or imposed on, or assigned to, the Director-General, by this Act, other than any power, duty or function falling within Part III of the Act. The Divisional Secretary or the prescribed public officer shall within such Divisional Secretary’s Division or other area of authority exercise, perform and discharge the power, duty or function so delegated subject to the general direction and control of the Director-General.”.

7. Section 6 of the principal enactment is hereby repealed and the following section substituted therefor:—

Replacement of section 6 of the principal enactment.

“Coast Conservation and Coastal Resource Management Advisory Council.

6. (1) There shall be established a Coast Conservation and Coastal Resource Management Advisory Council (hereinafter referred to as “the Advisory Council”) consisting of the following members:—

- (a) the Secretary to the Ministry of the Minister to whom the subject of Coast Conservation and Coastal Resource Management is assigned, who shall be the Chairman;

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- (b) the Secretary to the Ministry of the Minister to whom the subject of Plan Implementation is assigned or his representative;
- (c) the Secretary to the Ministry of the Minister to whom the subject of Tourism is assigned or his representative;
- (d) the Secretary to the Ministry of the Minister to whom the subject of Urban Development is assigned or his representative;
- (e) the Secretary to the Ministry of the Minister to whom the subject of Public Administration is assigned or his representative;
- (f) the Secretary to the Ministry of the Minister to whom the subject of Industries is assigned, or his representative;
- (g) the Secretary to the Ministry of the Minister to whom the subject of Provincial Councils is assigned, or his representative;
- (h) the Secretary to the Ministry of the Minister to whom the subject of Environment is assigned, or his representative;
- (i) the Director-General of Fisheries and Aquatic Resources, appointed under the Fisheries and Aquatic Resources Act, No. 2 of 1996, or his representative;
- (j) the Director-General of the National Aquatic Resources Research and Development Agency, appointed under

the National Aquatic Resources,
Research and Development Agency Act,
No. 54 of 1981, or his representative;

- (k) the Director-General of the Urban
Development Authority appointed under
the Urban Development Authority Law,
No.41 of 1978, or his representative;
- (l) the Director-General of the Central
Environmental Authority appointed
under the National Environmental
Authority Act, No. 47 of 1980, or his
representative;
- (m) The Director-General of the Geological
Survey and Mines Bureau appointed
under the Mines and Minerals Act, No.
33 of 1992, or his representative;
- (n) the Land Commissioner or his
representative;
- (o) the Director-General appointed under
section 3, who shall be the Secretary to
the Council; and
- (p) three other persons appointed by the
Minister, one from among persons who
will represent the academic staff of the
Universities, one representing the non-
governmental organizations concerned
with the protection of the coastal
environment and the other who shall be
a representative of the fishing industry.

(2) The Advisory Council may where in its
opinion it appears to be necessary for the
effective discharge of its functions, co-opt any

other Secretary to serve as a member of the Advisory Council for so long as may be necessary for such purpose. A Secretary co-opted in terms of this subsection shall be present at meetings of the Advisory Council only when the specific matter, which necessitated his presence, is being discussed. He shall not be entitled to vote at such meetings.”.

Replacement of section 11 of the principal enactment. **8.** Section 11 of the principal enactment is hereby repealed and the following section substituted therefor:—

“Survey of resources within the Coastal Zone. **11.** (1) The Director-General shall as soon as practicable cause a survey of all the resources and activities within the Coastal Zone to be conducted and thereafter prepare a report based on the results of such survey.

(2) In preparing the report required under subsection (1), the Director-General shall have regard to the relevant data and information collected or compiled by government departments, institutions and agencies. It shall be the duty of the Heads of such Departments, institutions and agencies to furnish any such data or information as may be reasonably required by the Director-General for the purpose of preparing such report.”.

Amendment of section 12 of the principal enactment. **9.** Section 12 of the principal enactment is hereby amended as follows:—

(1) in subsection (1) of that section—

(a) by the substitution for all the words from “The Director shall” to “the plan shall include” of the words “The Director-General shall, not later than three years from the date of operation of this Act, prepare and submit

to the Advisory Council, a Coastal Zone and Coastal Resource Management Plan (hereinafter referred to as “the Plan”) based on the results of the survey conducted in terms of section 11. The Plan shall include guidelines for the management of coastal resources and a comprehensive programme for conservation of coastal resources for sustainable development and also—”;

- (b) in paragraph (b) of subsection (1) thereof, by the substitution for items (ix) and (x) and the words “within the coastal zone.” of the following—

- “(ix) agriculture;
- (x) industry;
- (xi) availability of coastal resources;
- (xii) coastal erosion management;
- (xiii) coastal water quality;
- (xiv) zoning of coastal water usage; and
- (xv) any other matters which in the opinion of the Director-General is relevant to coast conservation and coastal resource management,

within the Coastal Zone.”;

- (c) in paragraph (d) of subsection (1) thereof, by the substitution for the words “Coastal Zone regulation; and” of the words “Coastal Zone regulation;”;
- (d) in paragraph (e) of subsection (1) thereof, by the substitution for the words “purposes of coast conservation,” of the words “purposes of coast conservation;”;

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- (e) by the addition immediately after paragraph (e) of subsection (1) thereof, of the following new sub-paragraphs:—

“(f) recommendations identifying Special Area Management sites, rating such sites in terms of the severity of resource management issues, bio diversity, viability and economic significance;

(g) identify the routes, paths and corridors of access available for the public to access the beach and the coastal zone and recommend measures required to clear any obstructions therein;

(h) recommend guidelines required for the sustainable development and management of the coastal zone; and

(i) formulate policies and furnish recommendations in relation to coast conservation and coastal resources management activities.”;

- (2) by the insertion immediately after subsection (1) of that section, of the following new subsection:—

“(1A) The Director-General shall cause the Plan prepared in terms of section 12 to be revised, at least once in every five years:

Provided that, the Director-General may where he deems it to be so necessary, cause a survey in terms of section 11 to be carried out at the time of revision of the Plan, and revise the plan based on the results of the survey so conducted.”;

- (3) in subsection (5) of that section, by the substitution for the words “period of four years” wherever they occur in that subsection of the words “period of five years”.

10. Section 13 of the principal enactment is hereby amended by the substitution for the words “quality of the Coastal Zone” of the words “quality of the Coastal Zone and the sustainability of the resources within the Coastal Zone”.

Amendment of section 13 of the principal enactment.

11. section 15 of the principal enactment is hereby amended as follows:—

Amendment of section 15 of the principal enactment.

- (1) by the substitution in paragraph (a) of that section, for the words “Coastal Zone Management Plan” of the words “Coastal Zone and Coastal Resource Management Plan”; and
- (2) by the substitution in paragraph (b) of that section, for the words “Coastal Zone” of the words “Coastal Zone and the sustainability of the resources within the Coastal Zone.”.

12. Section 16 of the principal enactment is hereby amended as follows:—

Amendment of section 16 of the principal enactment.

- (1) by the repeal of subsections (1) and (2) of that section and the substitution therefor of the following subsections:—

“(1) Upon receipt of an application for a permit to engage in a development activity within the Coastal Zone as required by subsection (3) of section 14, the Director-General may require the applicant to furnish an initial environmental examination report or an environmental impact assessment report relating to the development activity as the case may be, or both such reports. It

shall be the duty of the applicant to comply with such requirement. Every initial environmental examination report or environmental impact assessment report shall contain such particulars as may be prescribed:

Provided however, that the Minister may by regulation prescribe the categories of development activities in respect of which an initial environmental examination report would not be necessary.

(2) In cases where an initial environmental examination report is requested by the Director-General, he may, on receipt of such report and if it appears that such report is sufficient for the purpose of determining, whether or not to grant the permit, dispense with the requirement of providing the environmental impact assessment report.

(2A) Where the Director-General considers that the initial environmental examination report is sufficient to determine whether or not to issue the permit, he may submit a copy of such report to the Council for its comments, if any.

(2B) The Council shall, within thirty days of the initial environmental examination report being submitted to them, furnish its comments if any, to the Director-General.

(2C) Where after considering an initial environmental examination report submitted to him under subsection (2A), the Director-General considers that an environmental impact assessment report is necessary to arrive at a decision, he may require the applicant to submit the same to him.

(2D) Upon receipt of the environmental impact assessment report, the Director-General shall submit a copy of the same to the Council for its comments and by Notification published in the *Gazette* provide an opportunity for the public to submit comments in respect of the same within thirty days of the date of such Notification.”;

- (2) in subsection (4) of that section, by the substitution for the words “under subsection (3)” of the words “under subsections (2A), (2C), (2D) and (3)”; and
- (3) in subsection (5) of that section, by the substitution for the words “under subsection (3)” of the words “under subsections (2C), (2D) and (3)”.

13. Section 17 of the principal enactment is hereby amended by the substitution for the words “Coastal Zone, having regard to the Coastal Zone Management Plan” of the words “Coastal Zone and resource therein, having regard to the Coastal Zone and Coastal Resource Management Plan”.

Amendment of section 17 of the principal enactment.

14. Section 18 of the principal enactment is hereby amended by the repeal of subsection (3) of that section and the substitution therefor of the following subsection:—

Amendment of section 18 of the principal enactment.

“(3) A permit issued under this Part shall not be transferred without the prior written approval of the Director-General. The Director-General may, where he has granted approval for a transfer, impose further conditions on such permit. A transfer may be effected only on payment of the prescribed fee. An order transferring the permit should also be entered on the permit, in order that the transfer be effective:

Provided however that the Director-General shall not make an order under this section unless a period of two years has elapsed from the original date of issue of the permit.”.

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Amendment of section 19 of the principal enactment.

15. Section 19 of the principal enactment is hereby amended as follows:—

- (1) in paragraph (b) of that section, by the substitution for the words “Costal Zone” of the word “Coastal Zone or the resources therein”; and
- (2) by the substitution for the words “to be served on the permit holder.” of the words “to be sent by registered post to the address stated by the permit holder in the application submitted by him for the permit or to such other address as intimated by him in writing, to the Director-General.”.

Amendment of section 20 of the principal enactment.

16. Section 20 of the principal enactment is hereby amended in subsection (2) of that section, by the substitution for all the words “the Director may,” to the end of that subsection, of the words “or within any extended period given by the Director-General, cancel the permit issued to that person. Notice of such cancellation, stating reasons therefor, shall be sent to him by registered post to the address stated by the permit holder in the application submitted by him for the permit or to such other address as intimated by him in writing, to the Director-General.”.

Amendment of section 21 of the principal enactment.

17. Section 21 of the principal enactment is hereby amended as follows:—

- (1) by the re-numbering of that section as subsection (1) of that section;
- (2) in the re-numbered subsection (1), by the substitution for the words “subject of Coast Conservation.” of the words “subject of Coast Conservation and Coastal Resource Management.”; and

- (3) by the addition, immediately after the re-numbered subsection (1) of the following new subsections:—

“(2) On receipt of an appeal under subsection (1) the Secretary shall forthwith require the Director-General to forward to him all relevant documents and files. The Director-General shall comply with such request within a period of fourteen days of the receipt of such request.

(3) The Secretary shall within sixty days of the receipt by him of the appeal under subsection (1), decide the matter and inform the Director-General and the party appealing, of his decision. The decision of the Secretary on an appeal shall be final.

(4) It shall be the duty of the Director-General to carry out the decision of the Secretary in respect of an appeal.

(5) The procedure to be followed in appeal shall be as prescribed.”.

18. The following new section is hereby inserted immediately after section 22 of the principal enactment and shall effect as section 22A of that enactment:—

Insertion of new section 22A in the principal enactment.

“Application of the Mines and Minerals Act.

22A. (1) Notwithstanding the provisions of the Mines and Minerals Act, No. 33 of 1992, the Director-General of the Geological Survey and Mines Bureau shall not issue, in relation to an area lying within the Coastal Zone, a permit under the provisions of this Act, without having obtained the prior consent of the Director-General, in respect of such issue.

(2) Where the Director-General consents to the grant of a permit by the Director-General of the Geological Survey and Mines Bureau, the Director-General may require that such conditions as he deems necessary in the circumstances be attached to the permit so granted.

(3) Where, a person to whom a permit is issued by the Director-General of the Geological Survey and Mines Bureau, fails to comply with the conditions attached to his permit, the Director-General shall notify the Director-General of the Geological Survey and Mines Bureau of the same.

(4) On receipt of such notification, the Director-General of the Geological Survey and Mines Bureau shall issue a direction to the permit holder who has contravened the provisions of the permit, requiring him to forthwith comply with the same within the period to be specified in the direction, or such later date to which period has been extended. Where the permit holder fails to comply with the direction, the Director-General of the Geological Survey and Mines Bureau shall, after consultation with the Director-General, cancel the permit.

(5) Where a permit is cancelled in terms of subsection (4), the provisions of sections 38, 39 and 40 of the Mines and Minerals Act, No. 33 of 1992, shall *mutatis mutandis* apply in respect of such cancellation.”.

19. The following new Parts are hereby inserted immediately after Part III of the principal enactment and shall have effect as Part IIIA, IIIB, IIIC and IIID (section 22B, 22C, 22D, 22E, 22F and 22G) of that enactment:—

Insertion of new Parts IIIa, IIIb, IIIc and IIId in the principal enactment.

“PART III A

AFFECTED AREAS

Declaration of affected areas.

22B. (1) The Minister may, by Order published in the *Gazette* declare any area:—

- (a) within the Coastal Zone or adjacent to the Coastal Zone or falling within both such areas; or
- (b) within any water body or part of any water body; or
- (c) within any lagoon or part of any lagoon or any peripheral area of a lagoon,

as an “affected area”.

(2) Any development activity which could be carried on in terms of a permit obtained under section 14, would if it is carried out in an area declared to be an affected area under paragraph (a) of subsection (1), be considered a prohibited activity. Any person, who engages in a prohibited activity, shall be guilty of an offence.

(3) No person shall in any area declared to be an affected area under paragraph (b) of subsection (1) fill, erect, construct, obstruct, pollute or introduce any waste matter, or do any act which will harm the aquatic or marine life in such area. Any person who fills, erects, constructs, obstructs, pollutes, introduces any waste matter or does any act which harms the aquatic or marine life in such area shall be guilty of an offence.

(4) The provisions of section 27A and section 28 shall *mutatis mutandis* apply to an in relation to any development activity carried on in contravention of the provisions of subsections (2) and (3).

(5) The onus of proving that the act in question was committed in an area outside the affected area, shall lie on the person engaging in the same.

(6) The Minister may make regulations for setting out the manner in which these areas are to be administered and the activities prohibited within such area.

PART III B

BEACH PARKS AND CONSERVATION AREAS

Beach
Parks

22c. (1) Where the Minister is of opinion that it is necessary for the preservation of the scenic beauty and the biodiversity of any area within the Coastal Zone to do so, declare by Order published in the *Gazette*, any area within the Coastal Zone to be a “Beach Park”.

(2) The Minister may make regulations setting out the manner in which such parks should be administered, the activities which can be carried out within such area and the persons who are permitted to enter into such areas.

Conservation
Areas.

22d. (1) The Minister may by Order published in the *Gazette*, declare as a “Conservation Area”, any area in which special measures need to be taken for the protection of the coastal and aquatic eco-system.

(2) No development activity or collection and gathering of aquatic resources shall be carried out in any area declared under subsection (1). The Director-General may however issue permits, in respect of applications made in the prescribed form, to persons intending to engage in scientific study and research within such area.

(3) The Minister may make regulations prescribing the manner and mode of administering such areas, the activities permitted within such areas and the persons who may engage in such activities within such areas.

PART III c

SPECIAL MANAGEMENT AREAS

Special
Management
areas.

22E. (1) The Minister may, in respect of any area of land within the Coastal Zone or adjacent to the Coastal Zone or comprising both areas from the Coastal Zone and the adjacent area of land, declare such area by Order published in the *Gazette*, to be a “Special Management Area” if it appears to him that it is necessary to do so due to the need to adopt a collaborative approach to planning resource management within the defined geographic area:

Provided that no area shall be declared as a Special Management Area, unless such area has been included in the Coastal Zone and Coastal Resource Management Plan prepared under the provisions of this Act.

(2) The Minister may make regulations prescribing the manner and mode in which, and the persons by whom, such Special

Management Area should be administered, the persons entitled to have access to these areas and the activities which can be carried out within such areas.

PART III D

COASTAL ACCESS PLAN

Coastal
Access Plan.

22F. (1) The Director-General shall cause to be carried out, as soon as possible after the coming into operation of this Act, a survey which would identify all the routes, paths and corridors which provide access to the public to the beaches, and routes, paths and corridors which provide access to the Coastal Zone. Based on the findings of the survey he shall prepare a comprehensive Report which he shall submit to the Council.

(2) The Director-General is hereby empowered to call for and obtain information reasonably required by him for the compilation of this Report from any government department, institution or agency concerned in related activities. It shall be the duty of these departments, institutions and agencies to furnish the Director-General with the relevant information.

(3) The Director-General shall within sixty days of the Coastal Access Plan being submitted to him by the Director-General after inclusion of such modifications, if any suggested by the Council, make the plan available to the public for its comments. Any member of the public may, within sixty days of the Coastal Access Plan being made available to them, forward his comments to the Director-General. It shall

be the duty of the Director-General to include any comments received by the public in the plan and submit a revised plan to the Minister.

(4) The Minister shall thereupon submit the revised Coastal Access Plan to the Cabinet of Ministers for its approval. Upon approval of the said Plan by the Cabinet of Ministers, the Minister shall cause the Coastal Access Plan to be published in the *Gazette*. The Coastal Access Plan shall be operative as from the date of publication in the *Gazette* or from such later date as may be specified therein.

(5) The Minister may make regulations specifying the matters which need to be included in the Coastal Access Plan, the activities which could be carried out in conformity with such plan, and details as to ownership of the lands included in the plan inclusive of extents and locations.

(6) Any person who acts in contravention of the provisions of this section or any regulation made thereunder, shall be guilty of an offence and shall on conviction after summary trial before a Magistrate be liable to a fine of not less than five thousand rupees and not more than twenty five thousand rupees or to imprisonment of either description for a term of not less than three months and not more than two years, or to both such fine and imprisonment.

Application
of the
provisions of
Act to Parts
III A, III B,
III C and III D.

22G. The provisions contained in the Act, shall where relevant to the implementation of Parts III A, III B, III C and III D (as inserted herein), of this Act, *mutatis mutandis* apply in relation to Parts III A, III B, III C and III D (as inserted herein) of the Act.”.

Amendment of
section 24 of the
principal
enactment.

20. Section 24 of the principal enactment is hereby amended in subsection (1) of that section by the substitution for the words “lying within the Coastal Zone.” of the words “lying within the Coastal Zone, for the purpose of promoting scientific study and research.”.

Amendment of
section 25 of the
principal
enactment.

21. Section 25 of the principal enactment is hereby amended as follows:—

- (1) in subsection (1) of that section, by the substitution for the words “or the stability of the Coastal Zone” of the words “or the stability of the Coastal Zone or the resources within the Coastal Zone”;
- (2) by the insertion immediately after subsection (1) of that section, of the following new subsection:—

“(1A) Where a notice is served under paragraph (a) of subsection (1), the person on whom the notice is so served, shall comply with the said notice within the period specified in such notice. The Director-General shall, after the period specified has elapsed, take such measures as may be necessary to prevent such intrusion or activity. All expenses incurred by the Director-General in preventing the intrusion or the activity, shall be recovered from the person on whom notice is served, as a debt due to the State.”;

- (3) in subsection (2) of that section, by the substitution for all the words from “If a local authority is unable” to the end of that subsection of the words “If a local authority or an agency is unable to comply with such a request it shall forthwith inform the Director-General of such inability. Upon being so informed, the Director-General shall require, by notice in writing, the person responsible for such waste or foreign matter or such activity, to take corrective measures or to desist from engaging in such activity.”; and

- (4) by the addition immediately after subsection (2) of that section of the following new subsection:—

“(3) Where notice has been served under subsection (2), the person on whom such notice is served shall take steps to comply with the notice in the time specified. Where, after the expiry of a reasonable period of time, no steps have been taken to comply with the notice, the Director-General shall take such measures as may be necessary to prevent such intrusion or activity. All expenses incurred by the Director-General in preventing the intrusion or the activity, shall be recovered from the person on whom notice is served, as a debt due to the State.”.

22. Section 26 of the principal enactment is hereby amended by the substitution for the words “permit issued under this Act.” of the words “permit issued under this Act, or any license issued under the Mines and Minerals Act, No. 33 of 1992 in respect of which the Director-General has imposed conditions under this Act,”.

Amendment of section 26 of the principal enactment.

23. The following new section is hereby inserted immediately after section 26 of the principal enactment, and shall have effect as section 26A of that enactment:—

Insertion of new section 26A in the principal enactment.

“Issue of directions to abate activity.

26A. (1) The Director-General shall have the power to issue directions to any person engaged in, or likely to engage in, any development activity which is causing or is likely to cause damage or detriment to the Coastal Zone or to the resources therein, regarding the measures to be taken in order to prevent or abate such damage or detriment, and it shall be the duty of such person to comply with such directions.

(2) Where any person fails to comply with any directions issued under subsection (1), the Magistrate shall, on an application made

by the Director-General order the temporary suspension of the project or activity, until the person complies with the directions.

(3) Any person who fails to comply with the order of the Magistrate shall be liable to a fine of rupees ten thousand for each day in respect of which he fails to comply with such order and shall in addition be guilty of Contempt of Court and shall be dealt with accordingly.”.

Amendment of section 27 of the principal enactment.

24. Section 27 of the principal enactment is hereby amended as follows:—

- (1) by the renumbering of that section as subsection (1) thereof; and
- (2) by the addition immediately after the renumbered subsection (1), of the following new subsection:—

“(2) Any person who fails to comply with the notice issued in terms of subsection (1) within such time as may be indicated in such notice, shall, if he fails to comply with the notice even after a reminder in respect thereof being sent to him, be liable to have the permit so issued to him cancelled.”.

Amendment of section 28 of the principal enactment.

25. Section 28 of the principal enactment is hereby amended by the repeal of subsection (1) of that section and the substitution therefor of the following subsection:—

“(1) Any person who acts in contravention of the provisions of section 14 shall be guilty of an offence under this Act and shall on conviction, after summary trial before a Magistrate, be liable—

- (a) in the case of a first offence, to a fine of not less than five thousand rupees and not more than twenty-five thousand rupees,

or to imprisonment of either description for a term not exceeding one year, or to both such fine and imprisonment; and

- (b) in the case of a second or subsequent offence, to a fine of not less than fifty thousand rupees and not more than one hundred thousand rupees, or to imprisonment of either description for a term not less than one year and not exceeding three years, or to both such fine and imprisonment.”.

26. Section 29 of the principal enactment is hereby amended as follows:—

Amendment of section 29 of the principal enactment.

- (a) in paragraph (a) of that section, by the substitution for the words and figures “section 25;”, of the word and figures “section 25 or under subsection (2) of section 25”; and
- (b) by the substitution for the words “to a fine not less than one thousand five hundred rupees and not exceeding twenty five thousand rupees” of the words “to a fine not less than five thousand rupees and not exceeding fifty thousand rupees”;

27. Section 30 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words “to a fine not exceeding five hundred rupees for each day” of the words “to a fine not less than one thousand rupees and not exceeding five thousand rupees for each day”.

Amendment of section 30 of the principal enactment.

28. Section 31 of the principal enactment is hereby amended by the repeal of subsections (3) and (4) of that section, and the substitution therefor of the following subsection:—

Amendment of section 31 of the principal enactment.

“(3) Any person aggrieved by any direction issued by the Director-General under subsection (2), may

within three days of the affixing of the notice, appeal therefrom to the Secretary to the Ministry of the Minister to whom the subject of coast conservation has been assigned,

(3A) On receipt of an appeal under subsection (3), the Secretary shall forthwith require the Director-General to forward all relevant documents and files to him. It shall be the duty of the Director-General to forward, within fourteen (14) days of such a request, all relevant documents and files if any, to the Secretary. The Secretary may, where he is of the opinion that it is essential in order to arrive at a decision, give the appellant an opportunity to be heard in person.

(3B) The Secretary shall within forty five (45) days of the receipt of the appeal, make his decision on such appeal and inform both, the Director-General and the appellant of his decision. It shall be the duty of the Director-General to give effect to such decision. The decision of the Secretary on any such appeal shall be final.

(3C) No person on whom a order has been served under subsection (2), or who has appealed against the order under subsection (3), shall continue to erect or construct any unauthorized structure, house, hut, shed or other building or permit any such unauthorized structure, house, hut, shed or other building to remain standing in such place.

(3D) Any person who contravenes the provisions of subsection (3c) shall be guilty of an offence and shall on conviction after summary trial before a Magistrate be liable to a fine not less than fifty thousand rupees, and not exceeding five hundred thousand rupees, or to imprisonment of either description for a term of not less than one year and not exceeding three years or to both such fine and imprisonment.

(4) The Director-General shall either upon the serving of an order of demolition in terms of subsection (2) or on the conclusion of any appeal in terms of subsection (3), cause the construction of the unauthorized structure, house, hut, shed or other building to be taken down and removed from the land. The total cost incurred in the taking down of the unauthorized structure, house, hut, shed or other building and the cost incurred in the removal of all materials used in the construction of the unauthorized structure, house, hut, shed or other building shall be recovered from such person as a debt due to the State:

Provided that it shall be the responsibility of any person who is required in terms of the preceding provisions of this section, to take down and remove any unauthorized structure, house, hut, shed or other building as is specified, prior to the expiration of the period specified, to remove or cause to be removed therefrom all of his possessions as are presently within such unauthorized structure, house, hut, shed or other building.

(4A) Where any person alleges at any time after the taking down and removal of any unauthorized structure, house, hut, shed or other building as aforesaid, that any item of his possessions has been lost, the onus shall lie on such person to prove beyond reasonable doubt, that the item was in his possession immediately prior to such taking down and removing, as the case may be.

(4B) Wherever in any proceeding in terms of this section the question arises as to the existence of an unauthorized structure, house, hut, shed or other building which has been taken down and removed, a Certificate under the hand of the Director-General shall be admissible in evidence and shall be *prima facie* evidence thereof.”

Insertion of new section 31BB in the principal enactment.

29. The following new section is hereby inserted immediately after section 31B of the principal enactment and shall have effect as section 31BB, of that enactment :

“Sea Corals. 31BB (1). The provisions of sections 31A and 31B shall *mutatis mutandis* apply in relation to the mining, collecting, possession, processing, storing, burning and transporting of sea coral within or outside the Coastal Zone.

(2) In any prosecution if the question arises as to whether the article being mined, collected, possessed, processed, stored, burnt and transported was sea coral, then a Certificate under the hand of the Director-General to that effect shall be admissible in evidence and shall be *prima facie* evidence of the facts stated therein.”.

Replacement of section 31F of the principal enactment.

30. Section 31E of the principal enactment is hereby repealed and the following section substituted therefor :—

“Transport and storage of sand or sea shells.

31E. (1) Any police officer shall have the power to—

- (a) stop and examine any vehicle, vessel, boat or craft transporting or suspected of transporting sand or sea shells ;
- (b) enter and inspect any premises on which sand or sea shells are stored.

(2) The onus of proving that such sand or sea shells were obtained lawfully shall be on the person transporting or storing, as the case may be, such sand or sea shells. Any person who is unable to furnish proof that the transporting or storing was lawful, shall be guilty of an offence.”.

31. Section 31F of the principal enactment is hereby amended as follows :—

Amendment of section 31F of the principal enactment.

- (1) by the renumbering of that section as subsection (1) thereof ;
- (2) in the renumbered subsection (1) by the substitution for the words “credited to the Police Reward Fund established under the Police Ordinance, fifty *per centum*” of the words “established a Fund called the “Coastal Protection Reward Fund” (hereinafter referred to as “the Fund”) to which shall be credited all fines recovered under this Act and all sums of money realized by the disposal of articles forfeited under the provisions of this Act.” ; and
- (3) by the addition immediately after the renumbered subsection (1) of the following new subsections :—

“(2) The Director-General shall be responsible for the administration of the Fund and for the maintenance of the accounts of the Fund. The Auditor-General shall annually audit the accounts of the Fund.

(3) The Director-General may, with the concurrence of the Secretary to the Ministry of the Minister to whom the subject of Coast Conservation and Coastal Resource Management is assigned, and of the Secretary to the Ministry of the Minister to whom of the subject of Finance is assigned, pay a reward to any person eligible to receive the same. The Minister shall from time to time issue guidelines designed to assist in the determination of the qualifications for eligibility and other criteria governing the payment of any such reward.”.

Insertion of new section 31G and 31H and 31I in the principal enactment.

32. The following new sections are hereby inserted immediately after section 31F of the principal enactment and shall have effect as sections 31G and 31H of that enactment :—

“Filling of land or water bodies without a permit to be an offence.

31G. (1) No person shall, within the Coastal Zone, fill any land or any water body without a permit issued in that behalf by the Director-General.

(2) The Director-General may, by giving notice to the person or persons acting in contravention of the provisions of subsection (1) direct such person or persons to forthwith remove the substance or matter used for filling up the land or water body in question from such land or water body and restore the land or water body to the condition it was in prior to such filling, within such time as the Director-General may specify in such notice.

(3) Any person aggrieved by the direction of the Director-General made under subsection (2) may, within three days of the date of the notice being served on him, appeal therefrom to the Secretary to the Ministry of the Minister to whom the subject of Coast Conservation and Coastal Resource Management is assigned. The decision of the Secretary on any such appeal shall be final.

(4) On receipt of an appeal under subsection (3), the Secretary shall forthwith require the Director-General to forward all relevant documents and files to him. It shall be the duty of the Director-General to forward, within seven days of such a request, all relevant documents and files if any, to the Secretary. The Secretary may, where he is of the opinion that it is

essential in order to arrive at a decision, give the appellant an opportunity to be heard in person.

(5) The Secretary shall make his decision on such appeal within thirty days of the receipt of the appeal and inform both the Director-General and the appellant of his decision. It shall be the duty of the Director-General to give effect to such decision. The decision of the Secretary on any such appeal shall be final.

(6) No person on whom a direction has been served under subsection (2), or who has appealed against the order under subsection (3), shall continue to fill any land or water body.

(7) Any person who contravenes the provisions of subsection (6) shall be guilty of an offence and shall on conviction after summary trial before a Magistrate be liable to a fine not less than fifty thousand rupees and not exceeding five hundred thousand rupees, or to imprisonment of either description for a term of not less than one year and not exceeding three years or to both such fine and imprisonment.

(8) Where any person or persons fails to remove the substance or matter used for filling up the land or water body in question from such land or water body and restore the land or water body to the condition it was in prior to such filling, within such time as the Director-General had specified in the notice under subsection (2) or as specified by the Secretary when rejecting the appeal, the Director-General shall cause the substance or matter to be removed from the land or the water body as the

30 *Coast Conservation (Amendment)*
Act, No. 49 of 2011

case may be, and the total cost of the removal of the substance and matter used for filling the land or the water body as the case may be, shall be recovered from such person as a debt due to the State.

(9) Wherever in any proceeding in terms of this section the question arises as to the existence of a land or water body which has been filled and from which the substance or matter used for filling has subsequently been removed, a Certificate under the hand of the Director-General shall be admissible in evidence and shall be *prima facie* evidence thereof.

Bail not to be allowed. 31H. No bail shall be allowed by a Magistrate during the continuance of any proceedings in respect of an offence under this Act :

Provided however that the High Court of the Province established under Article 154G of the Constitution may, for exceptional circumstances shown to the satisfaction of the Court, allow bail to an accused person in respect of an offence under this Act.”.

Replacement of section 35A of the principal enactment.

33. Section 35A of the principal enactment is hereby amended by the repeal of subsection (1) of that section and the substitution therefor of the following subsections :—

“(1) A police officer may without an order from a Magistrate and without obtaining a warrant, arrest any person reasonably suspected of having been concerned in, or connected with, the commission of an offence under this Act, punishable with imprisonment for a term exceeding six months.”

34. The following new sections are hereby inserted immediately after section 35A of the principal enactment and shall have effect as section 35AA and 35AAA of that enactment :—

Insertion of new sections 35A and 35AAA in the principal enactment.

“Offences under the Act to be cognisable offences. 35AA. Every offence under this Act shall be a cognizable offence within the meaning, and for the purposes of the Code of Criminal Procedure Act, No. 15 of 1979 and the provisions of such Act shall apply accordingly.

Immunity from suit. 35AAA. No civil or criminal action shall be instituted against a police officer acting under the provisions of this Act, for any lawful act which is done or purported to be done in good faith by such police officer in pursuance of his duties under this Act.”.

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

Sinhala text to prevail in case of inconsistency.

36. Section 42 of the principal enactment is hereby amended as follows :—

Amendment of section 42 of the principal enactment.

(1) by the insertion immediately after the definition of the expression “coast conservation” of the following new definitions :—

“coastal access” means the right of the public, to approach, enter or use an approach to enter into, or to go along a coastal margin in a physical and visual sense and also includes access along the shoreline, usually a strip of land parallel to the waters edge or path or trail which runs parallel to or along, the shoreline, path or trail which connects the nearest public roadway with a shoreline destination along a reasonable direct route

or access to the shoreline from a public road to the Mean High Water Level ;

“coastal resource” includes all living and non-living resources found within the Coastal Zone ;

“management” means the managing of renewable and non-renewable coastal resources, either separately or in an integrated fashion but excluding fisheries and aquatic resources which fall within the provisions of the Fisheries and Aquatic Resources Act, No. 2 of 1996 ;”;

- (2) in the definition of the expression “Coastal Zone” by the substitution for the words “any other body of water so connected to the sea;” of the words “any other body of water so connected to the sea, and shall also include the area lying within a further extended limit of one hundred metres inland from the Zero Mean Sea Level along the periphery ;”;
- (3) by the insertion immediately after the definition of the expression “foreshore” of the following new definition :—

“initial environmental examination report” means a written report wherein possible impacts of the development activity on the environment shall be assessed with a view to determining whether the impacts are significant and therefore requires the preparation of an environmental impact assessment report. Such report shall contain all details and descriptions, data maps, designs and other information which is relevant to the development activity ;”;

- (4) by the insertion immediately after the definition of the expression “straight base line” of the following new definition :—

‘ “sustainability” is the alternative to resource depletion caused by excessive exploitation for short term profit and implies the need for the wise use and careful management of individual species and communities, together with the habitats and ecosystems on which they depend, so that their current or potential use to people is not impaired’; and

- (5) by the insertion immediately after the definition of the expression “public corporation” of the following new definition :—

‘ “water body” includes rivers and any other body of water so connected to the sea, marshes, mudflats, lagoons and mangrove swamps ;’.

37. The Sri Lanka Land Reclamation and Development Corporation Act, No. 15 of 1968 and the Board of Investment of Sri Lanka Law, No. 4 of 1978 are hereby amended in the sections set out in Column I of the Schedule to this Act, to the extent and in the manner set out in the corresponding entry in Column II of the said Schedule.

Amendment to
the Sri Lanka
Land
Reclamation and
Development
Corporation Act
and the Board of
Investment of
Sri Lanka Law.

AMENDMENTS TO THE SRI LANKA LAND RECLAMATION AND DEVELOPMENT CORPORATION ACT, No. 15 OF 1968	
<i>Column I</i>	<i>Column II</i>
Section	EXTENT OF AMENDMENT
Section 2	<p>by the addition immediately after subsection (4) of that section of the following new subsection :—</p> <p style="padding-left: 40px;">“(5) Nothing contained in this Act shall be deemed to confer on the Minister the power to declare any area within the Coastal Zone as a “Reclamation and Development Area” without the concurrence of the Minister to whom the subject of Coast Conservation and Coastal Resource Management is assigned.</p> <p style="padding-left: 40px;">In this subsection “Coastal Zone” shall have the same meaning as is assigned to it in the Coast Conservation and Coastal Resource Management Act, No. 57 of 1981.”.</p>
Section 9	<p>by the repeal of paragraph (BB) of subsection (1) of that section and the substitution therefor of the following paragraph :—</p> <p style="padding-left: 40px;">“(BB) to construct harbours and anchorages and to undertake work in the field of irrigation, in such Areas ;”.</p>

AMENDMENTS TO THE BOARD OF INVESTMENT OF SRI LANKA LAW, NO. 4 OF 1978	
<i>Column I</i> Section	<i>Column II</i> EXTENT OF AMENDMENT
Section 20	<p>by the repeal of the proviso to paragraph (b) of subsection (1) of that section and the substitution therefor of the following proviso :-</p> <p style="padding-left: 40px;">“Provided however that no by-law, regulation, order or notification shall be made or issued by the Board in terms of the provisions of the National Environmental Act, No. 47 of 1980, and no power or function shall be exercised or discharged by the Board under the aforesaid Act, except in consultation with and after having obtained the concurrence of, the Central Environmental Authority established under the National Environmental Act, No. 47 of 1980 or the Director-General of Coast Conservation and Coastal Resource Management, appointed under the Coast Conservation and Coastal Resource Management Act, No. 57 of 1981.”.</p>
Section 20A	<p>by the repeal of the proviso to subsection (2) of that section and the substitution therefor of the following proviso :-</p> <p style="padding-left: 40px;">“Provided that no power, duty or function under the National Environmental Act, No. 47 of 1980 or the Coast Conservation and Coastal Resource Management Act, No. 57 of 1981 shall be exercised or discharged by Board under the aforesaid Act, except in consultation with and after having obtained the concurrence of the Central Environmental Authority established under the National Environmental Act, No. 47 of 1980 or the Director-General of Coast Conservation and Coastal Resource Management, appointed under the Coast Conservation and Coastal Resource Management Act, No. 57 of 1981.”.</p>

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

**BUDDHIST CULTURAL CENTRE OF
NEDIMALA, DEHIWALA (INCORPORATION)
(AMENDMENT) ACT, No. 50 OF 2011**

[Certified on 30th November, 2011]

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*Buddhist Cultural Centre of Nedimala, Dehiwala
(Incorporation) (Amendment) Act, No. 50 of 2011*

[Certified on 30th November, 2011]

L.D.—O. Inc. 10/2011.

AN ACT TO AMEND THE BUDDHIST CULTURAL CENTRE OF NEDIMALA,
DEHIWALA (INCORPORATION) ACT, NO. 30 OF 2008.

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

1. This Act may be cited as the Buddhist Cultural Centre
of Nedimala, Dehiwala (Incorporation)(Amendment)
Act, No. 50 of 2011.

Short title.

2. Section 6 of the Buddhist Cultural Centre of Nedimala,
Dehiwala (Incorporation) Act, No. 30 of 2008 is hereby
amended by the repeal of paragraph (b) thereof and the
substitution therefor of the following :—

Amendment of
section 6 of the
Buddhist
Cultural Centre
of Nedimala,
Dehiwala
(Incorporation)
Act, No. 30 of
2008.

“(b) to borrow or raise money from government
approved banks and other institutions for the
purpose of the Corporation in such manner and upon
such securities as the Corporation may deem fit;”.

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

Sinhala text to
prevail in case
of
inconsistency.

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

**SRI DHAMMALANKARA SOCIAL SERVICES
FOUNDATION (INCORPORATION)
ACT, No. 51 OF 2011**

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*Sri Dhammalankara Social Services Foundation
(Incorporation) Act, No. 51 of 2011*

[Certified on 16th December, 2011]

L. D.—O.(Inc.) 3/2008.

AN ACT TO INCORPORATE SRI DHAMMALANKARA SOCIAL SERVICES
FOUNDATION

WHEREAS a Foundation called and known as the “Sri Dhammalankara Social Services Foundation” has heretofore been formed for the purpose of effectually carrying out and transacting all objects and matters connected with the said foundation according to the rules agreed to by its members:

Preamble.

WHEREAS the said Foundation has heretofore successfully carried out and transacted the several objects and matters for which it was established and has applied to be incorporated and it will be for the public advantage to grant such application:

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

1. This Act may be cited as Sri Dhammalankara Social Services Foundation (Incorporation) Act, No. 51 of 2011.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the Sri Dhammalankara Social Services Foundation (hereinafter referred to as “the Foundation”) or shall hereafter be admitted as members of the Corporation hereby constituted, shall be a body corporate (hereinafter referred to as “the Corporation”) with perpetual succession, under the name and style of “Sri Dhammalankara Social Services Foundation” and by that name may sue and be sued in all courts with full power and authority to have and use a common seal and alter the same at its pleasure.

Incorporation of
Sri
Dhammalankara
Social Services
Foundation.

2 *Sri Dhammalankara Social Services Foundation
(Incorporation) Act, No. 51 of 2011*

General objects
of the
Foundation.

3. (1) The general objects for which the Corporation is constituted are hereby declared to be—

- (a) to maintain Sri Jayasumanaramaya of Alakolamada, the Sri Dhammadhara Pirivena, Sri Dhammadhara Dhamma School and the Ruwan Children's Park affiliated to the Foundation;
- (b) to construct and repair houses of the needy in the area;
- (c) to grant financial assistance for the treatment of persons and to build, establish and provide clinics for the treatment of such persons;
- (d) to promote the cultural, social, economic and religious development for the public advantage;
- (e) to grant assistance for the opening of libraries and for the conduct of study courses and provide facilities to promote the education of children;
- (f) to provide sports materials and other facilities for the promotion of sports skills of the youth;
- (g) to provide homes for the needy and indigent elders and disabled and orphaned children;
- (h) to provide relief and welfare services to persons during natural disasters;
- (i) to award scholarships for higher education in foreign countries to youth, in the fields of technology, science and engineering;
- (j) to provide recreational facilities for the needy ; and
- (k) to provide industrial training for the youth.

(2) In the implementation of the above objects the Corporation shall ensure that such implementation is carried out without distinction baded on race, cast, religion, language, sex or political opinion.

Sri Dhammalankara Social Services Foundation 3
(Incorporation) Act, No. 51 of 2011

4. Subject to the provisions of this Act and any other written law, the Corporation shall have the power to do, perform and execute all such acts, matters and things whatsoever as are necessary or desirable for the furtherance of its objects or any one of them, including the power to open and close bank accounts, to borrow or raise money with or without security, to receive or collect grants or donations, to invest its funds and to engage, employ and dismiss officers and servants required for the carrying out of the objects of the Corporation.

General powers
of the
Corporation.

5. (1) The affairs of the Corporation shall, subject to the provisions of this Act and the rules made under section 6, be administered by a Board of Management. The Board of Management shall consist of the Chief Incumbent of the Sri Dhammalankara Social Service Foundation who shall be the Director-General (hereinafter referred to as the "Director-General") and the Chairman, the Secretary and the Treasurer and such other committee members who may be elected in accordance with the rules of the Corporation under section 6.

Management
of the affairs
of the
Corporation.

(2) The Director-General shall preside at every meeting of the Board of Management. In the absence of the Director-General from any meeting of the Board of Management, the Chairman shall preside at such meeting.

(3) Subject to the provisions of this Act and any rules made thereunder, the Board of Management may regulate the procedure in regard to its meetings and the transaction of business at such meetings.

(4) No act or proceeding of the Board shall be deemed to be invalid by reason only of the existence of a vacancy among its members or any defect in the election or nomination of a member thereof.

4 *Sri Dhammalankara Social Services Foundation
(Incorporation) Act, No. 51 of 2011*

(5) The first Board of Management of the Corporation shall consist of the members of the Board of Management of the Foundation, holding office on the day immediately preceding the date of commencement of this Act.

Rules of the Corporation.

6. (1) It shall be lawful for the Corporation, from time to time, at any general meeting and by the votes of not less than two-thirds of the members present and voting at such meeting to make rules not inconsistent with the provisions of this Act or any other written law, for the performance of the duties of the Board and the various officers and servants of the Corporation, for specifying the procedure to be followed in the transaction of business at meetings of the Corporation and of the Board of Management and otherwise generally, for the management of the affairs of the Corporation and the accomplishment of its objects.

(2) No rule of the Corporation shall be altered, added to, amended or rescinded except by the votes of not less than two-thirds of the members present and voting at a general meeting of the Corporation.

(3) The members of the Corporation shall be subject to the rules of the Corporation.

Fund of the Corporation.

7. (1) The Corporation shall have its own Fund. All monies received by way of gift, bequest, transfer, subscription, contribution fees or donation shall be deposited to the credit of the Corporation in one or more banks as the Board of Management shall determine.

(2) There shall be paid out of the Fund of the Corporation, all such sums of money as may be required to defray any expenditure incurred by the Corporation in carrying out the objects of the Corporation.

(3) The monies and property of the Corporation wheresoever derived shall be applied solely towards the promotion of the objects as set forth herein and no portion

Sri Dhammalankara Social Services Foundation 5
(Incorporation) Act, No. 51 of 2011

thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise, to any member of the Corporation.

8. (1) The financial year of the Corporation shall be the calendar year.

Audit of accounts.

(2) The Corporation shall cause proper accounts to be kept of all income and expenditure, assets and liabilities and all other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited annually by a qualified auditor appointed by the Corporation.

(4) In this section “qualified auditor” means-

- (a) An individual who being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such institute ; or
- (b) A firm of Accountants each of the resident partners of which being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law possesses a certificate to practice as an Accountant issued by the Council of such institute.

9. All debts and liabilities of the Foundation existing on the day preceding the date of commencement of this Act, shall be paid by the Corporation hereby constituted and all debts due to and subscriptions and contributions payable to the Foundation on this day shall be paid to the Corporation for the purpose of this Act.

Debts due by and payable to the Foundation.

10. The Corporation shall be able and capable in law, to take and hold any property movable or immovable which may become vested in it by virtue of any purchase, grant, gift, testamentary disposition or otherwise and all such

Corporation may hold property movable and immovable.

6 *Sri Dhammalankara Social Services Foundation
(Incorporation) Act, No. 51 of 2011*

property shall be held by the Corporation for the purposes of this Act and subject to the rules of the Corporation made under section 6, with full power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Seal of the Corporation.

11. The Seal of the Corporation shall be in the custody of the Board of Management and it shall not be affixed to any instrument whatsoever, except in the presence of a member of the Board of Management and the Secretary or any other person authorized by the Board of Management, who shall sign their names to the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Property remaining on dissolution.

12. If upon the dissolution of the Corporation, there remains after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation, but shall be given or transferred to some other institution having objects similar to those of the Corporation and which is by its rules prohibited from distributing any income or property among its members.

Saving of the rights of the Republic and others.

13. Nothing in this Act contained shall prejudice or affect the rights of the Republic or of any body, politic or corporate.

Sinhala text to prevail in case of inconsistency.

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

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**PARLIAMENT OF THE DEMOCRATIC
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APPROPRIATION ACT, No. 52 OF 2011

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Appropriation Act, No. 52 of 2011

[Certified on 21st December, 2011]

L.D.—O. 48 /2011.

AN ACT TO PROVIDE FOR THE SERVICE OF THE FINANCIAL YEAR 2012 ; TO AUTHORISE THE RAISING OF LOANS IN OR OUTSIDE SRI LANKA, FOR THE PURPOSE OF SUCH SERVICE ; TO MAKE FINANCIAL PROVISION IN RESPECT OF CERTAIN ACTIVITIES OF THE GOVERNMENT DURING THAT FINANCIAL YEAR ; TO ENABLE THE PAYMENT BY WAY OF ADVANCES OUT OF THE CONSOLIDATED FUND OR ANY OTHER FUND OR MONEYS, OF OR AT THE DISPOSAL OF THE GOVERNMENT, OF MONEYS REQUIRED DURING THAT FINANCIAL YEAR FOR EXPENDITURE ON SUCH ACTIVITIES ; TO PROVIDE FOR THE REFUND OF SUCH MONEYS TO THE CONSOLIDATED FUND AND TO MAKE PROVISION 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 Appropriation Act, No. 52 of 2011.

Short title.

2. (1) Without prejudice to any other law authorising any expenditure and subject to the provisions of subsection (4) of this section, the expenditure of the Government which is estimated will be rupees one thousand two hundred and eighty four billion two hundred and eighty four million, four hundred and seventy one thousand for the service of the period beginning on January 1, 2012 and ending on December 31, 2012 (in this Act referred to as the “financial year 2012”), shall be met —

Appropriation for financial year, 2012.

- (a) from payments which are hereby authorised to be made out of the Consolidated Fund or any other fund or moneys of or at the disposal of the Government ; and
- (b) from the proceeds of loans which are hereby authorised to be raised whether in or outside Sri Lanka, for and on behalf of the Government, so however that the aggregate of such proceeds does not exceed rupees one thousand one hundred and thirty nine billion.

(2) The sum of rupees one thousand two hundred and eighty four billion two hundred and eighty four million, four hundred and seventy one thousand referred to in subsection (1), may be expended as specified in the First Schedule to this Act.

(3) The provisions of subsection (1) shall have effect without prejudice to the provisions of any other written law, authorising the raising of loans for and on behalf of the Government.

(4) The estimated expenditure of the Government authorized by laws to be charged on the Consolidated Fund, will be rupees nine hundred and thirty five billion seven hundred and fifteen million five hundred and twenty nine thousand, for the service of the period beginning on January 1, 2012 and ending on December 31, 2012. The expenditure Heads and the law under which such expenditure is authorized to be made, are as specified in the Second Schedule to the Act.

Financial provisions in respect of certain activities of the Government for the financial year 2012.

3. (1) The receipts of the Government during the financial year 2012, from each activity specified in Column I of the Third Schedule to this Act shall be credited to the account of such activity, but the aggregate of receipts so credited shall not be less than the minimum limit specified in the corresponding entry in Column III of that Schedule. The net surplus, if any, of such activity, shall be paid to the Consolidated Fund before the expiry of six months after the close of the financial year 2012.

(2) For the purpose of determining the net surplus under subsection (1), the following charges shall be set off against the revenue of each activity :—

- (a) the working, establishment and other expenses of the activity whether paid or accrued, properly chargeable to the revenue of the activity; and
- (b) provision to cover the depreciation of the movable and immovable property of the activity.

(3) The expenditure incurred by the Government during the financial year 2012 on each activity specified in Column I of the Third Schedule to this Act, shall be paid out

of the receipts of the Government from such activity during that financial year, but such expenditure shall not exceed the maximum limit specified in the corresponding entry in Column II of that Schedule.

(4) The debit balance outstanding at the end of the financial year 2012 of any activity specified in Column I of the Third Schedule to this Act, shall not exceed the maximum limit specified in the corresponding entry in Column IV of that Schedule and the total liabilities of that activity at the end of that financial year, shall not exceed the maximum limit specified in the corresponding entry in Column V of that Schedule.

4. Whenever at any time during the financial year 2012, the receipts of the Government from any activity specified in Column I of the Third Schedule to this Act are insufficient to meet the expenditure incurred by the Government on such activity, the Minister may from time to time by Order, direct that such sums as he may deem necessary to meet such expenditure shall be payable by way of advances, out of the Consolidated Fund or any other fund or moneys of or at the disposal of the Government, so however that the aggregate of the sums so advanced shall not exceed the maximum limit of expenditure specified in the corresponding entry in Column II of that Schedule. Any sum so advanced in respect of such activity shall be refunded to the Consolidated Fund in such manner, as the Minister may by Order direct.

Payment from the Consolidated Fund or any other fund or moneys of or at the disposal of the Government, of advances for expenditure on the activities referred to in section 3, during the financial year 2012.

5. (1) Any moneys which by virtue of the provisions of the First Schedule to this Act, have been allocated to Recurrent Expenditure under any Programme appearing under any Head specified in that Schedule, but have not been expended or are not likely to be expended, may be transferred to the allocation of Capital Expenditure within that Programme or to the allocation of Recurrent Expenditure or Capital Expenditure under any other Programme within that Head, by Order of the Secretary to the Treasury or by Order either of a Deputy Secretary to the Treasury or the Director General of the National Budget Department, who may be authorized in that behalf by the Secretary to the Treasury.

Power to transfer unexpended moneys allocated to Recurrent Expenditure, to another allocation within the same Programme or to another Programme under the same Head of expenditure.

(2) No moneys allocated to Capital Expenditure under any Programme appearing under any Head specified in the First Schedule to this Act, shall be transferred out of that Programme or to any allocation of Recurrent Expenditure of that Programme.

Money allocated to the “Development Activities” Programme may be transferred to any other Programme under any other Head.

6. (1) Any money allocated to Recurrent Expenditure or Capital Expenditure under the “Development Activities” Programme appearing under the Head “Department of National Budget” specified in the First Schedule, may be transferred subject to guidelines stipulated in printed Budget Estimates approved by Parliament for the relevant year, to any other Programme under any other Head in that Schedule, by Order of the Secretary to the Treasury or by Order either of a Deputy Secretary to the Treasury or the Director General of the National Budget Department, who may be authorized in that behalf by the Secretary to the Treasury. The money so transferred shall be deemed to be a supplementary allocation made to the particular Ministry, and a report containing the amount of money so transferred and the reasons for the transfer, shall be submitted to Parliament within two months of the date of the said transfer.

(2) Details of all transfers made under subsection (1), including the reasons for such transfers, shall be incorporated in the reports relating to the Government’s fiscal performance, which are required to be tabled in Parliament under the Fiscal Management (Responsibility) Act, No. 3 of 2003.

Power of Minister to limit expenditure previously authorized.

7. Where the Minister is satisfied —

- (a) that receipts from taxes and other sources will be less than the amounts anticipated to finance authorised expenditure ; or
- (b) that amounts originally appropriated for a particular purpose or purposes are no longer required,

he may with the approval of the Government, withdraw in whole or in part any amounts previously released for

expenditure under the authority of a warrant issued by him, from the Consolidated Fund or from any other fund or moneys of or at the disposal of the Government, to meet any authorized expenditure.

8. (1) The Minister with the approval of the Government may, on or before May 31, 2013, by Order vary or alter—

- (a) any of the maximum limits specified in Column II, Column IV and Column V ;
- (b) the minimum limits specified in Column III,

Power of Minister to vary the maximum and minimum limits specified in the Third Schedule to this Act.

of the Third Schedule to this Act.

(2) No Order made under subsection (1) shall have effect, unless it has been approved by Parliament by Resolution.

(3) Any Order made under subsection (1) shall, if so expressed therein, be deemed to have had effect from such date prior to the date of making such Order, as may be specified therein.

9. Parliament may by Resolution amend the Third Schedule to this Act, by adding to the appropriate Columns of that Schedule any activity and providing for —

- (a) all or any of the maximum limits relating to such activity;
- (b) the minimum limit relating to such activity.

Power of Parliament to amend the Third Schedule to this Act.

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

Sinhala text to prevail in case of inconsistency.

FIRST SCHEDULE — ESTIMATE — 2012
Sums Payable for General Services

6

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
	Head 1 - 22		
	Recurrent	7,418,273,000	
	Capital	4,300,000,000	
Made up as follows :—			
Head 1	His Excellency the President		
	Programme 01 Operational Activities	2,850,100,000	1,367,600,000
	Programme 02 Development Activities	—	1,944,000,000
Head 2	Office of the Prime Minister		
	Programme 01 Operational Activities	185,725,000	71,900,000
Head 3	Secretariat for Special Functions (Senior Ministers)		
	Programme 01 Operational Activities	253,604,000	39,500,000
Head 4	Judges of the Superior Courts		
	Programme 01 Operational Activities	146,520,000	34,500,000
Head 5	Office of the Cabinet of Ministers		
	Programme 01 Operational Activities	63,820,000	19,000,000
Head 6	Public Service Commission		
	Programme 01 Operational Activities	101,950,000	7,600,000

Appropriation Act, No. 52 of 2011

Head 7	Judicial Service Commission Programme 01 Operational Activities	30,310,000	50,500,000
Head 8	National Police Commission Programme 01 Operational Activities	32,901,000	200,000
Head 9	Administrative Appeals Tribunal Programme 01 Operational Activities	12,555,000	150,000
Head 10	Commission to Investigate Allegations of Bribery or Corruption Programme 01 Operational Activities	119,600,000	91,000,000
Head 11	Office of the Finance Commission Programme 01 Operational Activities	35,250,000	32,400,000
Head 12	National Education Commission Programme 01 Operational Activities	25,000,000	300,000
Head 13	Human Rights Commission of Sri Lanka Programme 01 Operational Activities	128,275,000	2,950,000
Head 14	Department of Attorney General Programme 01 Operational Activities	371,725,000	18,200,000
Head 15	Department of Legal Draftsman Programme 01 Operational Activities	51,000,000	82,600,000
Head 16	Parliament Programme 01 Operational Activities	1,575,613,000	125,000,000
Head 17	Office of the Leader of the House of Parliament Programme 01 Operational Activities	22,950,000	1,200,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 18	Office of the Chief Govt. Whip of Parliament Programme 01 Operational Activities	29,375,000	850,000
Head 19	Office of the Leader of the Opposition of Parliament Programme 01 Operational Activities	54,615,000	10,700,000
Head 20	Department of Elections Programme 01 Operational Activities	689,125,000	23,000,000
Head 21	Auditor General Programme 01 Operational Activities	632,050,000	376,750,000
Head 22	Office of the Parliamentary Commissioner for Administration Programme 01 Operational Activities	6,210,000	100,000
	Ministry of Buddha Sasana and Religious Affairs		
	Recurrent	843,000,000	
	Capital	1,030,000,000	
Made up as follows :—			
Head 101	Minister of Buddha Sasana and Religious Affairs Programme 01 Operational Activities Programme 02 Development Activities	91,695,000 —	286,730,000 385,470,000
Head 201	Department of Buddhist Affairs Programme 01 Operational Activities Programme 02 Development Activities	28,300,000 509,210,000	127,400,000 —
Head 202	Department of Muslim Religious and Cultural Affairs Programme 02 Development Activities	49,820,000	95,000,000

Head 203	Department of Christian Religious Affairs Programme 02 Development Activities	69,375,000	26,350,000
Head 204	Department of Hindu Religious and Cultural Affairs Programme 02 Development Activities	66,205,000	108,170,000
Head 205	Department of Public Trustee Programme 01 Operational Activities	28,395,000	880,000
	Ministry of Finance and Planning		
	 Recurrent	68,851,804,000	
	 Capital	50,264,370,000	

Made up as follows :—

Head 102	Minister of Finance and Planning Programme 01 Operational Activities Programme 02 Development Activities	628,100,000 —	234,100,000 1,300,000,000
Head 237	Department of National Planning Programme 01 Operational Activities	55,950,000	108,500,000
Head 238	Department of Fiscal Policy Programme 01 Operational Activities	637,700,000	700,000
Head 239	Department of External Resources Programme 01 Operational Activities	167,100,000	11,700,000
Head 240	Department of National Budget Programme 01 Operational Activities Programme 02 Development Activities	71,345,000 51,800,000,000	1,007,450,000 21,100,000,000
Head 241	Department of Public Enterprises Programme 01 Operational Activities	43,975,000	3,000,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 242	Department of Management Services Programme 01 Operational Activities	32,800,000	1,450,000
Head 243	Department of Development Finance Programme 01 Operational Activities Programme 02 Development Activities	366,225,000 —	700,000 2,378,000,000
Head 244	Department of Trade Tariff and Investment Policy Programme 01 Operational Activities	830,434,000	900,000
Head 245	Department of Public Finance Programme 01 Operational Activities	136,675,000	1,200,000
Head 246	Department of Inland Revenue Programme 01 Operational Activities	1,399,600,000	46,900,000
Head 247	Sri Lanka Customs Programme 01 Operational Activities	1,334,450,000	330,500,000
Head 248	Department of Excise Programme 01 Operational Activities	414,080,000	67,000,000
Head 249	Department of Treasury Operations Programme 01 Operational Activities Programme 02 Development Activities	9,998,010,000 —	20,005,300,000 2,799,000,000
Head 250	Department of State Accounts Programme 01 Operational Activities	37,150,000	12,700,000
Head 251	Department of Valuation Programme 01 Operational Activities	218,610,000	19,000,000

Head 252	Department of Census and Statistics Programme 01 Operational Activities	545,400,000	824,420,000
Head 280	Department of Project Management and Monitoring Programme 02 Development Activities	64,130,000	4,700,000
Head 296	Department of Import and Export Control Programme 01 Operational Activities	38,500,000	5,500,000
Head 323	Department of Legal Affairs Programme 01 Operational Activities	9,670,000	650,000
Head 324	Department of Management Audit Programme 01 Operational Activities	21,900,000	1,000,000
	Ministry of Defence and Urban Development		
	Recurrent	215,427,000,000	
	Capital	15,816,000,000	

Made up as follows :—

Head 103	Minister of Defence and Urban Development Programme 01 Operational Activities Programme 02 Development Activities	6,336,485,000 605,000,000	340,640,000 7,029,000,000
Head 222	Sri Lanka Army Programme 01 Operational Activities	111,770,950,000	1,399,000,000
Head 223	Sri Lanka Navy Programme 01 Operational Activities	30,965,980,000	2,728,860,000
Head 224	Sri Lanka Air Force Programme 01 Operational Activities	20,612,975,000	2,353,500,000
Head 225	Department of Police Programme 01 Operational Activities	35,044,000,000	997,000,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 226	Department of Immigration and Emigration Programme 01 Operational Activities	614,800,000	59,600,000
Head 227	Department of Registration of Persons Programme 01 Operational Activities	203,440,000	32,050,000
Head 291	Department of Coast Conservation Programme 01 Operational Activities	127,210,000	770,000,000
Head 320	Department of Civil Security Programme 01 Operational Activities	9,116,520,000	59,700,000
Head 325	Department of Sir Lanka Coast Guard Programme 01 Operational Activities	29,640,000	46,650,000
	Ministry of Economic Development		
	Recurrent	18,547,440,000	
	Capital	86,023,890,000	
Made up as follows :—			
Head 105	Minister of Economic Development Programme 01 Operational Activities Programme 02 Development Activities	1,130,650,000 6,986,000,000	370,750,000 84,489,840,000
Head 218	Department of Commissioner General of Samurdhi Programme 01 Operational Activities	10,093,350,000	38,400,000
Head 294	Department of National Zoological Gardens Programme 02 Development Activities	150,110,000	763,425,000

Head 305	Department of Up-Country Peasantry Rehabilitation		
	Programme 02 Development Activities	16,115,000	1,225,000
Head 322	Department of National Botanical Gardens		
	Programme 02 Development Activities	171,215,000	360,250,000
	Ministry of Disaster Management		
	Recurrent	635,000,000	
	Capital	784,000,000	
	Made up as follows :—		
Head 106	Minister of Disaster Management		
	Programme 01 Operational Activities	100,750,000	70,160,000
	Programme 02 Development Activities	352,600,000	369,970,000
Head 304	Department of Meteorology		
	Programme 02 Development Activities	181,650,000	343,870,000
	Ministry of Postal Services		
	Recurrent	7,853,000,000	
	Capital	346,200,000	
	Made up as follows :—		
Head 108	Minister of Postal Services		
	Programme 01 Operational Activities	77,980,000	15,700,000
	Programme 02 Development Activities	4,000,000	196,000,000
Head 308	Department of Posts		
	Programme 01 Operational Activities	7,771,020,000	134,500,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
	Ministry of Justice		
	Recurrent	3,418,000,000	
	Capital	819,398,000	
	Made up as follows :—		
Head 110	Minister of Justice		
	Programme 01 Operational Activities	312,605,000	40,795,000
Head 228	Courts Administration		
	Programme 01 Operational Activities	3,005,565,000	671,693,000
Head 231	Department of Debt Conciliation Board		
	Programme 01 Operational Activities	8,790,000	610,000
Head 233	Department of Government Analyst		
	Programme 01 Operational Activities	80,165,000	105,300,000
Head 235	Department of Law Commission		
	Programme 01 Operational Activities	10,875,000	1,000,000
	Ministry of Health		
	Recurrent	54,999,998,000	
	Capital	19,500,000,000	
	Made up as follows :—		
Head 111	Minister of Health		
	Programme 01 Operational Activities	47,826,732,000	798,000,000
	Programme 02 Development Activities	7,173,266,000	18,702,000,000

	Ministry of External Affairs			
	 Recurrent	5,700,400,000		
	 Capital	939,700,000		
	Made up as follows :—			
Head 112	Minister of External Affairs			
	Programme 01 Operational Activities	85,850,000	5,700,000	
	Programme 02 Development Activities	5,614,550,000	934,000,000	
	Ministry of Transport			
	 Recurrent	13,540,000,000		
	 Capital	40,000,000,000		
	Made up as follows :—			
Head 114	Minister of Transport			
	Programme 01 Operational Activities	119,910,000	8,800,000	
	Programme 02 Development Activities	3,190,000,000	6,395,200,000	
Head 306	Department of Sri Lanka Railways			
	Programme 02 Development Activities	9,012,790,000	32,847,800,000	
Head 307	Department of Motor Traffic			
	Programme 02 Development Activities	1,217,300,000	748,200,000	
	Ministry of Petroleum Industries			
	 Recurrent	101,000,000		
	 Capital	7,450,000		
	Made up as follows :—			
Head 115	Minister of Petroleum Industries			
	Programme 01 Operational Activities	101,000,000	7,450,000	

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
	Ministry of Co-operatives and Internal Trade		
	Recurrent	707,000,000	
	Capital	600,000,000	
	Made up as follows :—		
Head 116	Minister of Co-operatives and Internal Trade		
	Programme 01 Operational Activities	397,633,000	267,645,000
	Programme 02 Development Activities	—	243,000,000
Head 298	Department of Measurement Units, Standards and Services		
	Programme 01 Operational Activities	59,055,000	40,500,000
Head 300	Department of Food Commissioner		
	Programme 01 Operational Activities	189,637,000	32,475,000
Head 301	Department of Co-operative Development (Registrar of Co-operative Societies)		
	Programme 01 Operational Activities	49,615,000	16,145,000
Head 302	Co-operative Employees Commission		
	Programme 01 Operational Activities	11,060,000	235,000
	Ministry of Ports and Highways		
	Recurrent	200,300,000	
	Capital	144,367,230,000	
	Made up as follows :—		
Head 117	Minister of Ports and Highways		
	Programme 01 Operational Activities	200,300,000	9,230,000
	Programme 02 Development Activities	—	144,358,000,000

	Ministry of Agriculture		
	Recurrent	2,381,120,000	
	Capital	3,707,647,000	
Made up as follows :—			
Head 118	Minister of Agriculture		
	Programme 01 Operational Activities	118,540,000	20,700,000
	Programme 02 Development Activities	312,290,000	2,178,947,000
Head 285	Department of Agriculture		
	Programme 01 Operational Activities	212,470,000	28,300,000
	Programme 02 Development Activities	1,737,820,000	1,479,700,000
	Ministry of Power and Energy		
	Recurrent	1,083,340,000	
	Capital	32,500,000,000	
Made up as follows :—			
Head 119	Minister of Power and Energy		
	Programme 01 Operational Activities	1,083,340,000	733,650,000
	Programme 02 Development Activities	—	31,766,350,000
	Ministry of Child Development and Women's Affairs		
	Recurrent	734,000,000	
	Capital	215,000,000	
Made up as follows :—			
Head 120	Minister of Child Development and Women's Affairs		
	Programme 01 Operational Activities	275,740,000	122,900,000
	Programme 02 Development Activities	293,480,000	84,700,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 217	Department of Probation and Child Care Services		
	Programme 01 Operational Activities	13,325,000	600,000
	Programme 02 Development Activities	151,455,000	6,800,000
	Ministry of Public Administration and Home Affairs		
	Recurrent	114,823,815,000	
	Capital	2,000,000,000	
Made up as follows :—			
Head 121	Minister of Public Administration and Home Affairs		
	Programme 01 Operational Activities	485,725,000	355,500,000
Head 253	Department of Pensions		
	Programme 01 Operational Activities	104,069,625,000	17,000,000
Head 254	Department of Registrar General		
	Programme 01 Operational Activities	616,400,000	46,750,000
Head 255	District Secretariat, Colombo		
	Programme 01 Operational Activities	444,550,000	215,000,000
Head 256	District Secretariat, Gampaha		
	Programme 01 Operational Activities	583,375,000	27,950,000
Head 257	District Secretariat, Kalutara		
	Programme 01 Operational Activities	481,725,000	61,300,000
Head 258	District Secretariat, Kandy		
	Programme 01 Operational Activities	638,025,000	86,200,000

Head 259	District Secretariat, Matale Programme 01 Operational Activities	337,825,000	33,350,000
Head 260	District Secretariat, Nuwara-Eliya. Programme 01 Operational Activities	285,850,000	58,800,000
Head 261	District Secretariat, Galle Programme 01 Operational Activities	611,975,000	59,800,000
Head 262	District Secretariat ,Matara Programme 01 Operational Activities	489,200,000	82,600,000
Head 263	District Secretariat , Hambantota Programme 01 Operational Activities	558,180,000	52,850,000
Head 264	District Secretariat/ Kachcheri - Jaffna Programme 01 Operational Activities	365,660,000	43,200,000
Head 265	District Secretariat/ Kachcheri - Mannar Programme 01 Operational Activities	113,700,000	22,850,000
Head 266	District Secretariat/ Kachcheri - Vavuniya Programme 01 Operational Activities	119,500,000	36,000,000
Head 267	District Secretariat/ Kachcheri - Mullaitivu Programme 01 Operational Activities	109,450,000	47,500,000
Head 268	District Secretariat/ Kachcheri - Killinochchi Programme 01 Operational Activities	100,175,000	49,100,000
Head 269	District Secretariat/ Kachcheri - Batticaloa. Programme 01 Operational Activities	290,450,000	32,450,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 270	District Secretariat, Ampara Programme 01 Operational Activities	484,900,000	71,600,000
Head 271	District Secretariat/ Kachcheri - Trincomalee Programme 01 Operational Activities	214,150,000	87,000,000
Head 272	District Secretariat, Kurunegala Programme 01 Operational Activities	913,050,000	32,300,000
Head 273	District Secretariat, Puttalam Programme 01 Operational Activities	378,500,000	102,200,000
Head 274	District Secretariat, Anuradhapura Programme 01 Operational Activities	470,975,000	61,100,000
Head 275	District Secretariat - Polonnaruwa Programme 01 Operational Activities	221,950,000	47,500,000
Head 276	District Secretariat - Badulla Programme 01 Operational Activities	398,075,000	62,650,000
Head 277	District Secretariat, Moneragala Programme 01 Operational Activities	271,300,000	94,400,000
Head 278	District Secretariat, Ratnapura Programme 01 Operational Activities	419,000,000	65,800,000
Head 279	District Secretariat, Kegalle Programme 01 Operational Activities	350,525,000	47,250,000

Ministry of Mass Media and Information
Recurrent
Capital

1,658,000,000
447,000,000

Made up as follows :—

Head 122	Minister of Mass Media and Information		
	Programme 01 Operational Activities	122,870,000	14,950,000
	Programme 02 Development Activities	196,900,000	250,950,000
Head 210	Department of Information		
	Programme 01 Operational Activities	158,490,000	24,350,000
Head 211	Department of Government Printer		
	Programme 01 Operational Activities	1,179,740,000	156,750,000

**Ministry of Construction, Engineering Services,
Housing and Common Amenities**
Recurrent
Capital

712,485,000
2,075,120,000

Made up as follows :—

Head 123	Minister of Construction, Engineering Services, Housing and Common Amenities		
	Programme 01 Operational Activities	185,385,000	9,375,000
	Programme 02 Development Activities	131,500,000	2,030,200,000
Head 309	Department of Buildings		
	Programme 01 Operational Activities	63,350,000	3,370,000
	Programme 02 Development Activities	139,675,000	16,775,000
Head 310	Government Factory		
	Programme 01 Operational Activities	26,440,000	4,675,000
	Programme 02 Development Activities	22,000,000	9,550,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 311	Department of National Physical Planning Programme 01 Operational Activities	144,135,000	1,175,000
	Ministry of Social Services		
	Recurrent	914,000,000	
	Capital	204,000,000	
	Made up as follows :—		
Head 124	Minister of Social Services Programme 01 Operational Activities Programme 02 Development Activities	158,406,000 458,805,000	12,950,000 160,400,000
Head 216	Department of Social Services Programme 01 Operational Activities Programme 02 Development Activities	90,149,000 206,640,000	17,850,000 12,800,000
	Ministry of Education		
	Recurrent	27,250,000,000	
	Capital	6,016,010,000	
	Made up as follows :—		
Head 126	Minister of Education Programme 01 Operational Activities Programme 02 Development Activities	523,340,000 24,949,575,000	84,185,000 5,850,075,000
Head 212	Department of Examinations Programme 02 Development Activities	1,747,040,000	20,950,000
Head 213	Department of Educational Publications Programme 02 Development Activities	30,045,000	60,800,000

Ministry of Labour and Labour Relations			
	Recurrent	1,120,062,000	
	Capital	400,030,000	
Made up as follows :—			
Head 127	Minister of Labour and Labour Relations		
	Programme 01 Operational Activities	91,615,000	30,155,000
	Programme 02 Development Activities	64,840,000	7,510,000
Head 221	Department of Labour		
	Programme 01 Operational Activities	503,316,000	103,500,000
	Programme 02 Development Activities	460,291,000	258,865,000
Ministry of Traditional Industries and Small Enterprises Development			
	Recurrent	522,447,000	
	Capital	300,475,000	
Made up as follows :—			
Head 128	Minister of Traditional Industries and Small Enterprises Development		
	Programme 01 Operational Activities	108,647,000	6,475,000
	Programme 02 Development Activities	413,800,000	294,000,000
Ministry of Local Government and Provincial Councils			
	Recurrent	95,059,139,000	
	Capital	34,714,000,000	
Made up as follows :—			
Head 130	Minister of Local Government and Provincial Councils		
	Programme 01 Operational Activities	181,660,000	58,500,000
	Programme 02 Development Activities	—	6,917,000,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 312	Western Provincial Council		
	Programme 01 Operational Activities	9,011,251,000	—
	Programme 02 Development Activities	—	2,417,000,000
Head 313	Central Provincial Council		
	Programme 01 Operational Activities	13,762,746,000	—
	Programme 02 Development Activities	—	3,413,000,000
Head 314	Southern Provincial Council		
	Programme 01 Operational Activities	11,802,989,000	—
	Programme 02 Development Activities	—	2,165,000,000
Head 315	Northern Provincial Council		
	Programme 01 Operational Activities	8,556,785,000	—
	Programme 02 Development Activities	—	3,862,000,000
Head 316	North Western Provincial Council		
	Programme 01 Operational Activities	12,651,070,000	—
	Programme 02 Development Activities	—	2,156,000,000
Head 317	North Central Provincial Council		
	Programme 01 Operational Activities	7,005,422,000	—
	Programme 02 Development Activities	—	3,099,500,000
Head 318	Uva Provincial Council		
	Programme 01 Operational Activities	9,458,826,000	—
	Programme 02 Development Activities	—	3,437,000,000
Head 319	Sabaragamuwa Provincial Council		
	Programme 01 Operational Activities	11,243,324,000	—
	Programme 02 Development Activities	—	3,005,000,000

Head 321	Eastern Provincial Council		
	Programme 01	Operational Activities	11,385,066,000
	Programme 02	Development Activities	—
			4,184,000,000

Ministry of Technology and Research
Recurrent 1,149,000,000
Capital 2,027,000,000

Made up as follows :—

Head 133	Minister of Technology and Research		
	Programme 01	Operational Activities	165,995,000
	Programme 02	Development Activities	983,005,000
			32,850,000
			1,994,150,000

Ministry of National Languages and Social Integration
Recurrent 253,000,000
Capital 183,000,000

Made up as follows :—

Head 134	Minister of National Languages and Social Integration		
	Programme 01	Operational Activities	119,550,000
	Programme 02	Development Activities	67,350,000
			130,950,000
			38,550,000

Head 236	Department of Official Languages		
	Programme 01	Operational Activities	66,100,000
			13,500,000

Ministry of Plantation Industries
Recurrent 1,881,587,000
Capital 1,194,300,000

Made up as follows :—

Head 135	Minister of Plantation Industries		
	Programme 01	Operational Activities	109,095,000
	Programme 02	Development Activities	847,692,000
			20,550,000
			1,053,450,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 293	Department of Rubber Development Programme 02 Development Activities	924,800,000	120,300,000
	Ministry of Sports		
	Recurrent	552,000,000	
	Capital	1,542,000,000	
	Made up as follows :—		
Head 136	Minister of Sports		
	Programme 01 Operational Activities	137,938,000	40,630,000
	Programme 02 Development Activities	132,527,000	232,200,000
Head 219	Department of Sports Development		
	Programme 01 Operational Activities	80,495,000	11,220,000
	Programme 02 Development Activities	201,040,000	1,257,950,000
	Ministry of Indigenous Medicine		
	Recurrent	787,000,000	
	Capital	477,000,000	
	Made up as follows :—		
Head 138	Minister of Indigenous Medicine		
	Programme 01 Operational Activities	186,852,000	91,850,000
	Programme 02 Development Activities	—	111,900,000
Head 220	Department of Ayurveda		
	Programme 01 Operational Activities	80,963,000	10,100,000
	Programme 02 Development Activities	519,185,000	263,150,000

Ministry of Fisheries and Aquatic Resources Development
Recurrent 821,005,000
Capital 2,248,150,000

Made up as follows :—

Head 139	Minister of Fisheries and Aquatic Resources Development		
	Programme 01 Operational Activities	137,380,000	47,950,000
	Programme 02 Development Activities	458,000,000	2,117,000,000
Head 290	Department of Fisheries and Aquatic Resources		
	Programme 01 Operational Activities	225,625,000	83,200,000

Ministry of Livestock and Rural Community Development
Recurrent 449,251,000
Capital 2,239,130,000

Made up as follows :—

Head 140	Minister of Livestock and Rural Community Development		
	Programme 01 Operational Activities	157,780,000	20,370,000
	Programme 02 Development Activities	—	1,690,310,000
Head 292	Department of Animal Production and Health		
	Programme 01 Operational Activities	291,471,000	86,350,000
	Programme 02 Development Activities	—	442,100,000

Ministry of National Heritage
Recurrent 754,000,000
Capital 822,000,000

Made up as follows :—

Head 142	Minister of National Heritage		
	Programme 01 Operational Activities	90,880,000	15,080,000
	Programme 02 Development Activities	23,340,000	228,615,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 207	Department of Archaeology		
	Programme 01 Operational Activities	56,875,000	10,720,000
	Programme 02 Development Activities	424,535,000	174,420,000
Head 208	Department of National Museums		
	Programme 01 Operational Activities	15,825,000	2,550,000
	Programme 02 Development Activities	85,600,000	73,700,000
Head 209	Department of National Archives		
	Programme 01 Operational Activities	20,430,000	9,275,000
	Programme 02 Development Activities	36,515,000	307,640,000
	Ministry of Parliamentary Affairs		
	Recurrent	322,000,000	
	Capital	36,800,000	
	Made up as follows :—		
Head 143	Minister of Parliamentary Affairs		
	Programme 01 Operational Activities	322,000,000	36,800,000
	Ministry of Re-settlement		
	Recurrent	272,555,000	
	Capital	209,050,000	
	Made up as follows :—		
Head 145	Minister of Re-settlement		
	Programme 01 Operational Activities	138,020,000	15,950,000
	Programme 02 Development Activities	134,535,000	193,100,000

Ministry of Industry and Commerce

Recurrent

751,000,000

Capital

1,249,000,000

Made up as follows :—

Head 149	Minister of Industry and Commerce			
	Programme 01	Operational Activities	171,725,000	17,520,000
	Programme 02	Development Activities	382,125,000	1,196,400,000
Head 295	Department of Commerce			
	Programme 01	Operational Activities	89,305,000	8,980,000
Head 297	Department of the Registrar of Companies			
	Programme 01	Operational Activities	27,495,000	—
Head 299	National Intellectual Property Office of Sri Lanka			
	Programme 01	Operational Activities	18,500,000	—
Head 303	Department of Textile Industries			
	Programme 02	Development Activities	61,850,000	26,100,000

Ministry of Irrigation and Water Resources Management

Recurrent

3,335,040,000

Capital

32,500,420,000

Made up as follows :—

Head 152	Minister of Irrigation and Water Resources Management			
	Programme 01	Operational Activities	89,865,000	14,370,000
	Programme 02	Development Activities	1,942,800,000	25,332,600,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 282	Department of Irrigation		
	Programme 01 Operational Activities	317,750,000	40,350,000
	Programme 02 Development Activities	984,625,000	7,113,100,000
	Ministry of Land and Land Development		
	Recurrent	2,393,000,000	
	Capital	2,814,580,000	
Made up as follows :—			
Head 153	Minister of Land and Land Development		
	Programme 01 Operational Activities	125,158,000	15,620,000
	Programme 02 Development Activities	—	2,530,000,000
Head 286	Department of Land Commissioner General		
	Programme 02 Development Activities	179,120,000	53,100,000
Head 287	Department of Land Settlement		
	Programme 02 Development Activities	161,700,000	4,900,000
Head 288	Department of Surveyor-General		
	Programme 01 Operational Activities	142,940,000	73,750,000
	Programme 02 Development Activities	1,627,712,000	79,410,000
Head 327	Department of Land Use Policy Planning		
	Programme 02 Development Activities	156,370,000	57,800,000
	Ministry of Yourth Affairs and Skills Development		
	Recurrent	3,917,095,000	
	Capital	4,700,050,000	

Made up as follows :—

Head 156	Minister of Yourth Affairs and Skills Development		
	Programme 01 Operational Activities	124,690,000	25,800,000
	Programme 02 Development Activities	2,689,920,000	4,364,900,000
Head 215	Department of Technical Education and Training		
	Programme 01 Operational Activities	116,205,000	14,700,000
	Programme 02 Development Activities	986,280,000	294,650,000
	Ministry of Environment		
	Recurrent	1,400,300,000	
	Capital	2,017,000,000	

Made up as follows :—

Head 160	Minister of Environment		
	Programme 01 Operational Activities	178,800,000	22,750,000
	Programme 02 Development Activities	371,800,000	1,581,000,000
Head 283	Department of Forests		
	Programme 01 Operational Activities	849,700,000	413,250,000
	Ministry of Water Supply and Drainage		
	Recurrent	156,375,000	
	Capital	33,000,150,000	

Made up as follows :—

Head 166	Minister of Water Supply and Drainage		
	Programme 01 Operational Activities	106,375,000	8,250,000
	Programme 02 Development Activities	50,000,000	32,991,900,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
	Ministry of Higher Education		
	Recurrent	15,716,000,000	
	Capital	8,754,000,000	
	Made up as follows :—		
Head 171	Minister of Higher Education		
	Programme 01 Operational Activities	337,000,000	373,125,000
	Programme 02 Development Activities	579,000,000	2,030,875,000
Head 214	University Grants Commission		
	Programme 01 operational Activities	14,800,000,000	6,350,000,000
	Ministry of Public Management Reforms		
	Recurrent	86,050,000	
	Capital	100,000,000	
	Made up as follows :—		
Head 173	Minister of Public Management Reforms		
	Programme 01 Operational Activities	86,050,000	100,000,000
	Ministry of Rehabilitation and Prison Reforms		
	Recurrent	3,769,000,000	
	Capital	553,000,000	
	Made up as follows :—		
Head 174	Minister of Rehabilitation and Prison Reforms		
	Programme 01 Operational Activities	168,615,000	104,450,000

Head 232	Department of Prisons		
	Programme 01 Operational Activities	3,532,555,000	428,000,000
Head 326	Department of Community Based Corrections		
	Programme 01 Operational Activities	67,830,000	20,550,000
	Ministry of State Resources and Enterprise Development		
	Recurrent	106,515,000	
	Capital	104,600,000	

Made up as follows :—

Head 175	Minister of State Resources and Enterprise Development		
	Programme 01 Operational Activities	106,515,000	24,600,000
	Programme 02 Development Activities	—	80,000,000

	Ministry of Civil Aviation		
	Recurrent	86,715,000	
	Capital	12,006,550,000	

Made up as follows :—

Head 176	Minister of Civil Aviation		
	Programme 01 Operational Activities	86,715,000	4,550,000
	Programme 02 Development Activities	—	12,002,000,000

	Ministry of Culture and the Arts		
	Recurrent	810,000,000	
	Capital	703,000,000	

Made up as follows :—

Head 177	Minister of Culture and the Arts		
	Programme 01 Operational Activities	110,230,000	15,550,000
	Programme 02 Development Activities	426,500,000	565,950,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 206	Department of Cultural Affairs		
	Programme 01 Operational Activities	62,025,000	5,250,000
	Programme 02 Development Activities	211,245,000	116,250,000
	Ministry of Coconut Development and Janatha Estate Development		
	Recurrent	563,690,000	
	Capital	1,200,100,000	
	Made up as follows :—		
Head 178	Minister of Coconut Development and Janatha Estate Development		
	Programme 01 Operational Activities	51,190,000	14,100,000
	Programme 02 Development Activities	512,500,000	1,186,000,000
	Ministry of Agrarian Services & Wildlife		
	Recurrent	37,540,585,000	
	Capital	1,437,000,000	
	Made up as follows :—		
Head 179	Minister of Agrarian Services & Wildlife		
	Programme 01 Operational Activities	63,905,000	12,800,000
	Programme 02 Development Activities	33,854,460,000	132,750,000
Head 281	Department of Agrarian Development		
	Programme 01 Operational Activities	200,450,000	43,500,000
	Programme 02 Development Activities	2,965,600,000	535,600,000
Head 284	Department of Wildlife Conservation		
	Programme 01 Operational Activities	456,170,000	712,350,000

	Ministry of Minor Export Crop Promotion			
	 Recurrent	442,620,000		
	 Capital	281,200,000		
	Made up as follows :—			
Head 180	Minister of Minor Export Crop Promotion			
	Programme 01 Operational Activities	65,160,000	25,400,000	
	Programme 02 Development Activities	60,000,000	45,000,000	
Head 289	Department of Export Agriculture			
	Programme 02 Development Activities	317,460,000	210,800,000	
	Ministry of Productivity Promotion			
	 Recurrent	259,000,000		
	 Capital	105,000,000		
	Made up as follows :—			
Head 181	Minister of Productivity Promotion			
	Programme 01 Operational Activities	37,860,000	11,550,000	
	Programme 02 Development Activities	34,590,000	52,745,000	
Head 328	Department of Man Power and Employment			
	Programme 01 Operational Activities	186,550,000	40,705,000	
	Ministry of Foreign Employment Promotion and Welfare			
	 Recurrent	82,175,000		
	 Capital	310,000,000		
	Made up as follows :—			
Head 182	Minister of Foreign Employment Promotion and Welfare			
	Programme 01 Operational Activities	41,475,000	8,300,000	
	Programme 02 Development Activities	40,700,000	301,700,000	

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
	Ministry of Public Relations and Public Affairs		
	Recurrent	49,000,000	
	Capital	110,000,000	
	Made up as follows :—		
Head 183	Minister of Public Relations and Public Affairs		
	Programme 01 Operational Activities	49,000,000	110,000,000
	Ministry of Private Transport Services		
	Recurrent	479,000,000	
	Capital	229,000,000	
	Made up as follows :—		
Head 184	Minister of Private Transport Services		
	Programme 01 Operational Activities	51,000,000	67,000,000
	Programme 02 Development Activities	428,000,000	162,000,000
	Ministry of Telecommunication and Information Technology		
	Recurrent	59,290,000	
	Capital	9,400,000	
	Made up as follows :—		
Head 185	Minister of Telecommunication and Information Technology		
	Programme 01 Operational Activities	59,290,000	9,400,000

SECOND SCHEDULE — ESTIMATE 2012

Expenditure of the Government, Authorised by Law and to be Charged on the Consolidated Fund

<i>Head No.</i>	<i>Unit, Ministry/Department or Institution by whom expenditure is incurred</i>	<i>Law under which expenditure is authorised</i>	<i>Expenditure Programme</i>	<i>Recurrent Rs.</i>	<i>Capital Rs.</i>	<i>Total Rs.</i>
1	His Excellency the President	Article 36 of the Constitution	Programme 01- Operational Activities	1,470,000	—	1,470,000
4	Judges of the Superior Courts	Article 108 of the Constitution	Programme 01- Operational Activities	28,000,000	—	28,000,000
6	Public Service Commission	Chapter IX of the Constitution	Programme 01- Operational Activities	3,660,000	—	3,660,000
7	Judicial Service Commission	Chapter XV A of the Constitution	Programme 01- Operational Activities	1,227,000	—	1,227,000
8	National Police Commission	Chapter XV III A of the Constitution	Programme 01- Operational Activities	3,113,000	—	3,113,000

Appropriation Act, No. 52 of 2011

<i>Head No.</i>	<i>Unit, Ministry/Department or Institution by whom expenditure is incurred</i>	<i>Law under which expenditure is authorised</i>	<i>Expenditure Programme</i>	<i>Recurrent Rs.</i>	<i>Capital Rs.</i>	<i>Total Rs.</i>
10	Commission to Investigate Allegations of Bribery or Corruption	Commission to Investigate Allegations of Bribery or Corruption Commission Act No. 19 of 1994	Programme 01-Operational Activities	2,400,000	—	2,400,000
16	Parliament	Article 65 of the Constitution	Programme 01-Operational Activities	1,237,000	—	1,237,000
20	Department of Elections	Article 103 of the Constitution	Programme 01-Operational Activities	3,098,000	—	3,098,000
21	Auditor General	Article 153 of the Constitution	Programme 01-Operational Activities	742,000	—	742,000
22	Office of the Parliamentary Commissioner for Administration	Article 156 of the Constitution	Programme 01-Operational Activities	780,000	—	780,000
111	Ministry of Health	Medical Ordinance (Chp. 105)	Programme 01-Operational Activities	2,000	—	2,000

239	Department of External Resources	The Bretton Woods Agreement (Special Provisions) Act, No. 10 of 1978	Programme 01- Operational Activities	79,800,000	460,000,000	539,800,000
249	Department of Treasury	Ceylon Development Loans Act (Chp. 407), National Development Loan Ordinance (Chp. 408), National Development Loan Act (Chp. 409), Registered Stock and Securities Ordinance, Foreign Loans Act No. 29 of 1957 (as amended)	Programme 01- Activities	364,000,000,000	550,000,000,000	914,000,000,000
253	Department of Pensions	Widows' and Orphans' Pension Fund Ordinance No. 01 of 1898 (Chp. 431), Widowers and Orphans' Pensions Act No. 24 of 1983, Widows' and Orphans' Pension Scheme(Armed Forces) Act No. 18 of 1970, School Teachers Pension Act No. 44 of 1953 (Chp. 432)	Programme 01- Operational Activities	21,130,000,000	—	21,130,000,000

THIRD SCHEDULE — ESTIMATE —2012

Limits of Advance Account Activities —2012

SRL No.	Ministries / Departments	Item No.	I Activities of the Government	II	III	IV	V
				Maximum Limits of Expenditure of Activities of the Government	Minimum Limits of Receipts to be Credited to the Accounts of Activities of the Government	Maximum Limits of Debit Balance of Activities of the Government	Maximum Limits of Liabilities of Activities of the Government
				Rs.	Rs.	Rs.	Rs.
1	His Excellency the President	00101	Advances to Public Officers	20,000,000	12,000,000	90,000,000	—
2	Office of the Prime Minister	00201	Advances to Public Officers	7,000,000	3,200,000	23,600,000	—
3	Secretariat for Special Functions (Senior Ministers)	00301	Advances to Public Officers	2,500,000	600,000	8,000,000	—
4	Judges of the Superior Courts	00401	Advances to Public Officers	1,200,000	1,200,000	10,000,000	—
5	Office of the Cabinet of Ministers	00501	Advances to Public Officers	2,600,000	2,000,000	11,000,000	—
6	Public Service Commission	00601	Advances to Public Officers	8,000,000	2,000,000	32,000,000	—
7	Judicial Service Commission	00701	Advances to Public Officers	3,000,000	1,200,000	17,500,000	—
8	National Police Commission	00801	Advances to Public Officers	1,950,000	1,500,000	11,000,000	—
9	Administrative Appeals Tribunal	00901	Advances to Public Officers	1,000,000	260,000	4,000,000	—

10	Commission to Investigate Allegations of Bribery or Corruption	01001	Advances to Public Officers	6,000,000	2,500,000	25,000,000	—
11	Commission to Investigate Allegations of Bribery or Corruption	01002	Advancing monies to be used in bribery detection as bribes	5,000,000	1,500,000	7,500,000	—
12	Office of the Finance Commission	01101	Advances to Public Officers	4,000,000	4,000,000	20,000,000	—
13	National Education Commission	01201	Advances to Public Officers	1,500,000	600,000	6,000,000	—
14	Department of Attorney General	01401	Advances to Public Officers	23,500,000	10,000,000	90,000,000	—
15	Department of Legal Draftsman	01501	Advances to Public Officers	5,300,000	2,000,000	24,000,000	—
16	Parliament	01601	Advances to Public Officers	39,500,000	20,000,000	175,000,000	—
17	Office of the Leader of the House of Parliament	01701	Advances to Public Officers	1,200,000	800,000	3,500,000	—
18	Office of the Chief Government Whip of Parliament	01801	Advances to Public Officers	2,000,000	1,000,000	7,500,000	—
19	Office of the Leader of the Opposition of Parliament	01901	Advances to Public Officers	1,500,000	1,000,000	9,000,000	—
20	Department of Elections	02001	Advances to Public Officers	23,000,000	14,000,000	80,000,000	—
21	Auditor-General	02101	Advances to Public Officers	58,000,000	40,000,000	300,000,000	—
22	Office of the Parliamentary Commissioner for Administration	02201	Advances to Public Officers	800,000	180,000	30,000,000	—
23	Minister of Buddha Sasana and Religious Affairs	10101	Advances to Public Officers	5,600,000	1,900,000	19,000,000	—
24	Minister of Finance and Planning	10201	Advances to Public Officers	24,000,000	7,500,000	90,000,000	—
25	Minister of Defence and Urban Development	10301	Advances to Public Officers	250,000,000	113,200,000	650,000,000	—

SRL No.	Ministries / Departments	Item No.	I Activities of the Government	II	III	IV	V
				Maximum Limits of Expenditure of Activities of the Government	Minimum Limits of Receipts to be Credited to the Accounts of Activities of the Government	Maximum Limits of Debit Balance of Activities of the Government	Maximum Limits of Liabilities of Activities of the Government
				Rs.	Rs.	Rs.	Rs.
26	Minister of Economic Development	10501	Advances to Public Officers	120,000,000	60,000,000	438,000,000	—
27	Minister of Disaster Management	10601	Advances to Public Officers	4,200,000	2,500,000	16,000,000	—
28	Minister of Postal Services	10801	Advances to Public Officers	3,500,000	1,900,000	40,000,000	—
29	Minister of Justice	11001	Advances to Public Officers	12,000,000	6,000,000	48,000,000	—
30	Minister of Health	11101	Advances to Public Officers	900,000,000	750,000,000	1,919,000,000	—
31	Minister of External Affairs	11201	Advances to Public Officers	21,000,000	18,000,000	110,000,000	—
32	Minister of Transport	11401	Advances to Public Officers	9,000,000	3,800,000	39,000,000	—
33	Minister of Petroleum Industry	11501	Advances to Public Officers	3,500,000	1,200,000	11,200,000	—
34	Minister of Co-operatives and Internal Trade	11601	Advances to Public Officers	7,000,000	3,800,000	30,000,000	—
35	Minister of Ports and Highways	11701	Advances to Public Officers	5,000,000	3,900,000	27,000,000	—
36	Minister of Agriculture	11801	Advances to Public Officers	10,000,000	4,500,000	85,000,000	—
37	Minister of Power and Energy	11901	Advances to Public Officers	5,000,000	2,600,000	20,000,000	—
38	Minister of Child Development and Women's Affairs	12001	Advances to Public Officers	26,000,000	7,000,000	80,000,000	—

39	Minister of Public Administration and Home Affairs	12101	Advances to Public Officers	20,000,000	15,000,000	80,000,000	—
40	Minister of Mass Media and Information	12201	Advances to Public Officers	7,000,000	3,600,000	30,000,000	—
41	Minister of Construction, Engineering Services, Housing and Common Amenities	12301	Advances to Public Officers	9,000,000	4,000,000	80,000,000	—
42	Minister of Social Services	12401	Advances to Public Officers	12,000,000	3,500,000	48,000,000	—
43	Minister of Education	12601	Advances to Public Officers	785,000,000	670,000,000	2,700,000,000	—
44	Minister of Labour and Labour Relations	12701	Advances to Public Officers	7,000,000	2,000,000	90,000,000	—
45	Minister of Traditional Industries and Small Enterprises Development	12801	Advances to Public Officers	7,500,000	2,500,000	25,000,000	—
46	Minister of Local Government and Provincial Councils	13001	Advances to Public Officers	8,500,000	3,900,000	35,000,000	—
47	Minister of Technology and Research	13301	Advances to Public Officers	25,000,000	9,000,000	75,000,000	—
48	Minister of National Languages and Social Integration	13401	Advances to Public Officers	10,000,000	3,400,000	52,000,000	—
49	Minister of Plantation Industries	13501	Advances to Public Officers	6,000,000	3,000,000	31,000,000	—
50	Minister of Sports	13601	Advances to Public Officers	7,000,000	2,000,000	24,000,000	—
51	Minister of Indigenous Medicine	13801	Advances to Public Officers	8,500,000	3,000,000	36,000,000	—

SRL No.	Ministries / Departments	Item No.	I Activities of the Government	II	III	IV	V
				Maximum Limits of Expenditure of Activities of the Government	Minimum Limits of Receipts to be Credited to the Accounts of Activities of the Government	Maximum Limits of Debit Balance of Activities of the Government	Maximum Limits of Liabilities of Activities of the Government
				Rs.	Rs.	Rs.	Rs.
52	Minister of Fisheries and Aquatic Resources Development	13901	Advances to Public Officers	6,300,000	3,800,000	38,000,000	—
53	Minister of Livestock and Rural Community Development	14001	Advances to Public Officers	7,000,000	4,000,000	30,000,000	—
54	Minister of National Heritage	14201	Advances to Public Officers	6,000,000	1,500,000	35,000,000	—
55	Minister of Parliamentary Affairs	14301	Advances to Public Officers	6,000,000	2,500,000	21,500,000	—
56	Minister of Resettlement	14501	Advances to Public Officers	10,000,000	7,000,000	17,500,000	—
57	Minister of Industry and Commerce	14901	Advances to Public Officers	11,800,000	8,000,000	60,000,000	—
58	Minister of Irrigation and Water Resources Management	15201	Advances to Public Officers	9,000,000	4,800,000	42,000,000	—
59	Minister of Land and Land Development	15301	Advances to Public Officers	22,000,000	5,500,000	70,000,000	—
60	Minister of Youth Affairs and Skills Development	15601	Advances to Public Officers	20,000,000	12,000,000	93,000,000	—
61	Minister of Environment	16001	Advances to Public Officers	11,000,000	5,500,000	50,000,000	—

62	Minister of Water Supply and Drainage	16601	Advances to Public Officers	5,000,000	1,800,000	25,000,000	—
63	Minister of Higher Education	17101	Advances to Public Officers	4,500,000	4,000,000	18,000,000	—
64	Minister of Public Management Reforms	17301	Advances to Public Officers	1,400,000	1,150,000	7,200,000	—
65	Minister of Rehabilitation and Prison Reforms	17401	Advances to Public Officers	3,000,000	1,000,000	15,000,000	—
66	Minister of State Resources and Enterprise Development	17501	Advances to Public Officers	5,000,000	1,500,000	20,000,000	—
67	Minister of Civil Aviation	17601	Advances to Public Officers	2,000,000	1,600,000	11,900,000	—
68	Minister of Culture and the Arts	17701	Advances to Public Officers	35,000,000	14,000,000	111,100,000	—
69	Minister of Coconut Development and Janatha Estate Development	17801	Advances to Public Officers	1,500,000	300,000	3,000,000	—
70	Minister of Agrarian Services and Wildlife	17901	Advances to Public Officers	3,500,000	3,000,000	30,000,000	—
71	Minister of Minor Export Crop Promotion	18001	Advances to Public Officers	2,500,000	1,000,000	12,300,000	—
72	Minister of Productivity Promotion	18101	Advances to Public Officers	4,500,000	3,500,000	5,500,000	—
73	Minister of Foreign Employment Promotion and Welfare	18201	Advances to Public Officers	1,700,000	900,000	7,000,000	—
74	Minister of Public Relations and Public Affairs	18301	Advances to Public Officers	1,000,000	300,000	2,000,000	—
75	Minister of Private Transport Service	18401	Advances to Public Officers	1,800,000	600,000	5,500,000	—

SRL No.	Ministries / Departments	Item No.	I Activities of the Government	II	III	IV	V
				Maximum Limits of Expenditure of Activities of the Government	Minimum Limits of Receipts to be Credited to the Accounts of Activities of the Government	Maximum Limits of Debit Balance of Activities of the Government	Maximum Limits of Liabilities of Activities of the Government
				Rs.	Rs.	Rs.	Rs.
76	Minister of Telecommunication and Information Technology	18501	Advances to Public Officers	1,200,000	300,000	2,000,000	—
77	Department of Buddhist Affairs	20101	Advances to Public Officers	23,000,000	8,500,000	60,000,000	—
78	Department of Muslim Religious and Cultural Affairs	20201	Advances to Public Officers	2,000,000	900,000	12,000,000	—
79	Department of Christian Religious Affairs	20301	Advances to Public Officers	1,300,000	600,000	6,500,000	—
80	Department of Hindu Religious and Cultural Affairs	20401	Advances to Public Officers	4,500,000	500,000	11,500,000	—
81	Department of Public Trustee	20501	Advances to Public Officers	3,000,000	1,500,000	14,000,000	—
82	Department of Cultural Affairs	20601	Advances to Public Officers	17,000,000	6,500,000	86,000,000	—
83	Department of Archaeology	20701	Advances to Public Officers	40,000,000	19,000,000	145,000,000	—
84	Department of National Museums	20801	Advances to Public Officers	9,500,000	5,000,000	45,000,000	—
85	Department of National Archives	20901	Advances to Public Officers	6,000,000	2,500,000	24,000,000	—
86	Department of Information	21001	Advances to Public Officers	8,000,000	5,200,000	45,000,000	—

87	Department of Government Printer	21101	Advances to Public Officers	77,000,000	38,000,000	300,000,000	—
88	Department of Examinations	21201	Advances to Public Officers	18,000,000	13,000,000	115,000,000	—
89	Department of Educational Publications	21301	Advances to Public Officers	5,280,000	3,740,000	30,416,000	—
90	Department of Educational Publications	21302	Printing, Publicity and Sales of Publications	2,900,000,000	2,900,000,000	4,000,000,000	500,000,000
91	Department of Technical Education and Training	21501	Advances to Public Officers	58,000,000	45,000,000	290,000,000	—
92	Department of Social Services	21601	Advances to Public Officers	18,000,000	11,200,000	100,000,000	—
93	Department of Probation and Child Care Services	21701	Advances to Public Officers	14,000,000	6,000,000	75,000,000	—
94	Department of Commissioner General of Samurdhi	21801	Advances to Public Officers	12,000,000	9,000,000	90,000,000	—
95	Department of Sports Development	21901	Advances to Public Officers	8,000,000	4,000,000	33,000,000	—
96	Department of Ayurveda	22001	Advances to Public Officers	30,000,000	19,000,000	171,000,000	—
97	Department of Labour	22101	Advances to Public Officers	90,000,000	47,000,000	246,000,000	—
98	Sri Lanka Army	22201	Advances to Public Officers	2,135,000,000	1,750,000,000	4,250,000,000	—
99	Sri Lanka Navy	22301	Advances to Public Officers	590,000,000	340,000,000	1,000,000,000	—
100	Sri Lanka Navy	22302	Stores Advances Account (Explosive items)	450,000,000	525,000,000	450,000,000	—
101	Sri Lanka Air Force	22401	Advances to Public Officers	500,000,000	440,000,000	1,802,000,000	—
102	Department of Police	22501	Advances to Public Officers	1,585,000,000	1,000,000,000	5,000,000,000	—
103	Department of Immigration and Emigration	22601	Advances to Public Officers	25,000,000	19,000,000	154,000,000	—
104	Department of Registration of Persons	22701	Advances to Public Officers	25,000,000	15,000,000	95,000,000	—
105	Courts Administration	22801	Advances to Public Officers	195,000,000	166,000,000	750,000,000	—

SRL No.	Ministries / Departments	Item No.	I Activities of the Government	II	III	IV	V
				Maximum Limits of Expenditure of Activities of the Government	Minimum Limits of Receipts to be Credited to the Accounts of Activities of the Government	Maximum Limits of Debit Balance of Activities of the Government	Maximum Limits of Liabilities of Activities of the Government
				Rs.	Rs.	Rs.	Rs.
106	Department of Debt Conciliation Board	23101	Advances to Public Officers	1,000,000	300,000	2,400,000	—
107	Department of Prisons	23201	Advances to Public Officers	140,000,000	110,000,000	500,000,000	—
108	Department of Prisons	23202	Prisons Industrial and Agricultural undertakings	90,000,000	115,000,000	30,000,000	12,000,000
109	Department of Government Analyst	23301	Advances to Public Officers	7,500,000	3,200,000	36,000,000	—
110	Registrar of Supreme Court	23401	Advances to Public Officers	11,000,000	4,200,000	42,000,000	—
111	Department of Law Commission	23501	Advances to Public Officers	1,300,000	500,000	3,500,000	—
112	Department of Official Languages	23601	Advances to Public Officers	10,000,000	3,000,000	36,000,000	—
113	Department of National Planning	23701	Advances to Public Officers	4,000,000	2,500,000	30,000,000	—
114	Department of Fiscal Policy	23801	Advances to Public Officers	2,600,000	1,000,000	10,000,000	—
115	Department of External Resources	23901	Advances to Public Officers	5,000,000	2,880,000	32,000,000	—
116	Department of National Budget	24001	Advances to Public Officers	7,000,000	3,700,000	35,000,000	—
117	Department of Public Enterprises	24101	Advances to Public Officers	4,000,000	1,500,000	18,000,000	—

118	Department of Management Services	24201	Advances to Public Officers	5,000,000	2,000,000	23,000,000	—
119	Department of Development Finance	24301	Advances to Public Officers	2,500,000	500,000	12,000,000	—
120	Department of Trade Tariff and Investment Policy	24401	Advances to Public Officers	2,500,000	1,500,000	15,000,000	—
121	Department of Public Finance	24501	Advances to Public Officers	4,000,000	1,000,000	16,000,000	—
122	Department of Inland Revenue	24601	Advances to Public Officers	45,000,000	48,000,000	295,000,000	—
123	Sri Lanka Customs	24701	Advances to Public Officers	40,000,000	35,000,000	294,000,000	—
124	Sri Lanka Customs	24702	Expenses in connection with Seized and Forfeited Goods	4,000,000	2,000,000	15,000,000	—
125	Department of Excise	24801	Advances to Public Officers	28,000,000	22,000,000	195,000,000	—
126	Department of Treasury Operations	24901	Advances to Public Officers	5,500,000	2,800,000	30,000,000	—
127	Department of State Accounts	25001	Advances to Public Officers	5,000,000	2,000,000	25,000,000	—
128	Department of State Accounts	25002	Advances for Payments on behalf of other Governments	4,250,000	4,250,000	3,500,000	—
129	Department of State Accounts	25003	Miscellaneous Advances	10,000,000	3,000,000	520,000,000	—
130	Department of Valuation	25101	Advances to Public Officers	15,000,000	12,500,000	60,000,000	—
131	Department of Census and Statistics	25201	Advances to Public Officers	52,000,000	19,500,000	215,000,000	—
132	Department of Pensions	25301	Advances to Public Officers	20,000,000	18,000,000	140,000,000	—
133	Department of Registrar General	25401	Advances to Public Officers	50,000,000	30,000,000	195,000,000	—
134	District Secretariat, Colombo	25501	Advances to Public Officers	47,000,000	34,000,000	180,000,000	—
135	District Secretariat, Gampaha	25601	Advances to Public Officers	65,000,000	57,000,000	232,500,000	—

SRL No.	Ministries / Departments	Item No.	I Activities of the Government	II	III	IV	V
				Maximum Limits of Expenditure of the Government	Minimum Limits of Receipts to be Credited to the Accounts of the Government	Maximum Limits of Debit Balance of Activities of the Government	Maximum Limits of Liabilities of Activities of the Government
				Rs.	Rs.	Rs.	Rs.
136	District Secretariat, Kalutara	25701	Advances to Public Officers	62,500,000	38,000,000	265,000,000	—
137	District Secretariat, Kandy	25801	Advances to Public Officers	76,500,000	55,000,000	198,000,000	—
138	District Secretariat, Matale	25901	Advances to Public Officers	30,000,000	23,000,000	150,000,000	—
139	District Secretariat, Nuwara-Eliya	26001	Advances to Public Officers	30,000,000	18,700,000	110,000,000	—
140	District Secretariat, Galle	26101	Advances to Public Officers	51,000,000	44,000,000	220,000,000	—
141	District Secretariat, Matara	26201	Advances to Public Officers	50,500,000	35,000,000	180,000,000	—
142	District Secretariat, Hambantota	26301	Advances to Public Officers	40,000,000	26,000,000	155,000,000	—
143	District Secretariat/Kachcheri, Jaffna	26401	Advances to Public Officers	43,000,000	23,000,000	120,000,000	—
144	District Secretariat/Kachcheri, Mannar	26501	Advances to Public Officers	9,500,000	6,500,000	49,000,000	—
145	District Secretariat/Kachcheri, Vavuniya	26601	Advances to Public Officers	10,000,000	7,000,000	40,000,000	—
146	District Secretariat/Kachcheri, Mullaitivu	26701	Advances to Public Officers	10,700,000	5,000,000	42,000,000	—
147	District Secretariat/Kachcheri, Killinochchi	26801	Advances to Public Officers	16,000,000	6,000,000	81,000,000	—
148	District Secretariat/ Kachcheri, Batticaloa	26901	Advances to Public Officers	36,500,000	20,000,000	87,000,000	—
149	District Secretariat, Ampara	27001	Advances to Public Officers	52,000,000	38,000,000	190,000,000	—

150	District Secretariat/Kachcheri, Trincomalee	27101	Advances to Public Officers	22,000,000	14,000,000	110,000,000	—
151	District Secretariat, Kurunegala	27201	Advances to Public Officers	95,000,000	70,000,000	355,000,000	—
152	District Secretariat, Puttalam	27301	Advances to Public Officers	50,000,000	25,000,000	190,000,000	—
153	District Secretariat, Anuradhapura	27401	Advances to Public Officers	60,000,000	40,000,000	215,000,000	—
154	District Secretariat, Polonnaruwa	27501	Advances to Public Officers	29,500,000	17,000,000	108,000,000	—
155	District Secretariat, Badulla	27601	Advances to Public Officers	42,000,000	26,000,000	146,000,000	—
156	District Secretariat, Monaragala	27701	Advances to Public Officers	35,000,000	24,000,000	145,000,000	—
157	District Secretariat, Ratnapura	27801	Advances to Public Officers	50,000,000	30,000,000	185,000,000	—
158	District Secretariat, Kegalle	27901	Advances to Public Officers	50,000,000	35,000,000	170,000,000	—
159	Department of Project Management and Monitoring	28001	Advances to Public Officers	6,000,000	1,600,000	21,000,000	—
160	Department of Agrarian Development	28101	Advances to Public Officers	232,500,000	140,000,000	830,000,000	—
161	Department of Irrigation	28201	Advances to Public Officers	145,000,000	102,000,000	480,000,000	—
162	Department of Forests	28301	Advances to Public Officers	75,000,000	45,000,000	298,500,000	—
163	Department of Wildlife Conservation	28401	Advances to Public Officers	40,000,000	27,000,000	127,000,000	—
164	Department of Agriculture	28501	Advances to Public Officers	180,000,000	110,000,000	500,000,000	—
165	Department of Agriculture	28502	Maintenance of Agricultural Farms and Seed Sales	280,000,000	290,000,000	50,000,000	—
166	Department of Land Commissioner	28601	Advances to Public Officers	14,000,000	13,500,000	80,000,000	—
167	Department of Land Settlement	28701	Advances to Public Officers	14,000,000	6,000,000	6,000,000	—
168	Department of Surveyor General	28801	Advances to Public Officers	150,000,000	100,000,000	432,000,000	—

<i>SRL No.</i>	<i>Ministries / Departments</i>	<i>Item No.</i>	<i>I Activities of the Government</i>	<i>II Maximum Limits of Expenditure of Activities of the Government Rs.</i>	<i>III Minimum Limits of Receipts to be Credited to the Accounts of Activities of the Government Rs.</i>	<i>IV Maximum Limits of Debit Balance of Activities of the Government Rs.</i>	<i>V Maximum Limits of Liabilities of Activities of the Government Rs.</i>
169	Department of Export Agriculture	28901	Advances to Public Officers	29,500,000	20,000,000	110,000,000	—
170	Department of Fisheries and Aquatic Resources	29001	Advances to Public Officers	19,000,000	14,000,000	112,000,000	—
171	Department of Coast Conservation	29101	Advances to Public Officers	15,000,000	8,000,000	66,900,000	—
172	Department of Animal Production and Health	29201	Advances to Public Officers	29,000,000	15,000,000	109,000,000	—
173	Department of Rubber Development	29301	Advances to Public Officers	16,000,000	11,000,000	52,000,000	—
174	Department of National Zoological Gardens	29401	Advances to Public Officers	18,500,000	8,000,000	56,000,000	—
175	Department of Commerce	29501	Advances to Public Officers	4,700,000	2,000,000	20,000,000	—
176	Department of Import and Export Control	29601	Advances to Public Officers	4,500,000	2,000,000	20,000,000	—
177	Department of the Registrar of Companies	29701	Advances to Public Officers	4,500,000	2,100,000	32,000,000	—
178	Department of Measurement Units, Standards and Services	29801	Advances to Public Officers	9,500,000	3,300,000	37,000,000	—
179	National Intellectual Property Office of Sri Lanka	29901	Advances to Public Officers	3,500,000	1,400,000	13,000,000	—

180	Department of Food Commissioner	30001	Advances to Public Officers	7,500,000	3,700,000	52,000,000	—
181	Department of Co-operative Development (Registrar of Co-operative Societies)	30101	Advances to Public Officers	5,000,000	2,000,000	22,000,000	—
182	Co-operative Employees Commission	30201	Advances to Public Officers	1,500,000	300,000	6,000,000	—
183	Department of Textile Industries	30301	Advances to Public Officers	7,500,000	3,000,000	30,000,000	—
184	Department of Meteorology	30401	Advances to Public Officers	15,000,000	5,500,000	60,000,000	—
185	Department of Up-Country Peasantry Rehabilitation	30501	Advances to Public Officers	2,200,000	800,000	8,000,000	—
186	Department of Sri Lanka Railways	30601	Advances to Public Officers	530,000,000	325,000,000	1,993,000,000	—
187	Department of Sri Lanka Railways	30602	Railway Stores Advance Account	1,700,000,000	1,200,000,000	5,311,000,000	800,000,000
188	Department of Motor Traffic	30701	Advances to Public Officers	18,000,000	15,000,000	100,000,000	—
189	Department of Posts	30801	Advances to Public Officers	600,000,000	480,000,000	1,975,000,000	—
190	Department of Buildings	30901	Advances to Public Officers	20,000,000	12,000,000	95,000,000	—
191	Government Factory	31001	Advances to Public Officers	28,000,000	18,000,000	127,000,000	—
192	Government Factory	31002	Government Factory Stores Advance Account	120,000,000	120,000,000	10,000,000	20,000,000
193	Government Factory	31003	Government Factory Work Done Advance Account	260,000,000	280,000,000	180,000,000	5,000,000
194	Department of National Physical Planning	31101	Advances to Public Officers	15,000,000	7,000,000	106,000,000	—

SRL No.	Ministries / Departments	Item No.	I Activities of the Government	II	III	IV	V
				Maximum Limits of Expenditure of Activities of the Government	Minimum Limits of Receipts to be Credited to the Accounts of Activities of the Government	Maximum Limits of Debit Balance of Activities of the Government	Maximum Limits of Liabilities of Activities of the Government
				Rs.	Rs.	Rs.	Rs.
195	Department of Civil Security	32001	Advances to Public Officers	170,000,000	155,000,000	150,000,000	—
196	Department of National Botanical Gardens	32201	Advances to Public Officers	20,000,000	8,500,000	60,000,000	—
197	Department of Legal Affairs	32301	Advances to Public Officers	1,000,000	200,000	3,000,000	—
198	Department of Management Audit	32401	Advances to Public Officers	2,000,000	1,200,000	11,000,000	—
199	Department of Community Based Correction	32601	Advances to Public Officers	10,000,000	3,000,000	33,000,000	—
200	Department of Land Use Policy Planning	32701	Advances to Public Officers	18,000,000	6,500,000	48,500,000	—
201	Department of Man Power & Employment	32801	Advances to Public Officers	20,380,000	7,700,000	59,000,000	—
Total				18,070,260,000	14,070,260,000	48,689,516,000	1,337,000,000

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA MAWATHA, POLHENGODA, COLOMBO 05 before 15th December each year in respect of the year following.